

Registered number: 02453081
Charity number: 702419

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

DERBYSHIRE LAW CENTRE LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

Trustees and Management Committee

Mr C Collard, Chair
Mr J Duncan, Treasurer
Miss S White, Secretary
Mr M Gordon
Ms J Flood
Mr D Shaw
Mrs M Thorpe
Mr C Hampton
Mr H Borrell
Mrs J Skill
Mr D Skinner
Mrs A Foster
Mrs A Webster (appointed 4 September 2018)
Mr T Snowdon (appointed 18 November 2018)
Mr J Boulton (appointed 6 December 2018)
Mr R Busby (appointed 30 January 2019)
Mr D McGregor (appointed 27 February 2019)
Mr A Craw (appointed 27 March 2019)
Mrs J Rodgers (appointed 14 April 2019)
Mr A Powell (appointed 1 July 2019)
Mr B Lewis (resigned 17 December 2018)
Ms E Tidd (resigned 20 May 2019)
Mrs A Harris (appointed 11 December 2018, resigned 20 June 2019)

Company registered number

02453081

Charity registered number

702419

Registered office

1 Rose Hill East, Chesterfield, S40 1NU

Company secretary

Miss S White

Independent auditor

BHP LLP, Chartered Accountants, 57-59 Saltergate, Chesterfield, S40 1UL

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
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Advisers (continued)

Bankers

Lloyds Bank plc, Rose Hill, Chesterfield, Derbyshire, S40 1LR

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

The Trustees (who are also directors of the charity for the purpose of the Companies Act) present their annual report together with the audited financial statements of Derbyshire Law Centre (the charity) for the year 1 April 2018 to 31 March 2019. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity'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 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities**a. Policies and objectives**

The principal objects of the charity are:

- To relieve poor persons resident or working within the area of the Borough of Chesterfield, North East Derbyshire and any other geographical area as directed by the Management Committee by providing such persons with legal services which they could not otherwise obtain through lack of means;
- To advance the education of the public by the improvement and diffusion of knowledge of the law and the practice of the law and the administration of justice, having regard especially to those areas of law which are of particular concern to poor people or are directed to the relief of poverty;
- To promote such other charitable purposes as are for the benefit of the community in the Borough of Chesterfield, North East Derbyshire and any other geographical area as directed by the Management Committee.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit whilst reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set. Details of how the charity has delivered public benefit can be found in the review of activities paragraph of this report.

b. Strategies for achieving objectives

The charity's mission is to increase access to justice for disadvantaged communities through the provision of quality assured, accessible, free and low cost legal advice, information and representation to individuals and groups within its geographical area.

The Law Centre's key strategic aims for the next three financial years are:

1. To provide and increase the provision of quality assured specialist legal advice and representation in the following areas of social welfare law: housing and homelessness, employment, debt, community care, immigration and discrimination;
 2. To undertake project work in line with our mission statement as funding becomes available;
 3. To provide an accessible initial assessment and signposting service to all enquirers;
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FOR THE YEAR ENDED 31 MARCH 2019

4. To increase and diversify the financial and other resources of the Law Centre to ensure its future sustainability, through positive partnership work and engagement with existing and potential funders;
5. To extend awareness of the rights and remedies available to individuals and communities and the work of the Law Centre through information and publicity;
6. To ensure that the Law Centre has well trained staff to deliver high quality services and well trained trustees to ensure good governance.

And further specific objective:

- To continue our involvement as Trustee Board Members on Law Centres Network, Links CVS, Citizens Advice Derbyshire Districts, Citizens Advice Chesterfield and Derbyshire Unemployed Workers Centre (DUWC), and the Steering Group of Financial Action and Advice Derbyshire to show support and encourage joint working.

Achievements and performance

a. Review of activities

The main area of charitable activity is the provision of quality assured, accessible legal advice and representation.

It has again be a fulfilling and challenging year for the Law Centre.

Enquiries for the year were at a new high, increasing by 11% to nearly 4,900 during the year. The Volunteer Assessment team coped admirably and a new role of Session Supervisor was established during the year.

Specialist casework was also up. The number of cases taken by our specialist advisers and solicitors increased by almost 22% to just over 1,100 cases. There were significant increases in all housing, debt, money guidance, employment and immigration.

In most areas, demand outweighs supply. The increase in housing staff certainly proved no shortage of clients.

The Legal Aid Agency contracts came to an end in September 2018. Following a successful tender round, we were able to secure a centralised contract for Housing and Debt at our Town Hall office. Unfortunately, due to lack of specialist supervisor in community care, we were unable to renew this contract.

The Law Centre has been fortunate to continue its work with the support of the local authorities in North Derbyshire. Core funding has continued from Chesterfield Borough Council, Bolsover District Council, North East Derbyshire District Council and Derbyshire County Council.

Specialist Services - Housing

Our Housing team expanded with another housing casework specialist, a paralegal and a homeless prevention worker. This enabled work around homelessness, in particular a combined project working with Local Authorities on the new Homelessness Reduction Act 2017. New funding started at the beginning of January 2019 to help reduce rogue landlords. Amber Valley Borough Council continues to fund the independent housing advice service in Ripley.

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The Legal Aid contract performed well, exceeding the previous year's closure targets. Certificated work, involving more complicated cases requiring court work, also saw a huge increase. Our New Matters Starts (NMS) were up on the previous year's figures, giving us more capability to increase income for the forthcoming year.

Our work at the County Court ensures that no-one facing eviction is unrepresented at Court. The LAA contract was due for re-tender in October 18 but following a judicial review, in which we gave evidence, the tenders were suspended and the existing contract extended.

Specialist Services – Employment

Whilst Housing expanded due to new specific funding, the Employment unit had a reduction of staffing resources due to the end of Access to Justice funding. This project had enabled the employment specialists to work with clients to help them make a claim against an employer to employment tribunal.

Employment continued to be an area of work that required additional funding, demand greatly outstripping supply. Towards the end of the financial year, talks took place with Derbyshire Public Health to provide an additional employment service through a GP referral system. The unit continues to provide a small charged service through fixed rate, Damages Based Agreements and Settlement Agreements work.

