

Registered number: 02524320
Charity number: 1004114

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

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CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023

Trustees

V A Lewis
J Masson
J R Nicol, Chair
J Hunston, Treasurer
L E Rutherford
S Watson, Vice Chair
K Lockney (resigned 2 August 2023)
Michelle Wright (appointed 8 February 2022)

Company registered number

02524320

Charity registered number

1004114

Registered office

8 Spencer Street
Carlisle
Cumbria
CA1 1BG

Accountants

Full Circle Accountancy Limited
The Office
Mardale Road
Penrith
Cumbria
CA11 9EH

Bankers

Clydesdale Bank
82 English Street
Carlisle
Cumbria
CA3 8HP

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the financial statements of the Cumbria Law Centre for the 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The Law Centre is established for the following purposes:

- (i) to afford those without or lacking access to advice, information or education the ability and opportunity to protect and defend their legal rights and entitlements and to obtain redress for wrongs they have suffered
- (ii) the advancement of education amongst persons resident or working in the benefit area.
- (iii) the advancement of such other charitable purposes as are beneficial to the persons resident or working in the benefit area.

Our purpose is to provide free, easily accessible legal services to local people. Our emphasis is on combating poverty, oppression and social exclusion.

We hope, through the use of legal means, to achieve social change for the better.

Strategies for achieving objectives

The Law Centre currently serves the residents of Carlisle, Eden, Allerdale and Copeland. As a Law Centre, our emphasis is on tackling difficulties of poverty and oppression, and we make a priority of addressing the needs of those who cannot access legal help from private solicitors, and those who find it difficult for other reasons of exclusion to access services. We deliver our core initial legal advice in three ways:

- Telephone advice line (01228 515129) open to any resident of Carlisle, Allerdale, Copeland and Eden for advice on any weekday morning. We receive up to 30 new queries every day.
- Working in partnership with organisations such as Eden Housing Association including appointments at their premises and home visits. Home visits have grown as a key way of accessing vulnerable clients.

We conduct in-depth casework to a specialist level in the following areas of law: housing, employment, welfare benefits, debt. Our casework activity is funded chiefly through our contract with the Legal Aid Agency.

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

Review of activities

The running of the Law Centre continues to be a challenging task, one mirrored up and down the county in other centres. Whilst there is currently a growing need for specialist advice in the community, funding remains a challenge and we are constantly looking for new sources of funding. The complexity of matching legal aid with people in need is another key issue for us. Nevertheless, the centre has performed well and served the community in cases of debt, welfare benefits, housing and employment. The impact for those we help is substantial, often life-changing, and we have returned more than £1.6 million to some of the most vulnerable, socially isolated and economically poor people in our county. We have helped more than 200 individuals and families to avoid the impending loss of their home and taken more than 300 people from a position of poverty and hopelessness to a position of some financial security, offering them a certain amount of hope for the future. The unknown effects of the setting up of the two unitary local authorities to replace the previous arrangements will hopefully become clearer in the coming months.

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

Our performance against objectives:

Main objectives for the year were:

Service Delivery

- 1. Continue with Covid-safe business practices in changing conditions** – Fully achieved – we operated smoothly and supported vulnerable staff, volunteers and clients.
- 2. Succeed in attaining new Legal Aid housing contract if and when tendered** – Fully achieved – we attained and we are operating both a housing and debt legal aid contract and also the HLPAS (Housing Loss Prevention Advice Service)
- 3. Attain new housing court duty contract** – Fully achieved – see above.
- 4. Explore and pursue opportunities in other, emerging legal aid funded areas such as for probation service users** – Partly achieved – though we haven't developed services for Probation users, we are involved in a local Youth Hub with the JobCentre and have also applied for legal aid contracts in Community Care and Discrimination for 2024.
- 5. Develop our funded housing work in areas such as injunctions** – Fully achieved – we have undertaken some very complex cases under legal aid certificates for some clients with very serious needs.
- 6. Develop delivery of employment law and potential for charging for services** – Fully achieved – the service has grown very well and we are able to recoup some costs through work on settlement agreements.
- 7. Retain our cooperation with Eden Housing Association** – Fully achieved – A full service ran through 2022/23 though we do expect this to be reduced from late 2023.
- 8. Continue work on upgrades and redecoration of our building, including a full appraisal of all work that is needed, up- to-date estimates / quotations and detailed prioritising of those jobs for funding purposes** – Partly achieved – we have continued to do the groundwork for this.
- 9. Submit Lottery bid in relation to that building work** – Partially achieved – though we have not yet made a Reaching Communities bid, we have bid to the 'Community Cost of Living Fund' of the National Lottery for the first part of the work.
- 10. Ensure compliance with Lexcel Standards** – Fully achieved – we received probably our best ever feedback from Lexcel following the audit in January 2023.

