

Company number: 1408520
Charity Number: 280805

Disability Law Service

Report and financial statements
For the year ended 31 May 2019

Contents

For the year ended 31 May 2019

Reference and administrative information	1
Trustees' annual report	2
Independent examiner's report	14
Statement of financial activities (incorporating an income and expenditure account)	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19

Reference and administrative information

For the year ended 31 May 2019

Company number 1408520 (incorporated in the United Kingdom)

Charity number 280805 (registered in England & Wales)

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

Trustees Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of winding up. The total number of such guarantees at 31 May 2019 was 9 (2018 – 10). The Trustees have no beneficial interest in the charitable company.

Rich Watts	Chair
Lynne Brooke	Company Secretary (to February 2019)
Sarah Holloway	
Laura McLeod	
Mark Newbery	
Brenda Parkes	
Vijay Samtani	
Nicola Talbot –Hadley	
Berit Thoresen	
Alexander Woolfson	

Principal staff	Eric Appleby	Chief Executive
	David Laurence	Deputy Chief Executive

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

Bankers Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

Independent Examiner Fleur Holden
Sayer Vincent LLP
118–114 Golden Lane
London
EC1Y 0TL

The Trustees present their report and the financial statements for the year ended 31 May 2019. Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Structure, governance and management

Legal framework

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

Disability Law Service (DLS) provides independent, free and confidential legal advice, representation, information, training and consultancy. Its beneficiaries are disabled adults and children, their carers, enablers and families. Over the last 44 years DLS has grown steadily from a parent support group to a highly respected organisation providing a much-needed range of professional services. DLS's Patrons are Professor Luke Clements, Sir Ed Davey MP, paralympian Andrew Small and the Right Honourable Lord Woolf of Barnes

Board of Trustees and staff

The Board of Trustees comprise 9 members, 4 of whom are disabled people and 3 the parents of disabled people. Trustees are also Directors of the Company. The Board considers that its primary role is to establish and monitor the strategic direction of the charity, ensure financial viability, adhere to the highest standards of governance and actively maintain its commitment to equal opportunities and combating discrimination. The Trustees are committed to maintaining the balance of disabled Board members to non-disabled.

The Board meet bi-monthly and hold an Annual General Meeting each calendar year. Trustees take decisions on all matters concerning governance, major strategic plans and finance. Day to day operational matters, including staffing, work planning and finance are delegated to paid staff through the Chief Executive.

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

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

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to the accounts.

Remuneration Policy

Remuneration is set by the trustees with regard to market rates. Salaries are reviewed annually, taking into account external factors, any changes in levels of individual responsibility and overall affordability. Trustees have set a policy whereby no member of staff will be paid less than the London Living Wage.

Risk Review The Trustees have assessed the principal risks and uncertainties to which the organisation is exposed, in particular those relating to the key operational areas of the charity and its finances in line with Charity Commission guidance. Whilst Trustees believe exposure to risk is unavoidable they believe that by ensuring controls over key financial systems, monitoring reserve levels and thoroughly examining on a regular basis the operational and business risks faced by the charity, they have established effective systems to mitigate any risks.

The main risk faced over the year has been that of ensuring a flow of funds sufficient to sustain the levels of service and to meet the increasing demand for our services. The time lag between carrying out work and receiving reimbursement from the Legal Aid Agency has been a significant contributory factor in this respect. The flow of funds continues to be one of the key risks faced by DLS going forward. This is being mitigated by the early negotiation and renewal of funding agreements and by the maximisation of legal aid income. In a small organisation working at full capacity, a further risk is posed by the possibility of staff having extended periods of absence or leaving. This is mitigated by the training and deployment of expert volunteers who are able to step in fill any such gaps. Trustees have continued to review risks on a regular basis and taken steps to mitigate them, both day-to-day and longer-term.

Change Management

2018-19 saw DLS continue to build on the level and scope of its activities. With three year funding in place for our Employment and Welfare benefits services and a renewed contract for the provision of a legal helpline for the MS Society, we initiated new legal aid contracts in the areas of Community Care and Housing & Debt in September 2018 and employed two new solicitors and an additional paralegal to undertake this work. With a contract from the MS Society we were able to establish a new post providing specialist advice on welfare benefits to people with MS. With the additional expertise and capacity afforded by the two additional solicitors, we were pleased to be able to offer training contracts to two of our paralegals.