Specialist Services – Debt

Our Specialist Debt service has been funded through East Midlands Money Advice for many years. It allows us to employ a specialist debt solicitor to deliver a quality assured debt advice service, specialising in housing related debt. Demand for this service continues to be high.

The Money Advice Service (MAS) has changed its name and amalgamated to MAPS (Money and Pension Service). MAPS contract out funding for debt advice to various regional organisations, one of which is EMMA (East Midlands Money Advice), and they in turn contract out to providers such as DLC. This funding is currently until October 2020. DLC continues to meet the targets required by the funder and despite the high number of enquiries and cases, we continue to have waiting lists for appointments.

Specialist Services – Immigration

DLC has again increased staffing resources as work in this area continues to increase.

Alongside our telephone and email advice service for residents of Derbyshire, we have worked with the Law Centres Network to attract new funding from the Home Office, until March 2020, to assist vulnerable EU citizens with complex applications to the Home Office EU Settlement Scheme.

Our successful registration with the Office of Immigration Services Commissioner (OISC) in May 2018 enabled us to continue to offer a small fee paying service.

Project Work – Opportunity and Change

Employing a social worker and advocate allows us to carry out care assessments for clients. Our work with Framework as part of the Opportunity and Change D2N2 projects allowed us to carry out 145 screenings, and assess 31 clients for eligibility. 21 were successful in obtaining additional needs support.

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Project Work – Money Sorted in D2N2

Working with Advice Nottingham as the lead on the project, we have seen a significant increase in the need for Personal Navigator support. This financial inclusion project has benefitted from integration within our housing and debt work and has meant that personal navigators not only help with personal budgets but are also able to identify when specialist debt or housing advice is needed.

The employment of a second Personal Navigator in March 18 allowed for an increase in take up on these services.

Project Work - Derbyshire Crisis Bilingual Service

Funded by the Big Lottery's Help Through Crisis programme, the Law Centre is a partner in this 5 year project, led by Direct Help and Advice. The Law Centre is responsible for training and supervising "buddies" who work with individuals/families to address the immediate crisis as well as identifying and assisting with other problems to improve the lives of the individuals/families. 2018-19 (year 3) saw a continued year on year increase in the number of beneficiaries on the project.

Derbyshire County Council's Community Priorities Funding

The Law Centre led a small project in partnership with Derbyshire Unemployed Workers Centre to address issues around Universal Credit, including the specialist assistance in housing to ensure evictions do not take place as a direct result of the payment of Universal Credit.

Trainee Solicitor

Funded by the Legal Education Foundation, our trainee solicitor has continued to work towards qualifying as a solicitor. Undertaking a placement in our employment unit for the 1st 6 months, then housing and starting debt work in January 19, the trainee is over half way through the contract.

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b. Investment policy and performance

Aside from retaining a prudent amount in reserves each year (and designated funds), most of the charity's funds are to be spent in the short term and so all reserves are kept in a deposit account where interest rates are monitored.

Financial review

a. Going concern

The charity is dependent on continued core grant funding from Chesterfield Borough Council, Derbyshire County Council, North East Derbyshire District Council and Bolsover District Council as well as casework funding from the Legal Aid Agency. Grant funding is awarded annually and is only confirmed until 31 March 2020. Whilst, inherently, there can be no certainty with regard to future income in the current economic climate, the trustees confirm that there is no reason to believe that this funding will not continue but acknowledge that this may be at a reduced level in some cases (particularly with Derbyshire County Council).

The Legal Aid Agency contract work is currently contracted until 31 August 2021, although reviewed annually. The Legal Aid Agency is currently predicting a 24% increase in casework activity in the next year and Derbyshire Law Centre has been awarded another LAA contract (for Discrimination casework) which should see a higher increase than the prediction.

European funding, awarded in 2016, will now continue until March 2022, following a 2 year extension to the Money Sorted in D2N2 project and the Opportunity and Change project. Furthermore, the trustees have taken steps to generate some replacement income to mitigate the potential reductions and regularly review their 3 year funding and financial strategies.

At 31 March 2019 the charity has free reserves of £59,686 after designating funds of £87,576. The charity has produced budgets to 31 March 2021 and financial reports identify the measures necessary to maintain an acceptable level of free reserves.

Given these circumstances, the trustees believe it is appropriate for the financial statements to be prepared on a going concern basis. For this reason, they continue to adopt the going concern basis in preparing financial statements.

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TRUSTEES' REPORT (continued)
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b. Results for the year

Setting out the financial situation early in the year allows the Law Centre to make plans to ensure a balanced budget. 2018/19 started off with a manageable, but significant predicted deficit of over £40,000.

Once again, our Funding Strategy identified funding shortages in areas of work and targeted them to retain or increase provision. The only area where this was not possible during the year was employment advice. This was due to the ending of the Access to Justice Litigants in Person partway through the year. Staffing resources were reduced and so was the service. It is a high priority to at least reinstate employment staff resources to previous levels so that employment advice capacity is increased.

Through the year we submitted successful core funding bids to the 4 local authorities. Our Housing Legal Aid contract was extended by 3 years and County Court Duty Legal Aid contract was extended for another year following a successful Judicial Review by the Law Centres Network.

We either applied for, or were part of, 18 funding applications, of which 2 are still being considered, 14 were successful for either 18/19 or 19/20 and 2 were rejected.

Other funding that was continued was the Money Advice Pension Service project (EMMA) and whilst this is excellent news, increased targets and quality standards requirements are increasingly tricky to manage within the current funding structure.

Our work with Amber Valley Borough Council has continued throughout the year and will expand in 2019/20.

Overall, we have continued to expand during the year. A part time session supervisor, a part time housing caseworker and increased admin capacity all indicate forward progress. During the year, we converted a room that previously held our archives, into an office to create room for expansion.

In February, the Law Centre was successful in achieving the Lexcel quality mark. This will be renewed on a yearly basis and replaces the "Service Quality Mark" previously obtained. The new quality mark is acknowledged by more funders than the SQM. In addition to this, during the year, we have had a Legal Aid Agency audit and several D2N2 audits, all of which have been passed. "The Centre should be highly commended for achieving a very high level of compliance against the Lexcel Standard on an initial assessment" – John Wooddissee, Lexcel Auditor.