Finance/Funding

- 1. Set and achieve a budget that represents breakeven performance over the years 2022/2023** – Partially achieved, we expect the financial year 2023/24 to finish with a substantial surplus offsetting small losses in the two previous years.
- 2. Enhance fundraising capabilities either by working with fundraisers or recruiting a development worker** – Partially achieved – office manager, Jo-Anne Wood took on some considerable fundraising work with the Head of Centre and this helped us lay the groundwork for what may be our best year in the last decade in terms of trusts and foundations in 2023/24.
- 3. Protect our local authority funding in Carlisle and Copeland** – Fully achieved – both were continued at the same rate with a small amount of extra funding from Copeland (£5,000).

Governance

- 1. Support Management Committee's development, governance work and recruitment** – Partially achieved – work is ongoing but it is recognised that new members must be recruited in 2023/24 to secure the future effectiveness of the Management Committee. Committee members did attend some online sessions run by the Law Centres Network and this contributed greatly to the group's understanding and vision in terms of governance.

Outreach

- 1. Further develop links and referral activity with local private practice** – Partially achieved – active links remain in terms of referral and support for clients but more could be done to promote sharing of supervision etc.
- 2. Develop initiative to promote the centre to the public and develop membership as a result** – Not achieved – in a year that presented funding challenges, little progress was made in developing and growing the Law Centre membership, though it remains at healthy levels with over 100 active Members.

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

Main objectives for the year to March 2024:

Service Delivery

1. Succeed in attaining new Legal Aid housing contract covering early help and court duty.
2. Secure new LA contract in general housing work.
3. Develop our funded housing work in complex cases including certificated work.
4. Develop delivery of employment law and potential for charging for services – charging review to be carried out by September 2023.
5. Retain our cooperation with Eden Housing Association concentrating on the most specialist advice.
6. Secure funding and bring work on upgrades and redecoration of our building.
7. Recruit to bolster legal services in housing as well as supervisory and management options.
8. Build on recruitment to deliver housing law in a more county-wide way, including connecting people with specialist services in the south of the county.
9. Ensure compliance with Lexcel Standards.

Finance/Funding

1. Set and achieve a budget that represents a small surplus (£20k) across the years 2022-2024.
2. Secure Lottery funding for building work and enhanced services or equivalent funding .
3. Secure continued funding from Cumberland and attempt to regain funding in Westmorland and Furness areas.
4. Cash position at end of 2024 to be at least £150k including reserves.
5. Bid for 'Improving Outcomes' grant.
6. Achieve full cost recovery in all possible funding bids.

Governance

1. Support ManCo's development, governance work and recruitment – co-opt two new members to Manco before AGM in Nov 2023.
2. Manco strategic review.
3. The Law Centre plans to run annual Staff and Trustee training days and arranges other in-house training to meet identified needs.

Outreach

1. Further develop links and referral activity with local private practice.
2. Develop initiative to promote the centre to the public and develop membership as a result.
3. Continue volunteer programs with students and individuals and explore further links with University of Cumbria.

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

In conclusion

We have come out of the Covid crisis to find a world that has changed in many ways. Working from home and virtual meetings do not always provide the solutions that were hoped for. Personal contact and networking have proved difficult often leading to feelings of isolation. There is now a greater emphasis on health and mental health issues in particular are becoming recognised as a major problem. Locally, asylum seekers have been added to our community as well as those escaping the fighting in Ukraine. And over all of these we have had yet another economic crisis. It is not surprising that the need for support from organisations like ours is growing but at a time when finding funding is getting more competitive as resources shrink.