Public Benefit

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

Objectives and Activities

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

Its current key objectives are:

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

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

Legal Access Service

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

Specialist Legal Advice

This service gives disabled people access to a solicitor or qualified legal adviser for free, providing confidential legal advice in the areas of community care and employment and discrimination law. Each advisor provides telephone advice and responds to email and letter enquiries.

During the year our SQM quality mark fell due for renewal and, following an external audit, we were re-awarded the accreditation with no areas of non-compliance and no corrective actions required, an almost unheard of outcome.

Casework

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

Information

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

We are working continuously on improving the website in order to make it more accessible to our service users. Our new site, recently upgraded for improved accessibility, has seen many more people making use of it and more people contacting DLS as a result. Allied to this, our Facebook page and twitter accounts are also proving to be a rich source of shared information and mutual support between our users.

In November we expect to launch WorkRights, a new digital guided pathway, to increase the ways in which disabled people can access advice.

Volunteers

Volunteers provide a vital role helping DLS meet the demand for its service and the Board is committed to sustaining and developing their involvement in our work. DLS has over the past year increased the number of volunteers assisting us on a regular basis through the development of strong relationships with the University of Law and the LSE. The charity trains and supports volunteers who assist its legal, administration and communication activities. Many of these are part-qualified law students who are keen to get the sort of experience and supervision that DLS can provide.

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

Employees from large city law firms Linklaters and Kirkland & Ellis have provided pro bono assistance with clinics focusing on Employment and Community Care cases respectively. DLS would like to thank the volunteers for their time, commitment and support to DLS.

Policy and Advocacy

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

We have continued our campaign to amend the Equality Act such that carers should have the same right to reasonable adjustments in the workplace as the disabled people for whom they care. We met with Maria Miller MP, chair of the Women and Equalities Select Committee, to argue this case. Our patron, Sir Ed Davey has introduced an Early Day Motion calling for this change to the Equality Act, and this garnered the signature of 44 MPs. Sir Ed has also agreed to introduce a Ten Minute Rule Bill to amend the Equality Act which will be introduced to Parliament at an appropriate time. Finally, Metro newspaper has published an online article about our campaign.

Last year, through cases presenting to us, we identified a trend whereby children with autism are being denied care assessments unless they have some other condition. We conducted a survey which was open for two months and received over 150 responses. 97% of those responses offered

evidence of an autistic child being refused an assessment by the Children with Disabilities team, with 80% of those children not offered an alternative assessment, leading to 59 Local Authorities being identified as having an unlawful policy. This year we have commenced work with a national media organisation, together with our patron Professor Luke Clements and a number of his students from Leeds University, to review the policies of all Local Authorities in England, following Freedom of Information Act requests made to them. Our hope is that this will lead to national media coverage of this campaign.

We are open to working with other charities to provide legal input into their campaigns, and this year have worked with Rethink in relation to the potential unlawfulness of the out-of-area inpatient care of mental health patients. This work involved cooperation with the London School of Economics, who provided a team of students to assist with the research.

Legal advice and casework in 2018–19

Over the year DLS' legal access service answered 24,824 calls seeking help for legal advice, information and other help with legal problems; this is a 50% increase on the previous year and reflects not just the increased staffing but also the massive contribution made by our volunteers. Increasingly, however, requests are coming in via email and social media. Many of these will receive simple advice from our trained helpline staff, while over 3,000 cases were passed on to our expert advisors. However, we are not able to assist in every case, where the issues lie outside our remit or because of limited capacity and, wherever possible, these are signposted elsewhere for help.

Referrals come from telephone helplines, information and advice agencies and from other disability charities and reach us via phone, email and, increasingly, via social media. Free specialist legal advice was provided by the DLS legal team in the areas of Community Care, Discrimination, Employment, Housing and Welfare Benefits

Employment & Discrimination

The Employment & Discrimination Team provides specialist legal advice and casework support to disabled people and in cases where it provides representation has a success rate of 80%, either through suitable adjustments being made to enable employment to continue or through an out-of-court settlement being reached that is satisfactory to the client.

