

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 2024

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 2024

Trustees

V A Lewis
J Masson
J R Nicol, Chair
J Hunston, Treasurer
L E Rutherford
S Watson, Vice Chair (resigned 10 June 2024)
K Lockney (resigned 2 August 2023)
Michelle Wright

Company registered number

02524320

Charity registered number

1004114

Registered office

8 Spencer Street
Carlisle
Cumbria
CA1 1BG

Accountants

Seavor (South Cumbria) 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 2024

The Trustees present their annual report together with the financial statements of the Cumbria Law Centre for the period from 1 April 2023 to 31 March 2024. 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 from 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

Cumbria Law Centre endeavours to service those who work or live in Cumbria, though funding across the country varies. 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
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

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 and advice agencies. Whilst there is currently a growing need for specialist advice in the community, funding remains a key challenge but one into which we have put very considerable effort in the last year. We have had considerable success too and achieved a slightly more stable financial position as well as funding some vital new strands of work. We have achieved more than £1.1 million in financial benefits for 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. So far, we have maintained our funding relationship with the new Cumberland Council, retained our legal aid contracts and added to this new strands of funding through the Access to Justice Foundation, as well as adding to the team. This has been a good year in all ways, as you will see below.

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

Our performance against objectives:

Main objectives for the year were:

Service Delivery

- 1) Succeed in attaining new Legal Aid housing contract covering early help and court duty** – Fully achieved.
- 2) Secure new LA contract in general housing work** – Fully achieved.
- 3) Develop our funded housing work in complex cases including certificated work** – Fully achieved.
- 4) Develop delivery of employment law and potential for charging for services - charging review to be carried out by September 2023** – Achieved – our service was very effectively delivered and it was agreed that there is ongoing need for a free access employment advice for those on low incomes.
- 5) Retain our cooperation with Eden Housing Association concentrating on the most specialist advice** – Partly achieved – we have maintained a funded partnership but at a much smaller scale than before.
- 6) Secure funding and being work on upgrades and redecoration of our building** – Partly achieved – significant funding has been secured and some repairs undertaken but the main work on the inside of the building is likely to begin late in 2024.
- 7) Recruit to bolster legal services in housing as well as supervisory and management options** – Fully achieved – Dan Abel has provided both a new qualified solicitor as well as line management in the casework team. We have also recruited a new trainee solicitor, Gareth Morris.
- 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** – Partly achieved – we have certainly made progress and we continue to be the front line court service for the south of the county.
- 9) Ensure compliance with Lexcel Standards** - Fully achieved - one of our best ever Lexcel reports was achieved in February 2024.

Finance/Funding

- 1) Set and achieve a budget that represents a small surplus (£20k) across the years 2022-2024** – Fully achieved – in fact our surplus was well in excess of this can be seen in the following accounts.
- 2) Secure Lottery funding for building work and enhanced services or equivalent funding** – Partly achieved – some of our funds for building work have contributions from the Big Lottery but our main bid to BLF will now be in 2025.
- 3) Secure continued funding from Cumberland and attempt to regain funding in Westmorland and Furness areas** – Partly achieved – we have secured ongoing Cumberland funding but as yet have not regained funding from W&F Council.
- 4) Cash position at end of 2024 to be at least £150k including reserves** – Fully achieved.
- 5) Bid for 'Improving Outcomes' grant** - Fully achieved and our bid was successful.
- 6) Achieve full cost recovery in all possible funding bids** – Fully achieved.

Governance

Support ManCo's development, governance work and recruitment – co-opt two new members to Manco before AGM in Nov 2023 – Partly achieved – though this was not possible for the AGM in 2023, it has been done in advance of the 2024 AGM.

Manco strategic review – Partly achieved – some considerable work was done on aims, objectives and management and supervision structures of the centre.

Outreach

- 1) Further develop links and referral activity with local private practice** – Not achieved – whilst we maintain an excellent working relationship with the sector, we did not build further on that in any formal way. Instead, emphasis was placed on vital funding work and recruitment.
- 2) Develop initiative to promote the centre to the public and develop membership as a result** – Not achieved – but through our recruitment we will greatly improve our ability to develop social media work, a key element of such promotional initiatives.
- 3) Continue volunteer programs with students and individuals and explore further links with University** – Fully achieved – it has been another remarkable year for all of our volunteer programmes, mainly thanks to the excellent work of our volunteer coordinator, Fiona McCrum.