This has been another challenging year, but that is no surprise! Law Centres throughout our Network are experiencing an array of challenges in terms of how to fund and develop their much-needed services. Though there has been some supposed expansion of the services funded under legal aid to those facing the loss of their home, the new HLPAS contracts would not come into effect until September 2023 and, even then, the problem of clients falling through the net remain. As a result, we are still finding it very difficult to fund our work through legal aid. Not least because there is a difficult 'chicken and egg' dynamic when bidding for contracts. The available pool of social welfare specialists has dwindled massively – one might even suggest collapsed - in the last decade. As a result, the ability to meet the supervisor requirements for legal aid contracts is a really tough task, especially when those contracts only contribute a small amount of income. The wide population dispersal in Cumbria makes delivery even more complex and expensive. Our new housing duty court contract covers days at both Barrow and Carlisle Courts – but only makes a contribution of less than £10,000 per annum, despite needing around three days per week of solicitor time to make it work smoothly. So, it is certainly difficult and complicated to design and deliver an effective and sustainable service.

But, our clients need us! So, we do find ways. But it is clear that our service relies ever more heavily on trusts and foundations and especially, perhaps, the grants emanating from the Community Justice Fund. Without them, and the understanding of the Access to Justice Foundation, funding a small regional law centre may well have seemed impossible in recent years. As it is, we are moving into the financial year 2023/24 with optimism in terms of our fundraising. We are in fact expecting a particularly good year in terms of that stream of income. This will only bring us into a position of relative steadiness over the life of the current business plan but, in the current climate, that is a significant achievement. However, we aspire to more. At the time of writing, the centre is currently recruiting a trainee solicitor and a supervising caseworker, and this will not only grow our ability to help people in need immediately but will sow the seeds for the future too. This has been thanks to success in the 'Improving Outcomes Through Legal Services' fund and a bid to the MoJ. Bringing in new people, especially with the energy of trainees, is always a cause for celebration. Elsewhere, it is 'so far so good' in negotiating what might happen to local government grants as a result of reorganisation in the county, but we know that the future cannot be taken for granted in terms of this source of support. We must continue to effectively communicate the value of what we do and the significant savings it brings to the public purse in reducing homelessness and the need for emergency accommodation and support to those who find themselves in that terrible situation.

For now, we continue to offer support, free to the person in need of it, in matters of debt, housing, welfare benefits and employment and continue to offer a lifeline to those who find their income, their accommodation, their job and essentially their world collapsing around them. I think we can be immensely proud of that.

As ever, I would like to thank my colleagues on the Management Committee for their tireless contributions and support. But, as ever, the big thanks must go to all the staff and volunteers who put their shoulder to the wheel each day and keep the service running. We are well aware of what you do and the contribution that you make to the lives of the people that you help. We would also like to thank the Law Centres Network for the help and support that it has given, especially with regard to the tendering processes.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

Finally, as ever, we would like to thank those who have contributed to us financially during the 2022/3 year, namely:

Carlisle City Council
Copeland Borough Council
The Indigo Trust
Eden Housing Association
The Legal Aid Agency
Access to Justice Foundation

We sincerely appreciate your help and understanding of our work and our needs, and we could not serve our community without your support.

As we do every year, we have also produced a small volume of case studies that go some way to describing the difficulties faced by our clients, our work in response and the help provided to us by our volunteers.

We really encourage you to read that in conjunction with this report and attached accounts to understand the human and legal aspects of our work better. It will be available electronically via our website and Facebook page from the date of our AGM page or you can email petemoran@cumbria-law.org.uk to have a copy sent to you. The stories told in there are important and often very moving.

Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

In order to enable the uninterrupted service of the charity, free reserves equivalent to three months of the total unrestricted expenditure should be maintained. If the level of free reserves falls below this level, the trustees and management committee will be informed at the first available meeting and action shall be decided upon to obviate any risk to service.

At the year end, there are insufficient free reserves to meet the target reserves of three months operating expenditure. The trustees are aware of this shortfall in reserves and aim to restore the required level as soon as possible but see the shortfall as only a temporary situation. The trustees continue to seek additional sources of income to restore the reserves position.