We continue to promote staff development and encourage professional development through our dedicated training budget and Training and Development Plan.

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As always, we are grateful to all the organisations that fund our services, both directly and indirectly. The continued support from Chesterfield Borough Council, Derbyshire County Council, North East Derbyshire District Council and Bolsover District Council is essential for the survival of our organisation as they provide core grants. These core funds enable the Law Centre to retain high quality staff, to provide an excellent service and, importantly, to attract/retain other funding from such places as The Big Lottery and more. Thanks also to:

- Legal Aid Agency
- National Lottery Community Fund
- Amber Valley Borough Council
- Money Advice Service (now known as Money Advice and Pensions Service)
- Access to Justice
- European Union
- Justice First Fellowship/Legal Education Foundation

We welcome donations as these help to support our core activities. You can donate via our website and Facebook page. We also continue to take advantage of the Gift Aid Scheme.

Following the investment on new staff, office expansion and the numerous funding applications our outcome is better than anticipated at the beginning of the year with income of £674,855 and expenditure of £680,143 we achieved a net deficit of £5,288.

At 31 March 2019, total funds carried forward are £156,207, of which £5,043 are in restricted funds. £87,576 are in designated funds and £63,588 are in unrestricted general funds.

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c. Principal risks and uncertainties

The main financial risks faced by the charity are loss or reduction of Legal Aid Contracts, project funds, and core funding from Local Authorities.

The processes and strategies for managing these risks are:

- Promoting the positive impact of the Law Centre services
- Producing an Annual Report and holding a high quality AGM
- Building relationships with funders and responding actively to funders
- Ensuring funding streams are varied to reduce the impact of funding loss
- Campaigning through LCN
- Demonstrating the effectiveness of joint working and avoidance of duplicate advice services
- Ensuring that "legal advice" is part of key strategies
- Succession Planning

d. Reserves policy

The Trustees have set a policy to maintain reserves at the minimum requirements if the Law Centre was to cease operations. These reserves cover redundancy costs, salaries levels to satisfy notice periods and lease notices on rent and equipment. At current levels this equates to £177,624. Of this requirement £73,733 has already been set aside in a designated Staff Contingency fund. Therefore, the required level of free reserves is £103,891.

As at 31 March 2019 free reserves are £59,686 which is below the target level. The Trustees have set a financial strategy to 2022 which outlines the financial risks and actions being taken to continue to build up free reserves to the required level.

At present, the Trustees assess the charity as a going concern and therefore do not envisage reserves to cease operations would need to be called upon in the near future.

e. Principal funding

During the year, the principal funding sources for the charity are by way of grant income from Derbyshire County Council, Chesterfield Borough Council, North East Derbyshire District Council and Bolsover District Council. In addition, contract income comes from the Legal Aid Agency. Project funding has been awarded from the Big Lottery, Chesterfield Borough Council, Derbyshire County Council, North East Derbyshire District Council, Amber Valley Borough Council, The Legal Education Foundation, Access to Justice, the European Union and Money Advice Service (now the Money and Pensions Service) via contracts with Community Advice and Law Service. Finally, a small amount of funding comes by way of donations, charged work and other fundraising.

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Structure, governance and management

a. Constitution

The organisation is a charitable company limited by guarantee, incorporated on 15th December 1989 and registered as a charity on 10th January 1990. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Law Centre reviewed and revised its Articles of Association to reflect current legislation and to more fully reflect the direction of the Law Centre. This was approved at the Annual General Meeting on 18 November 2015. The Management Committee also updated their Personnel and Finance Sub Committees terms of reference.

The change of name from Chesterfield Law Centre to Derbyshire Law Centre was approved by Special Resolution on 13 November 2013 and was subsequently been approved by both the Charity Commission and Companies House.

b. Method of appointment or election of Trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association, the Trustees (who form the Management Committee) are elected to serve for a period of 1 year after which they must be re-elected at the next Annual General Meeting.

Currently there are 20 members, with 12 elected at the annual general meeting, 2 co-opted during the year and a further 6 members nominated as representatives by funders. During the year, 3 representatives left and 9 joined the Committee. 7 of the current members have not served previously on the committee. We currently have no vacancies on the Committee. There is a full list of Trustees on page 1 of the Trustees' report.

The Trustees seek to ensure that the diversity of membership of the management committee reflects the diversity of the local communities and any imbalance is addressed by way of co-options. The Trustees seek to maintain a broad skill mix. Currently personnel, finance, communication and community liaison skills are well represented.

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c. Policies adopted for the induction and training of Trustees

Existing trustees are already familiar with the practical work of the charity, having visited the office and/or spoken to staff.

Additionally, new and existing trustees are invited to meet with one of the Centre Co-ordinators, Teresa Waldron or Sharon Challands. At this meeting, the Co-ordinator works through an induction pack with the trustee covering;

- The rights and responsibilities of Management Committee members.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

All Management Committee members are also included in strategic events with staff as a way of developing the Law Centre's business strategy.

The Management Committee, at least annually, reviews the 3 year financial strategy and 3 year business plan document.

d. Pay policy for senior staff

The charity's definition of senior management is staff on the Workers Group and the Trustees on the Management Committee. All Trustees give their time voluntarily and receive no remuneration or other benefits with the exception of out of pocket expenses incurred in the undertaking of their duties as Trustees and as agreed by the Committee. The Workers Group currently consists of 13 members of staff. Their salaries are reviewed annually by the Trustees and are set by reference to "Payscale and Allowances" published by the National Joint Council for Local Government Services.

e. Organisational structure and decision making

The Management Committee meets every two months and is responsible for the strategic direction and policy of the charity. The Management Committee has a Chair, Vice Chair, Secretary (also the Company Secretary) and Treasurer. All officer positions are filled.

The Management Committee has two sub committees; Personnel Sub-Committee and Finance Sub-Committee. Each sub-committee consists of at least four Management Committee members, with two staff normally in attendance, and meet on a quarterly basis. The Management Committee devolves the responsibility for the operational running of the charity to a staff management collective, known as Workers Group.

