

Company registration number: 01294090
Charity registration number: 1146239

BRENT COMMUNITY LAW CENTRE LIMITED
(A company limited by guarantee)
Annual Report and Financial Statements
for the Year Ended 31 March 2019

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Directors' Report for the year ended 31st March 2019

The Board of Directors are pleased to submit their report and independently examined financial statements for the year ended 31st March 2019.

Reference and Administrative Information

BRENT COMMUNITY LAW CENTRE LIMITED is a charitable company limited by guarantee, incorporated as a company on 13th January 1977.

The company was established under a Memorandum of Association which established the objects and the powers of the charitable company and is governed under its Articles of Association.

BRENT COMMUNITY LAW CENTRE LIMITED is a registered charity (number 1146239) and is constituted as a company limited by guarantee (number 01294090). Its objects, powers and other constitutional matters are set out in its Memorandum and Articles of Association. These financial statements comply with current statutory Memorandum and Articles of Association and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with 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) and the Companies Act 2006.

Registered office: 389 High Road, Willesden, London, NW10 2JR

Directors

The directors of the company are its trustees for the purpose of charity law but throughout this report are collectively referred to as the directors. The directors serving during the year and since the year end were as follows:

Caroline Mary Bottoms - Chair	Sophia Barret
Francis Dove	Michael Ossei
Joseph William Sinclair	Tony Eaton

Principal Staff : James Stuart Duffin – Chief Executive Officer

Company Secretary: Tony Eaton

Bankers

Unity Bank Trust	Metro Bank
9 Brindley Place	The Townhouse, The Broadway
Birmingham	Ealing, London
B1 2HB	W5 5JN

Independent Examiners

Additude Ltd
9 Rhapsody Court
Wakeman Road
London NW10 5DF

Directors' Report for the year ended 31st March 2019 (continued)**OBJECTS AND ACTIVITIES****Objectives and aims**

The charity's principal objective and activity is to provide legal advice to the residents of the London Borough of Brent. Its fundamental aims are to provide free legal advice and representation for the people who live or work in Brent and surrounding areas.

This will be achieved by:

- i. the provision of high-quality specialist legal advice in the areas set out in our governing document;
- ii. encouraging participation in governance of the Law Centre by the local residents;
- iii. improving residents' knowledge of their rights through education and policy work;
- iv. ensuring a strong and sustainable Law Centre for the people of Brent.

Principal charitable activities

The principal charitable activity of BRENT COMMUNITY LAW CENTRE LIMITED is in seeking to meet the above aims. We deliver our services through our office in Willesden.

Public Benefit

BRENT COMMUNITY LAW CENTRE LIMITED provides a range of services as detailed in pursuance of its charitable aims. In setting our objectives each year the Directors have regard to the Charity Commission's guidance on public benefit and ensure activities we undertake are in line with our charitable objectives and aims.

The Directors are satisfied that the Company's activities throughout the year provided public benefit because it delivered aid and assistance to the residents of the London Borough of Brent and those working in the area.

Review of Achievements and Performance

BRENT COMMUNITY LAW CENTRE LIMITED provides free legal advice and representation in housing, employment, community care, asylum and immigration, public law, debt and welfare benefits.

The Law Centre uses volunteers in the provision of its services to assist caseworkers and to help with administration duties.

The Law Centre receives its core funding from the London Borough of Brent Council via a contract with Citizens Advice Brent, under which the Centre deal with referrals of clients who need specialist legal advice. The Centre also provides specialist legal advice to clients referred by other local advice agencies including Ashford Place and Trust for London.

The Law Centre runs a number of projects for local residents, including those experiencing difficulties with debt, those affected by the cuts to welfare benefits provision and those needing assistance with employment rights law. These projects are funded by the London Borough of Brent, Garden Court Chambers and Trust for London respectively.

Directors' Report for the year ended 31st March 2019 (continued)

Financial Review

The charity has had a challenging year financially. Income on its Unrestricted Funds was £204,752 (2018 - £292,415) and on its Restricted Funds £83,100 (2018 - £43,600). The Charity generated a deficit during the year of £46,141 (2018 – Surplus of £17,322). Free reserves (that is, funds which are neither restricted nor designated) reduced from £449,021 to £402,880 at 31 March 2019.

BCLC is in the process of restructuring its services and its finances to create a more sustainable model.

Structure, Governance and Management**Governing document**

BRENT COMMUNITY LAW CENTRE LIMITED is a charitable company limited by guarantee, incorporated as a company on 13th January 1977 and registered as a Charity on 05th March 2012.