Principal funding

The Law Centre's chief sources of income are the Legal Aid Agency, Eden Housing Association and the local authorities, Carlisle City Council and Copeland Borough Council. The Management Committee are grateful to all three local authorities for their continuing support for the Law Centre's vital work. In this financial year the Law Centre has also benefited from funds received from Indigo Trust and The Big Lottery as well as Cumbria Community Foundation. In order to sustain all of the Law Centre's activities, additional funding is required, and the current business plan contemplates successful bids for new funding over the next few years. We continue to work hard to find alternative sources to help us continue as much of our provision as possible.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Material investments policy

Cumbria Law Centre operates in accordance with the powers detailed within its Memorandum and Articles of Association.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Structure, governance and management

Constitution

Cumbria Law Centre is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on the 20 July 1990. The Memorandum and Articles of Association comprise the governing document, as updated in November 2022.

Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. Under the Law Centre's Articles of Association the Trustees are known as the management committee. The committee is re-elected each year at the Annual General Meeting. The Law Centre seeks to ensure that its management committee is representative of the communities that it serves.

Organisational structure and decision-making policies

There shall be no fewer than five, nor more than thirteen members of the Trustees (management committee). Following the amendments to the Constitution made in 2014, Trustees are no longer drawn from particular organisations but are chosen from the community on their own merits following open recruitment.

Policies adopted for the induction and training of Trustees

The Law Centre recognises the need for its management committee members to be familiar with the work of the organisation. The Law Centre runs an annual Staff and Trustee training day and arranges other in-house training to meet identified needs. Trustees are also encouraged to attend external training to develop their skills and to keep their knowledge current. An annual budget is set aside for Trustees' training.

Related party relationships

There are none to declare.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The major risk to which the charity is exposed is the financial risk of lack of committed long term core funding. While the charity is funded by the Legal Aid Agency (formerly the Legal Services Commission), or by service level agreements with local authorities, the provision of services is always dependent upon the goodwill and continued support of these bodies. The trustees have been active in ensuring that the requirements of the ongoing Legal Aid Agency contracts have been met by staff. This has been a key piece of work during this period.

In order to mitigate the risk, the management committee through the Head of Centre seeks to meet all contract and agreement targets, and to negotiate continued realistic funding, which will allow service provision and the Law Centre to meet its constitutional objectives.

Trustees' indemnities

The charity has insurance that provides an indemnity for a trustee against any liability for negligence, default, breach of duty or breach of trust by them in relation to the charity.

Members' liability

The Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' 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 period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 14 November 2023 and signed on their behalf by:

J Nicol - Chair

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Independent Examiner's Report to the Trustees of Cumbria Law Centre ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2023.

Responsibilities and Basis of Report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charity 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 Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the Charity'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 ICAEW, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. 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
4. 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 [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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 in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's 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 Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 14 November 2023

Jonathan Miller

FCA DChA

Full Circle Accountancy Limited

Chartered Accountants

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

Note	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£	£
INCOME FROM:				
Donations and legacies	3 428	-	428	<i>87,296</i>
Charitable activities	4 281,384	50,000	331,384	<i>263,101</i>
Investments	6 316	-	316	<i>35</i>
Other income	7 856	-	856	<i>-</i>
	<hr/> 282,984	<hr/> 50,000	<hr/> 332,984	<hr/> <i>350,432</i>
EXPENDITURE ON:				
Charitable activities	8 316,083	51,727	367,810	<i>359,737</i>
	<hr/> 316,083	<hr/> 51,727	<hr/> 367,810	<hr/> <i>359,737</i>
NET MOVEMENT IN FUNDS	<hr/> (33,099)	<hr/> (1,727)	<hr/> (34,826)	<hr/> <i>(9,305)</i>
RECONCILIATION OF FUNDS:				
Total funds brought forward	99,842	18,913	118,755	<i>128,060</i>
Net movement in funds	(33,099)	(1,727)	(34,826)	<i>(9,305)</i>
TOTAL FUNDS CARRIED FORWARD	<hr/> 66,743	<hr/> 17,186	<hr/> 83,929	<hr/> <i>118,755</i>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 26 form part of these financial statements.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02524320