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

In conclusion

The centre is currently very busy! Recent recruitment has brought new life and energy to the office and the staff group and the demand coming to our door and through the courts has also steadily risen. In addition, the volunteer activities are always oversubscribed, and always receive glowing feedback from participants. Of course, all of this requires a significant level of funding in order to keep a service running and to provide all of those varied volunteering experiences. That is a goal on we have concentrated in the last two years. The result as you will see is that we have generated a not-insignificant cash surplus this year, though it should be said that much of that money is forward-committed for work in 2024. However, we have, in recent times, been fortunate to be chosen by the Access to Justice Foundation as a grantee in two major schemes, the 'Improving Lives Through Advice' and 'Improving Outcomes Through Legal Services' funds. These projects bring together money from Ministry of Justice and Big Lottery and are administered and run by ATJF. They continue the work begun under the Community Justice Fund and our centre has been a very fortunate recipient of funds at almost every stage. The focus of the money is to help provide free advice to vulnerable people and, where possible to keep them out of the most sapping, worrying and indeed expensive stages of legal process. In short, it is an attempt to use legal advice to prevent serious social and economic consequences for those who can least afford them.

Through our court work under the Housing Loss Prevention Scheme, we have continued to provide expert 'on the day' representation to those facing possession and eviction proceedings and we partner with Citizens Advice Allerdale in the west of the county to cover all such sessions. This is a lifeline to so many who find themselves facing potential homelessness.

Our employment work, through Adrian Farley, continues to receive excellent feedback from clients and, at the time of writing, we are confident that we will be able to bolster this work with some legal aid-funded discrimination casework during 2025.

Our welfare benefits and debt work is delivered to 'walk in' clients and through a number of referral and partner projects, working with Eden Housing Association, the Youth Hub and many other partners to meet the complex needs of those service users. We can, as ever, be immensely proud of the work we have done in across all areas of law.

We have, as mentioned, been able to do all of this whilst also improving our cash position and our aim is to do so again in the year to March 2025. This will be a tough task but we are confident. However, we must work hard to find the next partnerships and fundable projects beyond that date and that search is already underway. Along with the incredible support from Access to Justice Foundation, we must also thank Indigo Trust for their enormous help over a number of years. Just when we thought an already generous grant was ending, we were delighted to receive further funding that took us through to the end of 2024. This has really been essential support and we sincerely appreciate their trust in us and their support, especially during challenging moments.

Finally, as ever, we would like to thank those who have contributed to us financially during 2023/24, namely:

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

Cumberland Council
Access to Justice Foundation
The Legal Aid Agency
Access to Justice Foundation
Eden Housing Association

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.

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.

Material investments policy

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

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

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 2024

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 2024

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 12 November 2024 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 2024

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 2024.

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: 12 November 2024

Jonathan Miller

FCA DChA

Seavor (South Cumbria) 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 2024**

Note	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024	<i>Total funds 2023</i>
	£	£	£	£
INCOME FROM:				
Donations and legacies	3	189	-	189
Charitable activities	4	331,843	182,693	514,536
Investments	6	688	-	688
Other income	7	1,799	-	1,799
		<u>334,519</u>	<u>182,693</u>	<u>517,212</u>
TOTAL INCOME				
EXPENDITURE ON:				
Charitable activities	8	240,158	94,837	334,995
		<u>240,158</u>	<u>94,837</u>	<u>334,995</u>
TOTAL EXPENDITURE				
		<u>94,361</u>	<u>87,856</u>	<u>182,217</u>
NET MOVEMENT IN FUNDS				
RECONCILIATION OF FUNDS:				
Total funds brought forward		66,743	17,186	83,929
Net movement in funds		94,361	87,856	182,217
		<u>161,104</u>	<u>105,042</u>	<u>266,146</u>
TOTAL FUNDS CARRIED FORWARD				