Workers Group is currently made up of solicitors (4), legal executives (1), caseworkers (2), trainee solicitor (1) and project workers (2), and coordinators (3) and has responsibility for the smooth running of the services, the day to day operational management of the Centre, individual supervision of the staff team and also ensuring that the team continues to develop skills and working practices in line with best practice. Six additional project workers fulfil contract targets. Four admin workers and 1 paralegal provide administrative support to all Workers Group staff.

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f. Related party relationships

The Law Centre is a member of the Law Centres Network (LCN). The LCN is a Company Limited by Guarantee and registered in England. Established in 1978, the LCN acts as a co-ordinating body and the voice for Law Centres. It has a catchment area covering England, Wales and Northern Ireland.

The LCN staff team provide an initial point of contact for those seeking information about the work of Law Centres, both within the movement, outside agencies and to the general public. The LCN also encourages the setting up of Steering Committees to establish new Law Centres by providing practical development support and advice.

Law Centres provide free legal advice and representation to the poorest and most disadvantaged members of society. They mainly practice in what is loosely termed Social Welfare Law. There are at present 45 Law Centres nationally.

The LCN also supports and develops specific projects. Currently, these include legal services for young people, promoting equality and human rights and tackling discrimination.

Derbyshire Law Centre has representatives on the Board of Trustees at the LCN, Derbyshire Unemployed Workers Centre, Citizens Advice Chesterfield, Citizens Advice Derbyshire Districts, The Elm Foundation and Links CVS.

g. Risk management

The "Office Manual" sets out all the policies and procedures in relation to Risk Management. This is kept constantly under review. The Management Committee has taken steps to mitigate risks identified in its Risk Assessment document which is reviewed on an annual basis.

Our solicitors are members of the Law Society of England and Wales. Legal Executives are members of the Chartered Institute of Legal Executives (CILEX). Solicitors and Legal Executives are subject to the regulatory requirements of the Solicitors Regulatory Authority and CILEX respectively, including responsibility for the supervision of non-qualified staff. The Finance Coordinator is a member of the Association of Accounting Technicians. The Law Centre is also registered with Financial Conduct Authority and the Office of the Immigration Services Commissioner (OISC).

Plans for future periods**a. Future developments****Housing and Homelessness**

Our Legal Aid contract in Housing and Debt will continue. We will ensure that the contract is used to its capacity, aiming to increase new cases by 5%.

The increase in housing staff during 17-18 allows us to invest more time in the higher level housing and homelessness casework and this shall be reflected in the income through legal representation costs.

Working in partnership with Amber Valley Borough Council, our independent housing advice service will expand in the Ripley and surrounding areas. Services will move from the CVS to the Town Hall in Ripley and increase from 1 to 2 days per week.

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We shall continue our County Court Duty service, funded by the Legal Aid Agency as well as giving additional casework support to those facing homelessness in the North Eastern Derbyshire area, funded through Chesterfield Borough Council, North East Derbyshire District Council and Bolsover District Council.

Led by North East Derbyshire District Council, a partnership of 12 local authorities in Derbyshire and Nottinghamshire and ourselves have successfully obtained funding from the Ministry of Housing, Communities and Local Government under the Private Rented Sector Access (PRS) Fund for a preventative approach to homelessness, including assessment of clients to access the Homelessness Prevention Fund which is managed by the Law Centre. This project has enabled DLC to employ 3 project workers to work with the clients in assessing whether accessing the Homelessness Prevention fund will help them to remain in their existing tenancy or take on a new one. This funding ceases in March 2020.

Work will continue on the challenges arising from the Homelessness Reduction Act 2017. Our Paralegal will work alongside the PRS project staff to reduce homelessness.

Employment Service

Our existing employment telephone advice service will continue, funded through core funds. Our casework service will also continue in the North Eastern Derbyshire area. In addition, we shall continue to provide a face to face service at Ilkeston and Ripley funded through Derbyshire County Council.

The 'Just in Time' employment project is a pilot designed to support those who are either on long-term health related absence from work or at risk of long-term absence in Chesterfield. The pilot provides legal advice related to employment to participants. Whilst GPs and other health professionals support people in several ways, this does not include the provision of legal advice. The 'Just in Time' project seeks to address this gap and improve clients' health and wellbeing by providing appropriate, timely advice on the basis that resolving underlying legal issues will lead to improvements in health and wellbeing. The key aims of the project are to:

- Provide rapid access to legal advice
- Provide legal advice to help people understand their employment rights, and take action if necessary
- Provide legal advice to ensure that income is achieved and maintained
- Impact health inequalities in Chesterfield
- Test out and learn from a new model.

The pilot is being run by Derbyshire Law Centre and the lead partner is Derbyshire Public Health. Derbyshire Law Centre is working together with three GP surgeries and Ingeus, who have been commissioned to provide assistance with employment issues to IAPT (Improving Access to Psychological Therapies) participants in Derbyshire, to deliver the service. This is funded until March 2020.

From 1 September we will take referrals from the Equality Advisory Support Service, for clients with potential employment tribunal claims in discrimination who also have legal expenses insurance. This work fits in well with our charging for services strategy as we have already successfully completed a number of cases where clients had legal expenses insurance and we have a long and successful record of helping with discrimination claims. The EASS can also refer clients who are eligible for legal aid, or where their circumstances allow them to access our core employment service.

We have been successful in obtaining funding for advice and assistance for migrant workers, facilitated by bilingual buddies, through the Guardian 2018 Christmas Appeal funding, awarded to and led by the LCN. This funding is available until March 2020.

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Alongside all this, our caseworkers will also provide a small charged for service which will bring in funds to help support the employment unit and the retention of highly skilled staff.

Debt advice

Specialist debt work is an essential part of the services we offer. We will continue to provide a face-to-face service, funded through MAPS and work alongside our Homelessness Prevention projects (see above) and Financial Inclusion work through the Money Sorted In D2N2 project. Funding is currently secured until October 2020 and discussions are currently underway to extend beyond this date.

Community Care

We expect to increase the size of our Legal Aid contract in 2018, enabling us to expand this area of work.

Immigration

With Brexit on the horizon, the demand for immigration advice from EU citizens continues to increase. This area of work has now received funding from The Home Office via the Law Centres Network for assisting with complex cases and vulnerable EU citizens as well as generating referral pathways through various advice sessions and presentations.