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023	2022
		£	£
FIXED ASSETS			
Tangible assets	13	9,466	13,668
CURRENT ASSETS			
Debtors	14	3,257	3,170
Cash at bank and in hand		92,904	117,282
		96,161	120,452
CREDITORS: amounts falling due within one year	15	(21,698)	(15,365)
		74,463	105,087
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		83,929	118,755
NET ASSETS		83,929	118,755
TOTAL ASSETS		83,929	118,755
 CHARITY FUNDS			
Restricted funds	16	17,186	18,913
Unrestricted funds	16	66,743	99,842
TOTAL FUNDS		83,929	118,755

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 14 November 2023 and signed on their behalf by:

J Nicol
(Chair of Trustees)

The notes on pages 15 to 26 form part of these financial statements.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(24,694)	1,568
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	316	35
Purchase of tangible fixed assets	-	(1,097)
	<hr/>	<hr/>
Net cash provided by/(used in) investing activities	316	(1,062)
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(24,378)	506
Cash and cash equivalents at the beginning of the year	117,282	116,776
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	92,904	117,282
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 15 to 26 form part of these financial statements

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Cumbria Law Centre is a company limited by guarantee, domiciled in England and Wales, registration number 02524320. It is a registered charity number 1004114. The company's registered office is 8 Spencer Street, Carlisle CA1 1BG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cumbria Law Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

CUMBRIA LAW CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.5 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 institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 10% reducing balance
Fixtures and fittings	- 20% reducing balance and 20% straight line
Property improvements	- 17% reducing balance

2.7 Debtors

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

2.8 Cash at bank and in hand

Cash at bank and 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.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Pensions

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.11 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£
Donations	428	428	600
Grants	-	-	80,013
Government grants	-	-	6,683
Total 2023	<u>428</u>	<u>428</u>	<u>87,296</u>
<i>Total 2022</i>	<u>87,296</u>	<u>87,296</u>	

4. Income from charitable activities

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£	£
Legal Services	55,898	-	55,898	36,370
Grants	225,486	50,000	275,486	226,731
Total 2023	<u>281,384</u>	<u>50,000</u>	<u>331,384</u>	<u>263,101</u>
<i>Total 2022</i>	<u>197,101</u>	<u>66,000</u>	<u>263,101</u>	

CUMBRIA LAW CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Grants

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£	£
Carlisle City Council	90,100	-	90,100	90,100
Copeland Borough Council	20,000	-	20,000	20,000
Eden Housing Association	-	50,000	50,000	66,000
The Indigo Trust	50,000	-	50,000	50,631
Access to Justice Foundation	64,696	-	64,696	-
Other grants	690	-	690	-
Total 2023	<u>225,486</u>	<u>50,000</u>	<u>275,486</u>	<u>226,731</u>
<i>Total 2022</i>	<u>160,731</u>	<u>66,000</u>	<u>226,731</u>	

6. Investment income

	Unrestricted funds 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£
Investment income	316	316	35
<i>Total 2022</i>	<u>35</u>	<u>35</u>	

7. Other incoming resources

	Unrestricted funds 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£
Other incoming resources	856	856	-

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023	Restricted funds 2023	Total 2023	<i>Total 2022</i>
	£	£	£	£
Legal Services	316,083	51,727	367,810	359,737
<i>Total 2022</i>	<i>241,020</i>	<i>118,717</i>	<i>359,737</i>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2023	Support costs 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£	£
Legal Services	337,546	30,264	367,810	359,737
<i>Total 2022</i>	<i>330,941</i>	<i>28,796</i>	<i>359,737</i>	

CUMBRIA LAW CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Legal Services 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£
Staff costs	307,188	307,188	290,575
Depreciation	4,202	4,202	3,129
Premises expenses	3,374	3,374	3,986
Travel and subsistence	2,004	2,004	1,875
Legal and professional	13,511	13,511	15,788
Equipment leasing	6,405	6,405	8,514
Sundry	-	-	3,655
Training	862	862	3,419
	<u>337,546</u>	<u>337,546</u>	<u>330,941</u>
<i>Total 2022</i>	<u>330,941</u>	<u>330,941</u>	

Analysis of support costs

	Legal Services 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£
Premises expenses	698	698	-
Telephone	5,892	5,892	6,867
Computer costs	4,423	4,423	1,962
Printing postage stationery	4,551	4,551	2,973
Legal and professional	441	441	2,902
Repairs and maintenances	3,857	3,857	4,647
Sundry	2,834	2,834	1,600
Insurances	5,742	5,742	5,980
Governance costs	1,826	1,826	1,865
Total 2023	<u>30,264</u>	<u>30,264</u>	<u>28,796</u>
<i>Total 2022</i>	<u>28,796</u>	<u>28,796</u>	

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,300 (2022 - £1,230).