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

The notes on pages 14 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 2024

	Note	2024	£	2023	£
FIXED ASSETS					
Tangible assets	13	9,768		9,466	
CURRENT ASSETS					
Debtors	14	9,672	3,257		
Cash at bank and in hand		267,116	92,904		
		276,788	96,161		
CREDITORS: amounts falling due within one year	15	(20,410)	(21,698)		
		256,378		74,463	
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES		266,146		83,929	
NET ASSETS		266,146		83,929	
TOTAL ASSETS		266,146		83,929	
CHARITY FUNDS					
Restricted funds	16	105,042		17,186	
Unrestricted funds	16	161,104		66,743	
TOTAL FUNDS		266,146		83,929	

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 12 November 2024 and signed on their behalf by:


J Nicol - Chair

The notes on pages 14 to 26 form part of these financial statements.

CUMBRIA LAW CENTRE
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities	173,524	(24,694)
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	688	316
	<hr/>	<hr/>
Net cash provided by investing activities	688	316
	<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	174,212	(24,378)
Cash and cash equivalents at the beginning of the year	92,904	117,282
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	267,116	92,904
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 14 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 2024

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 Going concern

Enter text here regarding going concern basis...

2.3 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.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 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.

2.5 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.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 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

2.8 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.

2.9 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.

2.10 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.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)

2.11 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.

2.12 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 2024	Total funds 2024	<i>Total funds 2023</i>
	£	£	£
Donations	189	189	428
<i>Total 2023</i>	428	428	

4. Income from charitable activities

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024	<i>Total funds 2023</i>
	£	£	£	£
Legal Services	34,179	-	34,179	55,898
Grants	297,664	182,693	480,357	275,486
Total 2024	331,843	182,693	514,536	331,384
<i>Total 2023</i>	281,384	50,000	331,384	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Grants

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£	£
Carlisle City Council	90,100	-	90,100	90,100
Copeland Borough Council	-	-	-	20,000
Eden Housing Association	-	25,000	25,000	50,000
The Indigo Trust	155,000	-	155,000	50,000
Access to Justice Foundation	52,564	157,693	210,257	64,696
Other grants	-	-	-	690
Total 2024	297,664	182,693	480,357	275,486
<i>Total 2023</i>	<i>225,486</i>	<i>50,000</i>	<i>275,486</i>	

6. Investment income

	Unrestricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£
Investment income	688	688	316
<i>Total 2023</i>	<i>316</i>	<i>316</i>	

7. Other incoming resources

	Unrestricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£
Other incoming resources	1,799	1,799	856
<i>Total 2023</i>	<i>856</i>	<i>856</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024	Restricted funds 2024	Total 2024	Total 2023
	£	£	£	£
Legal Services	240,158	94,837	334,995	367,810
<i>Total 2023</i>	<i>316,083</i>	<i>51,727</i>	<i>367,810</i>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2024	Support costs 2024	Total funds 2024	Total funds 2023
	£	£	£	£
Legal Services	294,822	40,173	334,995	367,810
<i>Total 2023</i>	<i>337,546</i>	<i>30,264</i>	<i>367,810</i>	

Analysis of direct costs

	Legal Services 2024	Total funds 2024	Total funds 2023
	£	£	£
Staff costs	273,927	273,927	307,188
Depreciation	2,013	2,013	4,202
Premises expenses	1,839	1,839	3,374
Travel and subsistence	2,440	2,440	2,004
Legal and professional	7,329	7,329	13,511
Equipment leasing	4,675	4,675	6,405
Training	2,599	2,599	862
	294,822	294,822	337,546
<i>Total 2023</i>	<i>337,546</i>	<i>337,546</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

Analysis of support costs

	Legal Services 2024	Total funds 2024	<i>Total funds 2023</i>
	£	£	£
Premises expenses	5,622	5,622	698
Telephone	4,530	4,530	5,892
Computer costs	5,793	5,793	4,423
Printing postage stationery	5,248	5,248	4,551
Legal and professional	7,260	7,260	441
Repairs and maintenances	5,549	5,549	3,857
Sundry	2,192	2,192	2,834
Insurances	1,871	1,871	5,742
Governance costs	2,108	2,108	1,826
Total 2024	<u>40,173</u>	<u>40,173</u>	<u>30,264</u>
<i>Total 2023</i>	<u>30,264</u>	<u>30,264</u>	

10. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,550 (2023 - £1,300).