Our OISC registration has been renewed and our charged for service continues. Provided the income targets can be achieved, we intend to increase the number of OISC qualified advisers.

Discrimination

We already undertake work tackling discrimination, both in Goods and Services and Employment. From September, we have been awarded a Legal Aid Contract to provide more of these services. We expect there to be a significant rise in this area of work over the next year or so.

Technology and other resources to support our services

This coming year will see an expansion in services and thus an expansion in staff numbers. In the last year, we have had to think creatively around the use of office space – including the conversion of our archive space to an office. This year, we will take the plunge and expand into other offices nearby, initially on a 2 year lease.

In 2017, we recruited a Paralegal to give specialist support to our housing caseworkers. It has proven so successful that this has become a permanent position and will be increased to two paralegals in September 2019. The second paralegal will specialise in supporting our employment, immigration and debt caseworkers. By the end of September 2019, we expect staffing levels to be over 23 FTE. This compares to 19.5 FTE at the same point in 2018.

We shall continue to maintain a secure IT network, working with DCC and the LCN to keep up to date in IT developments and security.

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Project work.

With the increase of projects in housing and homelessness work as well as the new employment projects, we shall also work to continue with:

- Derbyshire Crisis Bilingual Service – working with people whose first language is not English who are in crisis. The Law Centre is responsible for training and supervising “buddies” who will work with individuals/families to address the crisis as well as identifying and assisting in any areas of law that we specialise.
- Money Sorted in D2N2 – Funded by the Big Lottery and the EU, we have now received confirmation of a two year extension until March 2022. This is a great result for a very worthwhile project. The extension will also retain two members of staff.
- Opportunity and Change – Again funded by the Big Lottery and the EU, this also has been extended until March 2022. It too means the retention of two staff members.

Trainee Solicitors

In 2018 we employed a trainee solicitor funded by the Legal Education Foundation, Justice First Fellowship fund. This was one of only 15 places funded under the scheme during that year. This place is funded until January 2020.

In addition to this, from September 2019, we will be employing an additional Trainee Solicitor through funds from The Law Society under the Diversity Access Scheme. Only one trainee solicitor is funded in this way nationwide and our Paralegal at the time applied and was successful.

Hopefully, these lawyers, once fully trained, will remain with us to ensure succession and the longevity of Derbyshire Law Centre and we will continue to respond to funding opportunities to take on and train further advisers in the future.

Initial Assessment and Signposting Service

Volunteers will continue to be a crucial part of our team. They provide a front of house assessment service which directs clients to the appropriate service (both internally and externally). We intend to develop and expand this service in the next two years and seek additional funding to provide more volunteering opportunities as part of our core service.

We shall also continue to increase the use of university and college students in our assessment and initial advice teams and work closely with universities in exploring avenues of mutual benefit.

Funding

2019-20 is looking to be a year of expansion. We predict a short term increase of income of approximately 30%. We are fortunate to have excellent relationships with our Local Authority funders, ensuring that, through their funding we contribute to their priorities and plans for local services, whilst maintaining our independence.

Core funding is crucial in supporting bids for funding applications that require match funding as well as a public recognition of our good reputation and the value of our work. Derbyshire County Council and the three local authorities have all confirmed continuation core funds as well as project funding. We will also work with other local authorities to look at securing further core funds for our services.

We will also meet with other public authorities to explore funding opportunities through supporting shared outcomes and partnership work.

We shall maintain a three year financial strategy and produce regularly updated funding strategies bringing together a map of funding opportunities that will achieve the aims in this strategic plan.

DERBYSHIRE LAW CENTRE LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Information and Publicity

We shall continue to develop our marketing and communications strategy. This will help us to develop our website, improving content and direct links to services and embrace social media to highlight our services throughout the county. We will aim to be a leading Law Centre on a national stage with an impeccable reputation. Working on high profile social welfare issues and ensuring that we work with the appropriate bodies to highlight these issues and the work that we do, will hopefully encourage referrals and funding from new stakeholders.

We will continue our involvement as Trustee Board members on Links CVS, Citizens Advice Derbyshire Districts, Citizens Advice Chesterfield, The Elm Foundation and Derbyshire Unemployed Workers Centre, and be on the Steering group of Financial Action and Advice Derbyshire to show support and encourage joint working.

Trustees' responsibilities statement

The Trustees (who are also directors of Derbyshire Law Centre 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 year. 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

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

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

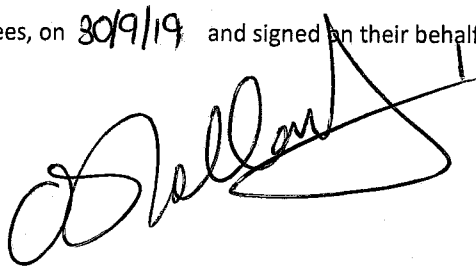
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This report was approved by the Trustees, on 30/9/19 and signed on their behalf by:



Mr C Collard, Chair

DERBYSHIRE LAW CENTRE LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE LAW CENTRE LIMITED

Opinion

We have audited the financial statements of Derbyshire Law Centre Limited (the 'charity') for the year ended 31 March 2019 set out on pages 22 to 42. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE LAW CENTRE LIMITED

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE LAW CENTRE LIMITED

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Marshall (Senior statutory auditor)

for and on behalf of

BHP LLP, Chartered Accountants

Statutory Auditors

57-59 Saltergate

Chesterfield

S40 1UL

Date: 2 October 2019

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	2	169,141	298,049	467,190	408,877
Charitable activities	3	146,287	58,772	205,059	179,800
Investments	4	46	-	46	62
Other income	5	2,560	-	2,560	3,900
Total income		318,034	356,821	674,855	592,639
Expenditure on:					
Raising funds	6	1,102	213	1,315	4,225
Charitable activities	7	295,505	383,323	678,828	566,827
Total expenditure		296,607	383,536	680,143	571,052
Net income / (expenditure) before transfers		21,427	(26,715)	(5,288)	21,587
Transfers between funds	15	(27,316)	27,316	-	-
Net income / (expenditure) before other recognised gains and losses		(5,889)	601	(5,288)	21,587
Net movement in funds		(5,889)	601	(5,288)	21,587
Reconciliation of funds:					
Total funds brought forward		157,053	4,442	161,495	139,908
Total funds carried forward		151,164	5,043	156,207	161,495