The company was established under a Memorandum of Association which established the objects and the powers of the charitable company and is governed under its Articles of Association.

Recruitment and appointment of new trustees

The Directors as charity trustees have control of BRENT COMMUNITY LAW CENTRE LIMITED and its property and funds. The minimum number of Trustees shall be three, but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. Trustees are recruited via the Annual General Meeting. Induction and training of board members takes place during the Management Committee meetings.

Organisational structure

It is the Board's duty to:

- Establish the guiding principles and policies for the organisation (through the decision-making process outlined below).
- To delegate responsibility and authority to those who are responsible for enacting the principles and policies (e.g. the CEO and Staff).
- To monitor compliance with those guiding principles and policies.
- To ensure that Staff and Board alike are held accountable for their performance.

The Board of Trustees delegates the day-to-day management to the CEO. Individual areas of law practiced are supervised by suitably qualified members of staff.

Governance

Responsible governance of the company is exercised through the Board of Trustees who are all directors of the company ('the Board'). The Board is made up of independent lay members who are responsible for the conduct of the charity and for ensuring that it satisfies all legal and contractual obligations. The directors are volunteers and are not remunerated for their time.

The Board is responsible for setting the strategic direction of the company and is ultimately accountable for how effectively the company meets the defined aims through direct charitable

Directors' Report for the year ended 31st March 2019 (continued)

activity. The Board employs executive, administrative and operational staff to engage in activities related to governance as defined by SORP (FRS102) such as strategic planning and direct charitable activities such as advice services to service users.

The Board meets at least four times a year. The Board delegates day to day responsibility to the Chief Executive who is required to attend Board meetings and to report on all operational and financial matters including staff matters and service delivery.

Principle Risks and Uncertainties

The Company undertakes periodic reviews for different areas of risk including, insurance cover; health and safety policies in the workplace; working with vulnerable people; financial affairs; personnel practices; ICT technology. In relation to these matters, and apart from matters completely outside the Company's control, the Directors consider that the risks to which the Company is subject have been mitigated to a satisfactory level.

The trustees have a risk management strategy which comprises:

- An ongoing review of the principal risks and uncertainties the charity faces.
- The establishment of policies, systems and procedures to mitigate those risks identified.
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available and incoming funds.

Related parties

No trustees received any payment of money or other material benefit (whether directly or indirectly) from the Charity except for reimbursement of reasonable out of pocket expenses as per our Memorandum and Articles.

Reserves policy

It is the Charity's policy to hold free reserves at a level which can cover up to 6 months expenditure on unrestricted funds not including fixed assets to allow for unseen contingencies.

Plan for future periods

The Charity will continue to provide services in the areas that it mainly covers and is aiming to increase its work in specialist legal advice, in housing, employment and immigration law where the demand is highest.

Directors' Report for the year ended 31st March 2019 (continued)

Statement as to Disclosure of Information to Independent Examiner

Each of the persons who are directors at the time when this report is approved confirms that:


- (a) So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- (b) to the best of their knowledge and belief, each director has taken all the steps that ought to have been taken as a director, including making appropriate enquiries of fellow directors and of the company's auditor for that purpose, in order to make themselves aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Independent Examiners

A resolution to re-appoint Additude Ltd as the company's independent Examiner will be put forward to the forthcoming Annual General Meeting.

The directors have prepared this report in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:

..........

Caroline Mary Bottoms – Chair

Date: 27th July 2019

Directors' Report for the year ended 31st March 2019 (continued)**Statement of Trustees' responsibilities**

The Trustees (who are also the Directors of BRENT COMMUNITY LAW CENTRE LIMITED for the purposes of company law) are responsible for preparing the Directors' Annual Report 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 or expenditure, of the charitable company for that period.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The Trustees are responsible for keeping proper and 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.

Independent Examiner's Report to the Directors of BRENT COMMUNITY LAW CENTRE LIMITED for the year ended 31st March 2019

We report on the accounts of the company for the year ended 31 March 2019, which are set out on pages 8 to 15.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company 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 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of CIPFA.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities 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 the 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 statement below.

Independent examiner's statement

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

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

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

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.



