

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 2020

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and Management Committee and advisers	1 - 2
Trustees' report	3 - 17
Independent auditor's report on the financial statements	18 - 20
Statement of financial activities	21
Balance sheet	22
Statement of cash flows	23
Notes to the financial statements	24 - 42

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND MANAGEMENT COMMITTEE AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2020

Trustees and Management Committee	Mr M Gordon, Chair Mr A Craw, Treasurer Miss S White, Secretary Mr H Borrell Mr J Boulton Mr R Busby Mr C Collard Mr J Duncan Ms J Flood Mrs A Foster Mr C Hampton Mrs A Harris (resigned 20 June 2019) Mr D McGregor Mr A Powell (appointed 1 July 2019) Mrs J Rodgers (appointed 14 April 2019) Mr D Shaw Mrs J Skill Mr D Skinner Mr T Snowden (resigned 6 November 2019) Ms K Thornton (appointed 26 September 2019, resigned 6 November 2019) Mrs M Thorpe (resigned 6 November 2019) Ms E Tidd (appointed 20 May 2019) Mrs A Webster Mr M Wilson (appointed 6 November 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 Statutory Auditors 57-59 Saltergate Chesterfield S40 1UL

DERBYSHIRE LAW CENTRE LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND MANAGEMENT COMMITTEE
AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Bankers	Lloyds Bank plc Rose Hill Chesterfield Derbyshire S40 1LR
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DERBYSHIRE LAW CENTRE LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their annual report together with the audited financial statements of the charity for the year 1 April 2019 to 31 March 2020. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

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

Objectives and activities

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.

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)'.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Objectives and activities (continued)

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;
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), Elm Foundation and the Steering Group of Financial Action and Advice Derbyshire to show support and encourage joint working.

Achievements and performance

a. Review of activities

2019-20 saw the continuation of quality assured, accessible legal advice and representation. The whole of the team; staff, volunteers and Management Committee members worked to provide a stable, sustainable, holistic service to the disadvantaged people of Derbyshire.

The number of cases opened in our specialist areas of law by our caseworkers and Solicitors increased by 3% during the year, from 1,195 to 1,235 with all areas of law showing an increase in demand.

The number of individuals contacting us during the year was also up, by 1%, to 4,932. These callers were assessed by our Volunteer Assessment Team and Assessment Supervisor and directed to either external sources of information or internally to our Housing, Debt, Discrimination, Employment or Immigration Units.

Due to an increase in the number of projects and the demand from clients associated with those projects, staff numbers

DERBYSHIRE LAW CENTRE LIMITED

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance (continued)

have increased. This led to a shortage of desks. We opened our 2nd office on Rose Hill in September 2019, where we have 9 staff members working. This office required ICT upgrading and new equipment. The office is a non-public office.

We have been fortunate to continue to receive core financial support from our Local Authority partners, Chesterfield Borough Council, Bolsover District Council, North East Derbyshire District Council and Derbyshire County Council. This funding continues to provide a base service, allowing the organisation to look at other funding opportunities to provide legal advice in new areas or on a larger scale.

Specialist Services – Housing

Our housing unit expanded during the year with the new funding from the Private Rented Sector (PRS) Scheme. This worked alongside our Legal Aid contracts, Homelessness projects, Amber Valley Independent Advice and Homeless Reduction Act (HRA) work. The team now looks at the reasons why clients are experiencing housing problems and, using funds from the PRS project, is able to address issues such as lack of deposits and rent arrears in order to retain or take on new private tenancies.

We have continued our work at the County Court Duty Scheme (although not since the Covid-19 lockdown in March 2020), and although this was down on the previous year we attended all dates during the year. We have continued with our Legal Aid Agency Contract and provided legal help and legal representation funded work.

Specialist Services - Employment

Our employment service continues to try to meet demand with staff resources but with little direct funding, this is challenging. We have continued to provide an outreach service at Ilkeston and Ripley (funded by Derbyshire County Council) during the year and a telephone callback service 3 days per week.

We were successful in obtaining funding from Derbyshire Public Health and The Legal Education Foundation for the "Just in Time" project. A pilot project to support those who are either on long-term health related absence from work or at risk of long-term absence for those living in Chesterfield. It will be independently assessed by Sheffield Hallam University to look at whether the project can be extended into the wider Derbyshire area.