This work is funded by a grant from Trust for London which has been renewed until September 2020. The ongoing relationship with Trust for London (TfL) is a testament to the importance and value of this work. We have ongoing contact with TfL through its employment law forum

During the course of the year we have provided advice and assistance to over 600 disabled employees in relation to their employment problems. They have been able to benefit from a telephone advice session from both our specialist employment solicitor and a part time legal executive in order to gain a better understanding about their legal rights in any particular situation they find themselves in at work as well as gaining a better understanding of Tribunal processes.

Trustees' annual report

For the year ended 31 May 2019

Many of these were provided with substantive casework and representation in respect of problems with their employment, enabling them to challenge unfairness and discrimination at work.

An example of our work:

Ms TO suffers from sickle cell anaemia. She was employed by a large retail firm in their marketing department. Her engagement was through an agency, but she initially made good progress and was expecting to be offered permanent employment. However due to her disability she had sickness absence and, after explaining that this was due to her disability (which she had not previously disclosed) she found herself being excluded at work and was eventually dismissed. She initiated a claim herself but this was partially dismissed as it included claims that she was not in a position to pursue. She approached DLS when her final hearing was approaching as she was concerned that treatment she was receiving for her disability would leave her unable to attend the hearing. We successfully obtained an adjournment of the hearing for her. Ultimately we represented her in preparing for the final hearing and in light of the fact that she was no longer a litigant in person the Respondents entered into negotiations which led to a settlement of her claim for £8,000 together with an agreed reference.

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

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

Community Care

With the benefit of a new Legal Aid contract and increased staffing, our Community Care team were able to offer more than 2,100 acts of assistance to disabled people fighting to obtain the support that they need to live.

NG is transgender and identifies as non-binary. NG has complex mental health conditions, repetitive strain injury as well as chronic fatigue and pain.

They had an assessment in September 2016 which identified that they have care and support needs. This was not followed up by the social worker or council until April 2018 when NG had another assessment which also identified they have social care needs which were not followed up or put in place. NG tried to request for assessments and support but was ignored by the Council for a number of months.

We requested another assessment because of the time that has passed which was carried out. The social worker put forward 19 hours, 15 minutes to the Panel which was not agreed. We argued that NG requires this support and there was no clear reason why the hours were not agreed.

NG now has a care package of 19 hours, 15 minutes a week to support them with their care and support needs at home and in the community. They have direct payments so that they can pay a personal assistant of their choice.

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

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

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

Housing

With a new Legal Aid contract, we were pleased to add Housing to the areas of law in which we are able help disabled people. Not being previously known for this area of expertise, it has taken a while for a flow of cases and enquiries to develop. However, the service is now established and has taken on a range of issues. Most frequent have been cases of local authorities refusing to accept individuals as homeless, often claiming that they have made themselves intentionally so, thereby rendering them ineligible for housing assistance. Other cases feature repossession by landlords – who may be private, local authority or a housing association – matters of disrepair or harassment by landlords.

Ms N is a client in her late 30's who approached us for help with her homelessness application. Ms N suffered from and was diagnosed in 2018 with myasthenia gravis, a condition causing abnormal weakness of certain muscles. The local authority had that she was ineligible for housing assistance as she had no permanent right to residence in the UK, resulting in a decision to terminate the interim accommodation provided to the client following her homelessness application submission. This meant she had to vacate the property the following week.

Having established her eligibility for legal aid help and assistance, DLS contacted the council to request the client's housing file, ask for a review of their decision and ask to request an extension of the interim accommodation pending the review decision. Just one day before she was due to vacate the interim accommodation at 10.00am, the council said they were unable to extend the interim accommodation until they had received the representation and evidence confirming she was eligible. We immediately drafted representation, provided evidence of residence in the UK since 2010 and of being assessed medically unfit to work from late 2017. The council reversed its decision and Ms N has now been admitted onto the council's waiting list and is awaiting allocation of permanent residence.