Andi Dollia, CPFA

ADDITUDE LTD
9 Rhapsody Court
Wakeman Road
London NW10 5DF

Date: 27 July 2019

Statement of financial activities for the year ended 31st March 2019
(incorporating an income and expenditure account)

		2019			2018		
		Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
Income from:	Note	£	£	£	£	£	£
Donations and legacies	2	-	4,858	4,858	-	8,954	8,954
Charitable activities	3	83,100	199,877	282,977	43,600	283,433	327,033
Bank Interest		-	17	17	-	28	28
Total income		<u>83,100</u>	<u>204,752</u>	<u>287,852</u>	<u>43,600</u>	<u>292,415</u>	<u>336,015</u>
Expenditure on:	4						
Raising funds		-	21,288	21,288	-	4,750	4,750
Charitable activities		83,100	229,605	312,705	43,600	270,343	313,943
Other		-	-	-	-	-	-
Total expenditure		<u>83,100</u>	<u>250,893</u>	<u>333,993</u>	<u>43,600</u>	<u>275,093</u>	<u>318,693</u>
Net income (expenditure)		<u>-</u>	<u>(46,141)</u>	<u>(46,141)</u>	<u>-</u>	<u>17,322</u>	<u>17,322</u>
Transfers between funds		-	-	-	-	-	-
Other recognised gains/(losses)		-	-	-	-	-	-
Net movement in funds		<u>-</u>	<u>(46,141)</u>	<u>(46,141)</u>	<u>-</u>	<u>17,322</u>	<u>17,322</u>
Reconciliation of funds:							
Total funds brought forward		-	449,021	449,021	-	431,699	431,699
Total funds carried forward		<u>-</u>	<u>402,880</u>	<u>402,880</u>	<u>-</u>	<u>449,021</u>	<u>449,021</u>

The notes on pages 10 to 15 form part of these financial statements.

Balance Sheet as at 31st March 2019

	Note	2019 £	2018 £
Fixed Assets			
Tangible fixed assets	8	478,000	494,042
Current assets			
Debtors	9	52,871	84,077
Other Debtors		26,500	55,799
Cash at bank		7,627	15,166
		86,998	155,042
Creditors: amounts falling due within one year	10	162,118	200,063
Net current assets		(75,120)	(45,021)
Net assets	11	402,880	449,021
Funds	12		
Restricted		-	-
Unrestricted		402,880	449,021
Total funds		402,880	449,021

For the year ended 31 March 2019 the company was entitled to exemption under section 477 of the Companies Act 2006; and no notice has been deposited under section 476. No members have required the company to obtain an audit of its accounts for the year in question. The directors acknowledge responsibility for: i) Ensuring the company keeps accounting records which comply with section 386; and ii) Preparing financial statements which give a true and fair view of the state of affairs of the company as at the year-end in accordance with requirements of section 394 and 395, and which otherwise comply with requirements of the Companies Act 2006 relating to financial statements, so far applicable to the company. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Directors on *27th July 2019* and signed on their behalf by:



Caroline Mary Bottoms
Chair, Director

Notes to the Financial Statements for the year ending 31st March 2019

1. Accounting policies**a. Going concern**

The Trustees confirm that at the time of approving the financial statements, there are no material uncertainties regarding the Charity's ability to continue in operational existence for the foreseeable future. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance in the current economic conditions, its business plan and its reserves position. For this reason, the going concern basis continues to be adopted in the preparation of the Charity's financial statements.

b. Basis for preparation

The financial statements have been prepared under the historic cost convention unless otherwise stated in the relevant accounting policy notes and 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 (FRS102) (effective 1st January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The principal accounting policies that have been applied to all years presented in these financial statements are set out below.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Trustees to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

c. Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property – at varying rates on cost

Fixtures, fittings & equipment – 25% on straight line

d. Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably. Donations and grants are split between restricted and unrestricted funds in accordance with the terms of the grant or donation. Donations and gifts are recognised in the statement of financial activities when receivable. Income from government and other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Donated services and facilities are included at the value to the charity where this can be quantified.

Bank interest is recognised on an accrual basis.