A Hostile Environment project aimed at providing employment advice and assistance for migrant workers began in early 2019. Funded through a national fundraiser with the Guardian Newspaper, our project exceeded expectations, helping 80 clients and providing 2 legal education events.

The unit continues to provide a small charged service through fixed rate, Damages Based Agreements and Settlement Agreements work.

Specialist Services – Discrimination

In October, we had success in obtaining a Legal Aid Agency contract for Employment Discrimination and Discrimination for Goods and Services. This has allowed the Employment Unit to take on more complex employment discrimination cases. One of our solicitors has taken on the Goods and Services Discrimination cases. We are expecting this contract to produce larger income during 2020/21.

Specialist Services – Debt

Our specialist debt services has been funded through 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 the end of March 2021.

From April 2020, the team has expanded by 80% to try to meet demand.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance (continued)

Specialist Services – Immigration

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

We have invested in our staff to maintain or qualify for their accreditations, with our newest solicitor achieving their OISC (Office of Immigration Services Commissioner) level 1 standard during the year. Along with our Level 3 Law Society Immigration and Asylum Accredited Senior Solicitor, they resource our immigration advice service.

DLC is registered with the OISC, which allows us to provide a small fee paying service.

Support Services

Behind our solicitors, caseworkers and project staff, we have a dedicated admin team and coordination unit. These staff provide our front of house services, casework support, premises management, financial administration and management as well as putting together funding bids, IT development and strategic lead.

Project Work – Opportunity and Change (OaC)

Employing a social worker and advocate allowed us to carry out care assessments for clients. Our work with Framework, as part of the Opportunity and Change D2N2 projects, has allowed us to continue with screenings, assessments for eligibility and obtaining additional needs support.

The project has been extended for another two and a half years until the end of March 2022, enabling the Law Centre to retain the staff and keep the service.

Project Work – Money Sorted in D2N2

Working with Advice Nottingham as lead on the project, we continue to see a high number of individuals requiring our Personal Navigator's support. In 19/20, we saw 70% above the target figure. This is partly due to the holistic work that we carry out at the Law Centre, and allows Personal Navigators to not only help with personal budgets but also to identify when specialist debt or housing advice is needed.

As with the OaC project, the Money Sorted project has been extended until the end of March 2022, enabling the Law Centre to retain 2 Personal Navigators and an essential service for the people of Derbyshire.

Project Work – Derbyshire Crisis Bilingual Service

DLC is a partner in this 5 year project, led by Direct Help and Advice. As we approached the end of year 4, the project is in line to exceed expectations. 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 their lives.

Trainee Solicitors

In January, Beth Holt formally qualified as a Solicitor, having completed her Justice First Fellowship funded Trainee Solicitor program. Her specialities are employment and immigration and she achieved OISC Level 1 for immigration work.

Matthew Brown, who started at the Law Centre on a work placement, went on to become a paralegal and, after securing the nationally awarded Diversity and Access Scheme funding (which is only awarded to 1 person per year) through The Law Society, is now a Trainee Solicitor. He has already completed his employment training and is currently working in our Housing Unit.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance (continued)

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. Results for the year

Prior to the start of the 19/20 financial year, an income and expenditure budget, funding strategy and financial strategy were considered by the Management Committee. An almost £16,000 deficit was approved.

Through the use of the Funding Strategy, we have been able to identify new funds which has allowed us to complete the year in a better position.

Our core funding from the 4 local authorities continued at the same levels as in 18/19. As previously mentioned, our Legal Aid Agency contracts in housing were extended and a new discrimination contract was achieved. Our County Court Duty Scheme contract was also extended again.

We either applied for, or were part of, 19 funding applications, of which 2 are still being considered, 17 were successful.

We were able to obtain new funding in all areas of law.

The Money and Pension Service was again, successful, meeting all of its targets.

Amber Valley Borough Council funded the Independent Housing Advice project. Funding was increased, allowing additional staff resources to concentrate on housing advice in the Amber Valley area.