MS Legal Line

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

The service has been contacted on more than 1,700 separate occasions. Callers are offered a full telephone appointment to explore the issues and receive full legal advice, with further support as necessary. With a new MS Benefits advisor in post the MS Legal Officer was able to increase the level of support given to employment cases. Nearly one in three clients benefited from on-going advice with 190 acts of casework taking place where an individual feels that they have no option but to go to an employment tribunal to enforce their rights.

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

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

Mr F is a 59-year old from Essex. He contacted the MSLO after receiving a written warning following his diagnosis of MS. The MSLO helped Mr F lodge a claim in the Employment Tribunal and represented him at a preliminary hearing and a 2-day judicial mediation. The MSLO negotiated a settlement which enabled Mr F to remain in the job he had done for almost 20 years. This included compensation for injury to feelings, reasonable adjustments, a salary increase and disability awareness training for managers.

Mr F said: "Without the support from Steve at the Disability law Service I don't think it would have been possible to take my company to Judicial Mediation in Canary Wharf in front of a judge....if you feel you need to talk to a professional Steve's your man. Always at the end of the phone or email. Always had answer for my questions when asked. I cannot praise Steve and the DLS enough...My faith in humanity has been restored".

Welfare Benefits

It is no surprise that our Welfare Benefits advice service has continued to attract an overwhelming number of enquiries – over 1,500 in the last year. These are supplemented by the weekly outreach sessions at three different venues. Despite benefiting from the assistance of a number of trained and knowledgeable volunteers throughout the year, the service is stretched beyond the point where we are able to deal with all the requests for help that we receive.

Our Benefits Advisor was able to represent a limited number of clients at Tribunals but it is clear that there still remains a huge unmet need both for representation and for other forms of advice and support. At one level, there is a need for basic form-filling, for advice on appeals or, in some cases, simply reassurance that the client is taking the right steps themselves. We are unable to attend assessments, a service for which there is a massive demand and there is also a pressing need for advocacy on behalf of many clients. Outreach sessions are notable for the significant numbers of people with mental health problems who are experiencing multiple issues and with limited support.

In January 2019, thanks to a new contract with the MS Society, we opened an advice line dedicated to offering benefits advice to people with multiple sclerosis. This was immediately working to full capacity, once again demonstrating the huge and ever-increasing demand for help in this area.

We recently represented a client at their PIP appeal hearing. This client lives with paranoid schizophrenia and auditory hallucinations which are constant. This client was awarded 0 points by a DWP decision maker after the IAS assessor deemed their mental state as being stable. We challenged this decision and the Tribunal awarded the Enhanced rate of both the daily living and mobility components for 5 years. This client will receive over 12 months in backdated benefit. This is just one example of the inadequate assessments being carried out by IAS especially for those with hidden disabilities. Claimants are having to wait for over 12 months to have an appeal hearing which is in itself a very stressful process.

Financial Review

2018–19 saw an increase of 35% in income, with the growth coming mostly via restricted funds, while expenditure grew by 38%. While the year overall delivered a surplus, this was the result of a large restricted fund project carrying over into 2019/20. A small planned deficit in unrestricted funds (balancing a surplus from the previous year) was increased by the time lags built into the Legal Aid Agency's process for billing and paying for work carried out. As we enter the second year of this contract we expect the hiatus caused by the system in Year 1 to be ironed out.

Looking ahead, we have four more years of the Legal Aid contracts and three-year grants from the Three Guineas Trust and Trust for London for welfare benefits and employment advice respectively. We have received three years' of core funding from the Henry Smith Charity and were also during the year recognised as a Centre Of Excellence by the London Legal Support Trust, thereby qualifying for an automatic grant of £10,000.

Alongside these grants we are fortunate to receive support from a number of smaller trusts and Foundations, meaning that we maintain the flexibility to respond to cases in a timely manner.

We have built on our partnership with the MS Society to create a specialist MS Benefits Advisor post. We continue to benefit from generous corporate sponsorship from Linklaters law firm, who have confirmed their support for a further three years. They also support us in other ways with in-kind donations, as do Herbert Smith Freehills. In addition, we have receive both regular and one-off donations from individual supporters, while our runners in the London Marathon have again succeeded in exceeding all their fundraising targets by a considerable margin, such that we have increased the targets for our 2020 runners.