Notes to the Financial Statements for the year ending 31st March 2019 (continued)

e. Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, exclusive of any VAT. It is recognised when there is a legal or constructive obligation to pay for it. Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff or resources used on those activities.

f. Defined contribution pension scheme

The charity operates a defined contribution scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. Donations and Legacies

	Restricted	Unrestricted	2019 Total	2018 Total
	£	£	£	£
Garden Court Chambers	-	4,000	4,000	4,000
Other Grants and Donations	-	858	858	4,954
Total	-	4,858	4,858	8,954

3. Income from Charitable Activities

	Restricted	Unrestricted	2019 Total	2018 Total
	£	£	£	£
Trust for London	30,000	-	30,000	37,500
Big Lottery Fund	8,400	-	8,400	-
London Legal Support	2,500	-	2,500	6,100
London Borough of Brent (CIL)	42,200	-	42,200	-
Provision of legal services	-	178,943	178,943	262,027
Other activities and earned income	-	20,934	20,934	21,406
Total	83,100	199,877	282,977	327,033

**Notes to the Financial Statements for the year ending 31st March 2019
(continued)**

4. Total Expenditure

Expenditure	Raising funds	Charitable activities	Support Costs	2019 Total	2018 Total
		£	£	£	£
Staff costs (note 6)	15,186	212,605	30,372	258,163	249,110
Recruitment, Training and Other staff costs	-	-	523	523	2,196
Rent, Insurance and Services	-	-	11,953	11,953	4,522
Office Overheads	-	-	15,303	15,303	7,470
Communications and IT	-	5,043	-	5,043	5,193
Bank Charges	-	-	762	762	227
Legal Services delivery costs	-	9,634	-	9,634	9,252
Independent Examination fee	-	-	2,250	2,250	4,750
Other Professional fees	-	-	14,320	14,320	20,919
Depreciation	-	-	16,042	16,042	15,054
	15,186	227,282	91,525	333,993	318,693
Add: allocation of support costs	6,102	85,423	(91,525)	-	-
Total expenditure	21,288	312,705	-	333,993	-

5. Net income/(expenditure) for the year

This is stated after charging / crediting:

	2019 £	2018 £
Depreciation	16,042	15,054
Independent Examination fees	2,250	4,750

No expenses were reimbursed to trustees during the year.

Notes to the Financial Statements for the year ending 31st March 2019
(continued)**6. Staff Costs**

	2019 £	2018 £
Salaries and wages	230,207	218,842
Social security costs	17,370	16,084
Pension contributions	10,586	14,184
	258,163	249,110

The average weekly number of staff (expressed as full-time equivalents) during the year was 8.5 (2018: 9.0)

	2019 No.	2018 No.
Raising funds	0.5	0.5
Charitable activities	7.0	7.0
Support costs	1.0	1.5
	8.5	9.0

7. Taxation

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

8. Tangible fixed assets

	Freehold property £	Fixtures, fittings and equipment £	Total £
Cost			
As at 1 April 2018	500,000	23,589	523,589
Disposals	-	-	-
As at 31 March 2019	500,000	23,589	523,589
Depreciation			
As at 1 April 2018	12,500	17,047	29,547
Disposals	-	-	-
Charge for the year	12,500	3,542	16,042
As at 31 March 2019	25,000	20,589	45,589
Net Book Value			
As at 31 March 2018	487,500	6,542	494,042
As at 31 March 2019	475,000	3,000	478,000

Notes to the Financial Statements for the year ending 31st March 2019
(continued)**9. Debtors**

	2019	2018
	£	£
Trade debtors	52,871	78,611
Other debtors	26,500	55,799
Prepayment and accrued income	-	5,466
	79,371	139,876

10. Creditors: amounts due within 1 year

	2019	2018
	£	£
Trade creditors	18,288	46,045
Taxation and social security	30,620	6,867
Other Creditors	31,960	13,350
Accruals and provisions	81,250	133,801
	162,118	200,063

11. Analysis of net assets between funds

	Restricted Funds	Unrestricted funds	Total funds
	£	£	£
Tangible fixed assets	-	478,000	478,000
Net current assets	-	(75,120)	(75,120)
Net assets at the end of the year	-	402,880	402,880

Notes to the Financial Statements for the year ending 31st March 2019
(continued)

12. Movements in Funds

	At the start of the year	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
Unrestricted funds:					
General funds	39,521	204,752	(240,393)	-	3,880
Revaluation Reserve	409,500	-	(10,500)	-	399,000
Total unrestricted funds	449,021	204,752	(250,893)	-	402,880
Restricted funds:					
Trust for London	-	30,000	(30,000)	-	-
Big Lottery Fund	-	8,400	(8,400)	-	-
London Legal Support	-	2,500	(2,500)	-	-
London Borough of Brent (CIL)	-	42,200	(42,200)	-	-
Total restricted funds	-	83,100	(83,100)	-	-
Total Funds	449,021	287,852	(333,993)	-	402,880

Purposes of funds

General funds: these are available for use at the Directors' discretion in furtherance of the objectives of the charity.

Restricted funds: these are donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