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 02453081

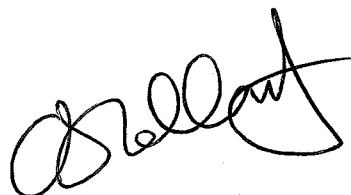
BALANCE SHEET
AS AT 31 MARCH 2019

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	9		3,902		2,748
Current assets					
Debtors	10	174,348		139,572	
Cash at bank and in hand		44,106		79,949	
		<u>218,454</u>		<u>219,521</u>	
Creditors: amounts falling due within one year	11	<u>(66,149)</u>		<u>(60,774)</u>	
Net current assets			<u>152,305</u>		<u>158,747</u>
Net assets			<u>156,207</u>		<u>161,495</u>
Charity Funds					
Restricted funds	15		5,043		4,442
Unrestricted funds	15		<u>151,164</u>		<u>157,053</u>
Total funds			<u>156,207</u>		<u>161,495</u>

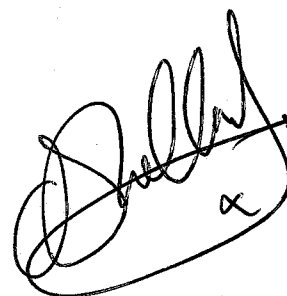
The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 30/9/19 and signed on their behalf, by:

Mr C Collard, Chair



Mr J Duncan, Treasurer



The notes on pages 25 to 42 form part of these financial statements.

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	17	(33,378)	(69,580)
Cash flows from investing activities:			
Dividends, interest and rents from investments		46	62
Purchase of tangible fixed assets		(2,511)	(2,744)
Net cash used in investing activities		(2,465)	(2,682)
Change in cash and cash equivalents in the year		(35,843)	(72,262)
Cash and cash equivalents brought forward		79,949	152,211
Cash and cash equivalents carried forward	18	44,106	79,949

The notes on pages 25 to 42 form part of these financial statements.

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102) as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Derbyshire Law Centre Limited 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.

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

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

1.4 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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. Accounting Policies (continued)

1.5 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.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

All expenditure is inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

Assets purchased with project funds are not to be subject to depreciation and are to be written off in the year of purchase.

1.7 Pensions

The charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

1.8 Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.9 Interest receivable

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

1.10 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.11 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.

1.12 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.

1.13 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.14 Employee benefits

When employees have rendered service to the charity, short term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

1.15 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Income from donations and legacies

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	867	-	867	1,229
Chesterfield Borough Council	41,697	23,667	65,364	53,697
Derbyshire County Council	90,124	8,333	98,457	90,124
N E Derbyshire District Council	18,453	14,917	33,370	40,322
Bolsover District Council	18,000	20,750	38,750	30,000
Amber Valley Borough Council	-	12,000	12,000	12,000
Access to Justice - Litigants in Person	-	7,500	7,500	22,500
European Union - Living Rights Project	-	-	-	9,950
Rogue Landlord Project	-	3,000	3,000	-
Big Lottery Fund - Building Better Opportunities	-	152,174	152,174	112,063
Big Lottery Fund - Help Through Crisis Buddy Project	-	24,260	24,260	20,588
Grassland Hasmoor Big Local Project	-	-	-	-
AB Charitable Trust - Derbyshire Resettlement Advice Service	-	-	-	7,500
Legal Education Foundation - Trainee Solicitor Project	-	31,448	31,448	8,474
Derbyshire & Nottinghamshire Housing Law Group	-	-	-	430
Total	169,141	298,049	467,190	408,877

In 2018, of the total income from charitable activities, £169,503 was to unrestricted funds and £239,374 was to restricted funds.

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

3. Income from charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
LAA: Legal help contract	54,292	-	54,292	42,494
LAA: Disbursements (Legal help contract)	1,431	-	1,431	1,012
LAA: Legal representation	48,533	-	48,533	44,068
LAA: Disbursements (Legal rep)	4,861	-	4,861	10,900
LAA: County Court Duty Scheme	6,869	-	6,869	6,153
Case work fees	11,550	-	11,550	6,908
EMMA project	-	58,772	58,772	50,399
Charged services income	18,751	-	18,751	17,866
Total	146,287	58,772	205,059	179,800

In 2018, of the total income from charitable activities, £129,401 was to unrestricted funds and £50,399 was to restricted funds.

4. Investment income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	46	-	46	62
Total 2018	62	-	62	

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

5. Other income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Training fees	2,100	-	2,100	1,900
Placement student funding	-	-	-	2,000
Miscellaneous	460	-	460	-
Total	<u>2,560</u>	<u>-</u>	<u>2,560</u>	<u>3,900</u>

In 2018, of the total other income, £3,900 was to unrestricted funds and £Nil was to restricted funds.

6. Expenditure on raising funds

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Publicity and promotion	1,102	213	1,315	4,225
	<u>1,102</u>	<u>213</u>	<u>1,315</u>	<u>4,225</u>

In 2018, of the total expenditure on raising funds, £3,242 was from unrestricted funds and £983 was from restricted funds.