11. Staff costs

	2023	2022
	£	£
Wages and salaries	272,370	258,642
Social security costs	21,228	19,276
Contribution to defined contribution pension schemes	13,590	12,657
	307,188	290,575
	307,188	290,575

The average number of persons employed by the Charity during the year was as follows:

	2023	2022
	No.	No.
Charitable staff	9	9
Support staff	2	2
	11	11
	11	11

No employee received remuneration amounting to more than £60,000 in either year.

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Property improvements £	Total £
Cost or valuation					
At 1 April 2022	81,310	44,557	16,595	21,020	163,482
At 31 March 2023	<u>81,310</u>	<u>44,557</u>	<u>16,595</u>	<u>21,020</u>	<u>163,482</u>
Depreciation					
At 1 April 2022	74,387	42,520	12,422	20,485	149,814
Charge for the year	692	408	3,011	91	4,202
At 31 March 2023	<u>75,079</u>	<u>42,928</u>	<u>15,433</u>	<u>20,576</u>	<u>154,016</u>
Net book value					
At 31 March 2023	<u><u>6,231</u></u>	<u><u>1,629</u></u>	<u><u>1,162</u></u>	<u><u>444</u></u>	<u><u>9,466</u></u>
At 31 March 2022	<u><u>6,923</u></u>	<u><u>2,037</u></u>	<u><u>4,173</u></u>	<u><u>535</u></u>	<u><u>13,668</u></u>

14. Debtors

	2023 £	2022 £
Due within one year		
Prepayments and accrued income	3,257	3,170
	<u>3,257</u>	<u>3,170</u>

15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	6,893	6,242
Other taxation and social security	7,981	4,205
Other creditors	5,524	3,688
Accruals and deferred income	1,300	1,230
	<u>21,698</u>	<u>15,365</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022	Income	Expenditure	Balance at 31 March 2023
	£	£	£	£
Unrestricted funds				
General funds	99,842	282,984	(316,083)	66,743
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds				
Restricted funds	18,913	50,000	(51,727)	17,186
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	118,755	332,984	(367,810)	83,929
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted funds				
General Funds - all funds	56,430	284,432	(241,020)	99,842
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds				
Restricted funds	71,630	66,000	(118,717)	18,913
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	<u>128,060</u>	<u>350,432</u>	<u>(359,737)</u>	<u>118,755</u>

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
General funds	99,842	282,984	(316,083)	66,743
Restricted funds	18,913	50,000	(51,727)	17,186
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>118,755</u>	<u>332,984</u>	<u>(367,810)</u>	<u>83,929</u>

Summary of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2022 £</i>
General funds	56,430	284,432	(241,020)	99,842
Restricted funds	71,630	66,000	(118,717)	18,913
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>128,060</u>	<u>350,432</u>	<u>(359,737)</u>	<u>118,755</u>

CUMBRIA LAW CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023
	£	£	£
Tangible fixed assets	9,466	-	9,466
Current assets	78,975	17,186	96,161
Creditors due within one year	(21,698)	-	(21,698)
Total	66,743	17,186	83,929

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022</i>	<i>Restricted funds 2022</i>	<i>Total funds 2022</i>
	£	£	£
Tangible fixed assets	13,668	-	13,668
Current assets	97,851	22,601	120,452
Creditors due within one year	(11,677)	(3,688)	(15,365)
Total	99,842	18,913	118,755

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

	2023	2022
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(34,826)	(9,305)
Adjustments for:		
Net cash used in operating activities	(34,826)	(9,305)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand	125	285
Cash at bank	92,779	116,997
Total cash and cash equivalents	92,904	117,282

21. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	117,282	(24,378)	92,904
	117,282	(24,378)	92,904

22. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £13,590 (2022 - £12,657); an amount of £1,836 (2022 £Nil) was payable to the fund at the balance sheet date and is included in creditors.