11. Staff costs

	2024	<i>2023</i>
	£	£
Wages and salaries	244,009	272,370
Social security costs	17,710	21,228
Contribution to defined contribution pension schemes	12,208	13,590
	<u>273,927</u>	<u>307,188</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

11. Staff costs (continued)

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

	2024	<i>2023</i>
	No.	<i>No.</i>
Charitable staff	2	<i>9</i>
Support staff	7	<i>2</i>
	<hr/> 9 <hr/>	<hr/> <i>11</i> <hr/>

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 (*2023 - £NIL*).

During the year ended 31 March 2024, no Trustee expenses have been incurred (*2023 - £NIL*).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

13. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Property improvement £	Total £
Cost or valuation					
At 1 April 2023	81,310	44,557	16,595	21,020	163,482
Additions	-	-	2,314	-	2,314
At 31 March 2024	<u>81,310</u>	<u>44,557</u>	<u>18,909</u>	<u>21,020</u>	<u>165,796</u>
Depreciation					
At 1 April 2023	75,079	42,928	15,433	20,576	154,016
Charge for the year	623	326	988	75	2,012
At 31 March 2024	<u>75,702</u>	<u>43,254</u>	<u>16,421</u>	<u>20,651</u>	<u>156,028</u>
Net book value					
At 31 March 2024	<u><u>5,608</u></u>	<u><u>1,303</u></u>	<u><u>2,488</u></u>	<u><u>369</u></u>	<u><u>9,768</u></u>
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>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. Debtors

	2024		2023
	£		£
Due within one year			
Other debtors	5,994		-
Prepayments and accrued income	3,678		3,257
	<u>9,672</u>		<u>3,257</u>
	<u><u>9,672</u></u>		<u><u>3,257</u></u>

15. Creditors: Amounts falling due within one year

	2024		2023
	£		£
Trade creditors	8,676		6,893
Other taxation and social security	6,496		7,981
Other creditors	3,688		5,524
Accruals and deferred income	1,550		1,300
	<u>20,410</u>		<u>21,698</u>
	<u><u>20,410</u></u>		<u><u>21,698</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023	Income	Expenditure	Balance at 31 March 2024
	£	£	£	£
Unrestricted funds				
General funds	66,743	334,519	(240,158)	161,104
Restricted funds				
Restricted funds	17,186	182,693	(94,837)	105,042
Total of funds	83,929	517,212	(334,995)	266,146

Statement of funds - prior year

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023	Income	Expenditure	Balance at 31 March 2024
	£	£	£	£
General funds	66,743	334,519	(240,158)	161,104
Restricted funds	17,186	182,693	(94,837)	105,042
	<u>83,929</u>	<u>517,212</u>	<u>(334,995)</u>	<u>266,146</u>

Summary of funds - prior year

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

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024
	£	£	£
Tangible fixed assets	9,768	-	9,768
Current assets	171,746	105,042	276,788
Creditors due within one year	(20,410)	-	(20,410)
Total	<u>161,104</u>	<u>105,042</u>	<u>266,146</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
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	<u>66,743</u>	<u>17,186</u>	<u>83,929</u>

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

	2024	2023
	£	£
Net income/expenditure for the period (as per Statement of Financial Activities)	<u>182,217</u>	<u>(34,826)</u>
Adjustments for:		
Depreciation charges	2,012	4,202
Dividends, interests and rents from investments	(688)	(316)
Increase in debtors	(6,415)	(87)
Increase/(decrease) in creditors	(1,288)	6,333
Fixed asset purchases	(2,314)	-
Net cash provided by/(used in) operating activities	<u>173,524</u>	<u>(24,694)</u>

20. Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand	16	125
Cash at bank	267,100	92,779
Total cash and cash equivalents	<u>267,116</u>	<u>92,904</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

21. Analysis of changes in net debt

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	92,904	174,212	267,116
	92,904	174,212	267,116
	92,904	174,212	267,116

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 £12,208 (2023 - £13,590); an amount of £Nil (2023 £1,836) was payable to the fund at the balance sheet date and is included in creditors.