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

7. Charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Wages and salaries	168,909	311,806	480,715	405,712
National insurance	9,814	27,114	36,928	34,257
Pension cost	19,384	13,059	32,443	20,222
Recruitment	1,274	1,730	3,004	-
Practising certificates	930	1,248	2,178	1,655
Telephone	4,235	917	5,152	5,001
Affiliations, reference books and education	3,553	903	4,456	4,125
Subscriptions	3,435	398	3,833	3,999
Staff expenses	3,879	4,291	8,170	8,458
Participant expenses	9,251	-	9,251	3,630
Committee expenses	1,270	68	1,338	878
Staff training costs	1,335	2,231	3,566	5,350
DBS checks	-	-	-	50
Volunteer's expenses	826	-	826	691
Training delivery	741	-	741	921
Disbursements	8,227	8,158	16,385	19,242
Professional indemnity	1,492	188	1,680	1,650
Rent	15,216	2,552	17,768	9,416
Insurance	563	101	664	1,516
Repairs and cleaning	5,385	261	5,646	2,357
Stationery, office consumables and postage	7,147	1,216	8,363	8,470
Equipment maintenance, mobility aids, repair and replacement	14,694	3,563	18,257	18,532
Interpretation costs	100	470	570	150
Hospitality	860	103	963	1,589
Computer and website costs	266	1,622	1,888	1,428
Bank charges, interest and card facility charges	297	-	297	294
Legal and professional	4,807	-	4,807	2,041
Depreciation	1,357	-	1,357	948
Audit costs	6,258	297	6,555	4,245
Loss on currency exchange	-	1,027	1,027	-
Total	295,505	383,323	678,828	566,827

In 2018, of the total expenditure on charitable activities, £259,171 was from unrestricted funds and £307,656 was from restricted funds.

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

8. Net income/(expenditure)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charity	1,357	948
Auditor's remuneration - audit	4,350	4,245
	<u>5,707</u>	<u>5,193</u>

9. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 April 2018	9,660	18,782	28,442
Additions	2,511	-	2,511
At 31 March 2019	<u>12,171</u>	<u>18,782</u>	<u>30,953</u>
Depreciation			
At 1 April 2018	9,660	16,034	25,694
Charge for the year	293	1,064	1,357
At 31 March 2019	<u>9,953</u>	<u>17,098</u>	<u>27,051</u>
Net book value			
At 31 March 2019	<u>2,218</u>	<u>1,684</u>	<u>3,902</u>
At 31 March 2018	<u>-</u>	<u>2,748</u>	<u>2,748</u>

10. Debtors

	2019 £	2018 £
Trade debtors	22,598	41,234
Contract and other debtors	132,826	79,708
Prepayments and accrued income	18,924	18,630
	<u>174,348</u>	<u>139,572</u>

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

11. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	2,214	24,764
Other taxation and social security	16,107	2,519
Other creditors	994	9,784
Accruals and deferred income	46,834	23,707
	<hr/>	<hr/>
	66,149	60,774
	<hr/>	<hr/>

Deferred income

	£
Deferred income at 1 April 2018	7,500
Resources deferred during the year	23,334
Amounts released from previous years	(7,500)
	<hr/>
Deferred income at 31 March 2019	23,334
	<hr/>

Deferred income relates to project funding for 2019/2020.

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

12. Staff costs

Staff costs were as follows:

	2019	2018
	£	£
Wages and salaries	480,715	405,712
Social security costs	36,928	34,257
Other pension costs	32,443	20,222
	<u>550,086</u>	<u>460,191</u>

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

2019	2018
No.	No.
21	18

Average headcount expressed as a full time equivalent:

2019	2018
No.	No.
21	16

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

The total amount of employee benefits received by key management personnel is £392,424 (2018: £288,660). The charity considers its key management personnel comprise the staff on Workers Group and the Trustees on the Management Committee.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

13. Pension commitments

The company operates a defined contribution scheme for its employees.

The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £32,443 (2018: £20,222). £103 (2018: £498) was outstanding at the year end and included within creditors.

14. Operating lease commitments

At 31 March 2019 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts payable:		
Within 1 year	15,377	16,318
Between 1 and 5 years	58,796	9,506
Total	<u>74,173</u>	<u>25,824</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
Designated funds					
Staff contingency	66,965	-	-	6,768	73,733
Office and equipment renewals	14,656	-	-	(1,813)	12,843
Staff Car Parking	3,939	-	-	(2,939)	1,000
	<u>85,560</u>	<u>-</u>	<u>-</u>	<u>2,016</u>	<u>87,576</u>

General funds

General Funds	71,493	318,034	(296,607)	(29,332)	63,588
Total unrestricted funds	<u>157,053</u>	<u>318,034</u>	<u>(296,607)</u>	<u>(27,316)</u>	<u>151,164</u>

Restricted funds

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
Derbyshire & Nottinghamshire Housing Law Group	460	-	-	-	460
Trainee Solicitor Project	418	31,448	(33,763)	1,897	-
NED Homelessness Prevention	-	36,000	(39,104)	3,104	-
EMMA project	-	58,772	(68,769)	9,997	-
Amber Valley Independent Advice	-	12,000	(18,913)	6,913	-
Living Rights Project	-	-	(1,027)	1,027	-
Derbyshire Bilingual Help Through Crisis Buddy Project	-	24,260	(24,410)	150	-
Building Better Opportunities - Opportunity and Change Programme	3,534	152,174	(151,125)	-	4,583
Litigants in Person - Employment Tribunal Assistance Project	30	7,500	(7,530)	-	-
Derbyshire Communities Project	-	8,333	(12,060)	3,727	-
Homelessness Reduction Act	-	23,334	(23,687)	353	-
Rogue Landlord Project	-	3,000	(3,148)	148	-
	<u>4,442</u>	<u>356,821</u>	<u>(383,536)</u>	<u>27,316</u>	<u>5,043</u>
Total of funds	<u>161,495</u>	<u>674,855</u>	<u>(680,143)</u>	<u>-</u>	<u>156,207</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

15. Statement of funds (continued)

Transfers from unrestricted funds are made to cover restricted funds in deficit and to provide for designated funds.

Designated funds

Staff Contingency Fund

Staff redundancy costs are covered in the contingency fund. This designated fund will, for 2017/18, consist of 80% of staff redundancy costs at statutory minimum levels.

Office and Equipment Renewals

This is a capital fund which allows for the replacement of office and capital equipment as required.

Staff Car Parking Fund

This is set aside to fund parking at work costs.

Restricted funds

Derbyshire & Nottinghamshire Housing Law Group

Subscription based group. Legal practitioners from the Derbyshire and Nottinghamshire areas meet to exchange information on Housing. Formal housing training has also been undertaken by the group.

Trainee Solicitor Project

These are funds from the Legal Education Foundation for the placement of a Justice First Fellowship Trainee Solicitor at Derbyshire Law Centre for 2 years.