The funding environment remains challenging and the scale of unmet need significant. DLS is in a healthy position, but we will continue to review and develop different routes for fundraising in the coming year in order to increase our unrestricted income and provide the flexibility that is essential to a healthy and responsive organisation.

Reserves policy

The Trustees aim to hold a minimum of three months operating costs in unrestricted reserves and had set a target of 4 – 6 months. At the end of 2018–19 unrestricted reserves stand at £127,382, representing 5 months' expenditure. The Board will annually review its reserves policy to ensure there is a realistic and practical reserve to protect against the immediate impact of possible reductions in funding. Free reserves at year end (excluding the designated capital fund) were £117,569. Restricted funds held at year end totalled £95,731.

Information on fundraising practices

Disability Law Service's fundraising strategy is to focus on trusts, foundations and partnerships with other disability organisations. With the exception of those taking part on our behalf in the

Trustees' annual report

For the year ended 31 May 2019

London Marathon and the London Legal Walk, there have been no fundraising events or fundraising campaigns around individual giving or community fundraising. There were no relationships with professional fundraisers or commercial participators during the year nor any complaints related to fundraising. DLS is aware of the need for particular care to be taken when seeking funds from potentially vulnerable donors and does not seek donations from its clients.

Plans for the future

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

Our current five year plan expires in 2020 and we are pleased to have succeeded in achieving, or exceeding, most of the targets set in that plan. Trustees and staff have worked collaboratively to develop a new plan that will be launched in January 2020. We will continue to seek responsible and sustainable expansion of the services that we provide and to increase our capacity to look at different modes of delivery to ensure that we are as accessible to a wide range of disabled people as our resources will effectively allow. We will be seeking to build on our new digital guided pathway in relation to reasonable adjustments in the workplace by expanding it into other areas of law relating to disability as a means of enabling more people to take the first steps to improving their position.

Statement of the Trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (United Kingdom Generally Accepted Accounting Practice) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

Trustees' annual report

For the year ended 31 May 2019

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

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 May 2019 was 9 (2018:10). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies

The directors acknowledge the following responsibilities:

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

Independent Examiner

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

Approved by the Trustees on 26 November 2019 and signed on their behalf by

Rich Watts
Chair

Independent examiner's report

To the members of

Disability Law Service

I report to the trustees on my examination of the accounts of Disability Law Service for the year ended year ended 31 May 2019.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011 and Companies Act 2006 ('the 2006 Act'). My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity trustees of the Company you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act')/Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011 ('the 2011 Act').

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accounts in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- The accounts do not accord with those records; or
- The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

Independent examiner's report

To the members of

Disability Law Service

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report to enable a proper understanding of the accounts to be reached.

Signed:

Name: Fleur Holden FCA

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

4 December 2019

Disability Law Service

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

For the year ended 31 May 2019

	Note	Restricted £	Unrestricted £	2019 Total £	2018 Total £
Income from:					
Donations	3	–	115,549	115,549	113,196
Charitable activities					
Legal advice and casework	4	340,930	58,227	399,157	275,611
Sundry income		–	8,992	8,992	–
Total income		340,930	182,768	523,698	388,807
Expenditure on:					
Raising funds		–	15,311	15,311	14,816
Charitable activities					
Legal advice and casework		262,307	193,673	455,980	327,463
Total expenditure	5	262,307	208,984	471,291	342,279
Transfers between funds		6,942	(6,942)	–	–
Net income/(expenditure) for the year and net movement on funds	6	85,565	(33,158)	52,407	46,528
Reconciliation of funds:					
Total funds brought forward		10,166	160,540	170,706	124,178
Total funds carried forward		95,731	127,382	223,113	170,706

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

Disability Law Service

Balance sheet

Company no. 1408520

As at 31 May 2019

	Note	£	2019 £	2018 £
Tangible fixed assets	9		<u>9,813</u>	<u>6,450</u>
Current assets				
Debtors	10	25,000		1,085
Work in progress		35,178		–
Cash at bank and in hand		190,433		184,869
		<u>250,611</u>		<u>185,954</u>
Creditors: Amounts falling due within one year	11	<u>37,311</u>		<u>21,698</u>
Net current assets			<u>213,300</u>	<u>164,256</u>
Net assets	12		<u><u>223,113</u></u>	<u><u>170,706</u></u>
Funds				
Restricted funds			95,731	10,166
Unrestricted funds				
Capital fund			9,813	6,450
General funds			117,569	154,090
Total funds	13		<u><u>223,113</u></u>	<u><u>170,706</u></u>