North Eastern Derbyshire Homelessness Prevention:

Funded jointly by Bolsover District Council, Chesterfield Borough Council and North East Derbyshire District Council, this project allows DLC to assist clients that are facing mortgage repossession.

East Midlands Money Advice (EMMA) Project

The Law Centre is a partner of this regional project, funded by the Money Pensions Service, through East Midlands Money Advice. Our project allows us to employ an additional specialist debt caseworker who delivers a quality assured debt service to people who are struggling to maintain essential payments for their home (rent or mortgage) because of other debts.

Amber Valley Independent Advice

This work is funded by Amber Valley Borough Council and is for housing work that is out of scope in Ripley.

Living Rights Project

The Living Rights Project is a European Funded project, led by the Law Centres Network and DLC is funded to provide information and raise awareness for EU citizens in the UK including immigration, housing and employment rights.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

15. Statement of funds (continued)

Derbyshire Bilingual Help Through Crisis Buddy Project

Funded by the Big Lottery's Help Through Crisis programme, the Law Centre is a partner in this project which is led by Direct Help and Advice. The project, a joint city and shire project, is designed to work with people whose first language is not English who are in crisis. The Law Centre is responsible for training and supervising "buddies" who will work with individuals/families to address the crisis as well as identifying and assisting in any areas of law that we specialise in.

Building Better Opportunities - Opportunity and Change Programme

The programme is part of the national Building Better Opportunities programme funded by the Big Lottery Fund and The European Union through it's European Social Fund. This funds the Opportunity and Change project and the Money Sorted in D2N2 projects.

Litigants in Person - Employment Tribunal Assistance Project

Funding from Access to Justice to enable a service to assist clients in taking their own claims to Employment Tribunal.

Derbyshire Communities Project

This project was funded by DCC to provide a part time specialist paralegal to be available to deal with Universal Credit cases with housing element issues.

Homelessness Reduction Act

The project is funded by three local authorities – Chesterfield Borough Council, North East Derbyshire District Council and Bolsover District Council. The project employs a Paralegal that works very intensively with clients to try and help them maintain current tenancies or find new homes.

Rogue Landlord Project

The local authorities in Derbyshire alongside trading standards, the Citizens Advice Bureau and Derbyshire Law Centre are working together to provide an online resource and training to frontline staff on housing conditions and legal enforcement rights. The aim of the project is to identify rogue landlords and ensure private rented accommodation is fit for purpose.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

15. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
Designated funds					
Staff contingency	62,330	-	-	4,635	66,965
Office and equipment renewals	14,656	-	-	-	14,656
Staff car parking	3,495	-	-	444	3,939
	<u>80,481</u>	<u>-</u>	<u>-</u>	<u>5,079</u>	<u>85,560</u>

General funds

General funds	49,419	302,866	(262,413)	(18,379)	71,493
Total Unrestricted funds	<u>129,900</u>	<u>302,866</u>	<u>(262,413)</u>	<u>(13,300)</u>	<u>157,053</u>

Restricted funds

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
Derbyshire & Nottinghamshire Housing Law Group	101	430	(71)	-	460
Trainee Solicitor Project	-	8,474	(8,317)	261	418
NED Homelessness Prevention	-	36,000	(36,737)	737	-
EMMA project	1,383	50,399	(54,672)	2,890	-
Amber Valley Independent Advice	-	12,000	(15,363)	3,363	-
Living Rights Project	-	9,950	(12,437)	2,487	-
Derbyshire Bilingual Help Through Crisis Buddy Project	3,534	20,588	(24,122)	-	-
Building Better Opportunities - Opportunity and Change Programme	4,968	112,063	(113,872)	375	3,534
Derbyshire Resettlement Advice Service	22	7,500	(7,535)	13	-
Litigants in Person - Employment Tribunal Assistance Project	-	22,500	(25,338)	2,868	30
DHP Project	-	9,869	(10,175)	306	-
	<u>10,008</u>	<u>289,773</u>	<u>(308,639)</u>	<u>13,300</u>	<u>4,442</u>
Total of funds	<u>139,908</u>	<u>592,639</u>	<u>(571,052)</u>	<u>-</u>	<u>161,495</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

Summary of funds - current year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
Designated funds	85,560	-	-	2,016	87,576
General funds	71,493	318,034	(296,607)	(29,332)	63,588
	<u>157,053</u>	<u>318,034</u>	<u>(296,607)</u>	<u>(27,316)</u>	<u>151,164</u>
Restricted funds	4,442	356,821	(383,536)	27,316	5,043
	<u>161,495</u>	<u>674,855</u>	<u>(680,143)</u>	<u>-</u>	<u>156,207</u>

Summary of funds - prior year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
Designated funds	80,481	-	-	5,079	85,560
General funds	49,419	302,866	(262,413)	(18,379)	71,493
	<u>129,900</u>	<u>302,866</u>	<u>(262,413)</u>	<u>(13,300)</u>	<u>157,053</u>
Restricted funds	10,008	289,773	(308,639)	13,300	4,442
	<u>139,908</u>	<u>592,639</u>	<u>(571,052)</u>	<u>-</u>	<u>161,495</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	3,902	-	3,902
Current assets	190,077	28,377	218,454
Creditors due within one year	(42,815)	(23,334)	(66,149)
	<u>151,164</u>	<u>5,043</u>	<u>156,207</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	2,748	-	2,748
Current assets	215,079	4,442	219,521
Creditors due within one year	(60,774)	-	(60,774)
	<u>157,053</u>	<u>4,442</u>	<u>161,495</u>

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

	2019 £	2018 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(5,288)	21,587
Adjustment for:		
Depreciation charges	1,357	948
Dividends, interest and rents from investments	(46)	(62)
Increase in debtors	(34,776)	(62,707)
Increase/(decrease) in creditors	5,375	(29,346)
Net cash used in operating activities	<u>(33,378)</u>	<u>(69,580)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	44,106	79,949
Total	<u>44,106</u>	<u>79,949</u>

19. Related party transactions

Committee members receive no remuneration for their services. Their travelling and other expenses are reimbursed in respect of expenses incurred on the company's business. In the year ended 31 March 2019 4 members claimed expenses totalling £820 (2018: 3 members totalling £451).