Audit exemption statement

For the financial year ended 31 May 2019, the charitable company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The Trustees acknowledge their responsibilities for:

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

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

Approved by the Trustees on 26 November 2019 and signed on their behalf by

Rich Watts
Chair

Disability Law Service

Statement of cash flows

For the year ended 31 May 2019

	2019 £	2018 £
Cash flows from operating activities	16,739	57,722
Cash flows from investing activities		
Purchase of property, plant and equipment	(11,176)	(9,215)
Net cash used in investing activities	(11,176)	(9,215)
Change in cash and cash equivalents in the year		
Cash and cash equivalents at the beginning of the year	184,870	136,363
Cash and cash equivalents at the end of the year	190,433	184,870

Note to the cashflow statement

Reconciliation of net movement in funds to Net cash flow from operating activities

Net movement in funds	52,407	46,528
Loss on disposal of fixed assets	1,688	–
Depreciation charges	6,124	3,384
(Increase)/decrease in debtors	(23,915)	6,738
(Increase)/decrease in work in progress	(35,178)	–
Increase / (decrease) in creditors	15,613	1,072
Net cash provided by/(used in) operating activities	16,739	57,722

1 Accounting policies

a) Statutory information

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

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

b) Basis of preparation

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

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

c) Public benefit entity

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

d) Going concern

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

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

e) Interest receivable

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

f) Voluntary income

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

g) Revenue grants

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

h) Contractual income

Contractual income is recognised when earned.

i) Restricted funds

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

j) Designated funds

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

k) Unrestricted funds

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

Notes to the financial statements

For the year ended 31 May 2019

1 Accounting policies (continued)

l) Staff costs

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

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

m) Expenditure

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

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

n) Governance costs

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

o) Depreciation

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

▪ Fixtures, fittings and office equipment	20%
▪ Computer equipment	33%
▪ Website costs	20%

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

p) WIP

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

q) Debtors

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

r) Cash at bank and in hand

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

s) Operating leases

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

t) Creditors and provisions

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

u) Pension scheme

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

2 Detailed comparatives for the statement of financial activities for 2017/18

	2018 Restricted £	2018 Unrestricted £	2018 Total £
Income from:			
Donations	–	113,196	113,196
Charitable activities			
Legal advice and casework	245,250	30,361	275,611
Total income	245,250	143,557	388,807
Expenditure on:			
Raising funds	–	14,816	14,816
<i>Charitable activities</i>			
Legal advice and casework	241,746	85,716	327,463
Total expenditure	241,746	100,533	342,279
Net income/(expenditure for the year and net movement on funds)	3,504	43,024	46,528
Transfers between funds	(6,966)	6,966	–
Reconciliation of funds:			
Total funds brought forward	13,628	110,550	124,178
Total funds carried forward	10,166	160,540	170,706

3 Donations – all unrestricted

	2019 Total £	2018 Total £
Donations from individuals	22,049	2,876
Esmée Fairbairn Foundation	20,000	30,000
Donald Forrester Charitable Trust	5,000	–
Henry Smith Charity	15,000	–
R & D Slowe Charitable Trust	–	10,000
Sobell Foundation	2,500	–
Marsh Christian Trust	–	400
Linklaters	40,000	40,000
Zedra Trust Company	–	2,000
London Marathon Sponsorship	–	14,921
Grocers Charity	5,000	–
Truemark Trust	–	4,000
29th May 1961 Charitable Trust	3,000	3,000
Goldsmiths	3,000	–
The Cotton Trust	–	1,000
Persula Foundation	–	5,000
Total	115,549	113,196

Notes to the financial statements

For the year ended 31 May 2019

4a Legal advice and casework

	Restricted £	Unrestricted £	2019 Total £
<i>Grant Income:</i>			
Trust for London	50,000	–	50,000
MS Society	96,000	–	96,000
Three Guineas Trust	80,000	–	80,000
LEF	114,930	–	114,930
<i>Other Income:</i>			
Legal Help and Legal Aid	–	58,227	58,227
	<u>340,930</u>	<u>58,227</u>	<u>399,157</u>

4b Legal advice and casework (prior year)

	Restricted £	Unrestricted £	2018 Total £
<i>Grant Income:</i>			
AB Charitable Trust	–	15,000	15,000
Trust for London	60,250	–	60,250
MS Society	70,000	–	70,000
Three Guineas Trust	80,000	–	80,000
Legal Education Foundation	20,000	–	20,000
Lottery Award for All	10,000	–	10,000
Clothworkers Foundation	5,000	–	5,000
<i>Other Income:</i>			
Legal Help and Legal Aid	–	15,361	15,361
	<u>245,250</u>	<u>30,361</u>	<u>275,611</u>

5a Total expenditure (current year)

	Fundraising & publicity £	Legal advice & casework £	2019 £	2018 £
Staff costs (Note 7)	8,005	312,176	320,181	221,804
Legal aid, legal help and other disbursements	–	2,905	2,905	309
Subscriptions	–	8,597	8,597	11,489
Depreciation	–	6,124	6,124	3,384
Professional indemnity insurance	–	5,287	5,287	4,280
Consultancy and HR expenses	–	47,161	47,161	29,849
Travelling expenses	–	7,135	7,135	3,551
Telephone	114	4,321	4,435	2,905
Premises costs	960	36,306	37,266	36,378
Printing, postage and stationery	164	6,217	6,381	11,929
Recruitment and training	–	12,477	12,477	3,300
Other costs	–	2,816	2,816	524
Fundraising costs	5,918	–	5,918	7,742
Governance costs:				
Independent examination	101	3,019	3,120	3,250
Other governance costs	49	1,439	1,488	1,585
Total expenditure	15,311	455,980	471,291	342,279

5b Total expenditure (prior year)

	Fundraising & publicity £	Legal advice & casework £	2018 £	2017 £
Staff costs (Note 7)	5,545	216,259	221,804	153,612
Legal aid, legal help and other disbursements	–	309	309	10,501
Subscriptions	–	11,490	11,490	4,884
Depreciation	–	3,383	3,383	600
Professional indemnity insurance	–	4,280	4,280	3,673
Consultancy and HR expenses	–	29,849	29,849	91,276
Travelling expenses	–	3,551	3,551	1,528
Telephone	75	2,830	2,905	7,166
Premises costs	938	35,440	36,378	31,486
Printing, postage and stationery	307	11,622	11,929	2,457
Recruitment and training	–	3,300	3,300	4,723
Other costs	–	524	524	1,044
Fundraising costs	7,742	–	7,742	5,931
Governance costs:				
Independent examination	113	3,137	3,250	4,500
Other governance costs	68	1,517	1,585	1,277
Total expenditure	14,788	326,841	342,279	324,658

Notes to the financial statements

For the year ended 31 May 2019

6 Net incoming / (expenditure)

This is stated after charging:

	2019 £	2018 £
Depreciation	6,124	3,384
Loss on disposal of fixed assets	1,688	-
Trustees' remuneration	-	-
Trustees' expenses	-	-
Independent examiner's remuneration	2,750	2,600

7 Staff costs and numbers

Staff costs were as follows:

	2019 £	2018 £
Salaries and wages	288,810	202,004
Social security costs	25,861	16,696
Pension costs	5,510	3,104
	320,181	221,804

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

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

	2019 No.	2018 No.
Legal advice and casework	9	7

Key management personnel are considered to be the Trustees of the charity, who receive no remuneration, together with the CEO. Total remuneration, including employer's national insurance contributions and employer's pension costs for the CEO (which is also the total remuneration for the key management personnel) during the year amounted to £41,557 (2018: 51,053).

8 Taxation

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

9 Tangible fixed assets

	Office equipment, fixtures & fittings £	Computer equipment £	Total £
Cost			
At 1 June 2018	2,275	9,716	11,991
Additions in year	–	11,176	11,176
Disposals in year	–	(3,994)	(3,994)
At 31 May 2019	2,275	16,898	19,173
Depreciation			
At 1 June 2018	579	4,963	5,542
Charge for the year	424	5,700	6,124
Eliminated on disposal	–	(2,306)	(2,306)
At 31 May 2019	1,003	8,357	9,360
Net book value at 31 May 2019	1,272	8,541	9,813
Net book value at 31 May 2018	1,696	4,754	6,450

All tangible fixed assets are used for direct charitable purposes.

10 Debtors

	2019 £	2018 £
Trade debtors	–	–
Accrued income	25,000	–
Prepayments	–	1,085
	25,000	1,085

11 Creditors: amounts falling due within one year

	2019 £	2018 £
Taxation and social security	8,053	2,660
Accruals	26,363	17,284
Other creditors	2,895	682
	37,311	20,626

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

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	–	9,813	–	9,813
Current assets	95,731	–	117,569	213,300
Net assets at 31 May 2019	95,731	9,813	117,569	223,113

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

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	–	6,450	–	6,450
Current assets	10,166	–	154,090	164,256
Net assets at 31 May 2018	10,166	6,450	154,090	170,706

13a Movements in funds (current year)

	At 1 June 2018 £	Income £	Expenditure £	Transfers between funds £	At 31 May 2019 £
Restricted funds:					
MS Society	4,192	96,000	(104,252)	4,060	–
Trust for London	–	50,000	(46,363)	–	3,637
Legal Education Foundation	–	114,930	(22,836)	–	92,094
Three Guineas Trust	5,974	80,000	(88,856)	2,882	–
Total restricted funds	10,166	340,930	(262,307)	6,942	95,731
Unrestricted funds:					
Designated capital	6,450	–	(6,124)	9,487	9,813
General funds	154,090	182,768	(202,860)	(16,429)	117,569
Total unrestricted funds	160,540	182,768	(208,984)	(6,942)	127,382
Total funds	170,706	523,698	(471,291)	–	223,113

13b Movements in funds (prior year)

	At 1 June 2017 £	Income £	Expenditure £	Transfers between funds £	At 31 May 2018 £
Restricted funds:					
MS Society	10,389	70,000	(72,386)	(3,811)	4,192
Trust for London	-	60,250	(60,250)	-	-
Local Sustainability Fund	3,239	-	(3,239)	-	-
Legal Education Foundation	-	20,000	(20,000)	-	-
Lottery for All	-	10,000	(10,000)	-	-
Three Guineas Trust	-	80,000	(74,026)	-	5,974
Clothworkers' Foundation	-	5,000	(1,845)	(3,155)	-
Total restricted funds	13,628	245,250	(241,746)	(6,966)	10,166
Unrestricted funds:					
Designated capital	618	-	-	9,215	6,450
General funds	109,932	143,557	(100,533)	(2,249)	154,740
Total unrestricted funds	110,550	143,557	(100,533)	6,966	160,540
Total funds	124,178	388,807	(342,279)	-	170,706

Purposes of restricted funds

MS Society

This fund is to cover the salary and on costs of the MS Legal Officer and staff expenses incurred in providing legal advice and casework for people with Multiple Sclerosis affected by Disability Discrimination in employment and community care.

Trust for London

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

Local Sustainability Fund (LSF)

This grant was made to enable DLS to recruit, train and deploy in-house counsel from commercial bodies as pro bono lawyers.

Legal Education Foundation

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

Three Guineas Trust

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

Lottery for All

The grant was to enable DLS to improve the accessibility of its website for disabled people.

Clothworkers' Foundation

This grant enabled DLS to upgrade its office, including the purchase of new equipment, in order to be able to accommodate more staff and volunteers.

Movements in funds (continued)

Purposes of designated funds

Capital Fund

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

Transfers

Transfers from unrestricted funds are to correct designated fund balance.

14 Operating lease commitments

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

	Property 2019 £	2018 £
Under 1 year	10,610	31,830
1 to 5 years	-	10,610
	<hr/> <hr/>	<hr/> <hr/>

15 Related party transactions

There are no related party transactions to disclose for 2019 (2018: none).

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