Our staff numbers have increased again. Funded through the new Private Rented Sector funding, we employed two new Homelessness Prevention Workers and a Debt supervisor. This project continued into 20/21. We increased housing staff resources, through the employment of a new housing solicitor. Employment resources increased slightly during the year. Investing more time into immigration work allowed us to employ a new Strategic Lead Coordinator.

We were able to successfully retain projects or find new funding that enabled us to retain 5 members of staff, including the newly qualified Solicitor.

Once again, we passed our Lexcel Quality Audit, continuing our Quality Mark. In addition, we achieved Cyber Essentials certification which shows how robust our IT security is.

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

None of the work that we do is possible without funding. We continue to be 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Financial review (continued)

Thanks also to:

- Legal Aid Agency
- Amber Valley Borough Council
- Money and Pensions Service
- The National Lottery Community Fund
- European Union
- The Law Society
- Legal Education Foundation
- Derbyshire Public Health
- The Guardian, via Law Centres Network
- The Home Office, via Law Centres Network
- Ministry of Housing Communities and Local Government

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 originally predicted in March 2019 with income of £882,604 and expenditure of £883,127 we ended the year with a net deficit of £523.

At 31 March 2020, total funds carried forward are £155,684, of which £7,083 are in restricted funds, £91,172 are in designated funds and £57,429 are in unrestricted general funds.

b. 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 The National Lottery Community Fund, Chesterfield Borough Council, North East Derbyshire District Council, Bolsover District Council, Amber Valley Borough Council, the European Union, The Law Society, Legal Education Foundation, Ministry of Housing Communities and Local Government, Derbyshire Public Health, The Home Office, The Guardian, Money and Pension 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Financial review (continued)

c. 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 at levels to satisfy notice periods and lease notices on rent and equipment. At current levels, this equates to £254,853. Of this requirement, £81,372 has already been set aside in the designated Staff Contingency Fund, the required level of free reserves is £173,481 if the organisation was to immediately cease. With a managed closure, this would be reduced to £92,009.

As at 31 March 2020, free reserves are £50,233 which is below the target level. The Trustees have set a financial strategy to 2023 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 that reserves will be used to cease operations would need to be called upon in the near future.

d. 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 2021. 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.

Whilst Legal Help work has reduced, Legal Aid work billed has increased significantly with the 6 month income target being achieved during the first 3 months of the year. One member of staff was furloughed for 3 weeks.

A large amount of our usual funders and with the Ministry of Justice providing funds from the Community Justice Fund, we have no financial concerns during 20/21. Unfortunately, a lot of this funding is required to be spent by the end of March 2021.

Our D2N2 projects have been extended to March 2022. Our replacement project for the PRS project, now called the HP project, has been confirmed until June 2021. Our HRA project has been extended until August 2021.

Our Money and Pension Service project has been extended again and, from April 2020, it will increase by 0.8 FTE.

At 31 March 2020, the charity has free reserves of £50,233 after designating funds of £91,172. The charity has produced budgets to 31 March 2022 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.

e. 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Financial review (continued)

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

Structure, governance and management

a. Constitution

The organisation is a charitable company limited by guarantee, incorporated on 15 December 1989 and registered as a charity on 1 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 has subsequently been approved by both the Charity Commission and Companies House.

b. Methods 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 14 elected at the annual general meeting and a further 6 members nominated as representatives by core funders. During the year 4 representatives left and 5 joined the committee. We currently have no vacancies on the Committee. There is a full list of Trustees on page 1 of the Trustee's 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 skills mix. Currently personnel, finance, communication and community liaison skills are well represented.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

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 at least 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 (5), legal executives (1), caseworkers (2), trainee solicitor (1), social worker (1), Project worker (1) and coordinators (4) 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 2 paralegals provide administrative support to all Workers Group staff.

d. 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 Helen Bagley. 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 of Articles.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

In addition, members are required to complete a skills audit form so that training can be identified to ensure that they are able to participate fully in their role.

All members are made aware of how to declare an interest and are reminded at every meeting.

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.

e. Pay policy for key management personnel

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 15 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Structure, governance and management (continued)

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 42 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 "Quality 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 at least 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).

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Plans for future periods

As we start the new financial year, Covid-19 has required us to close the office. 1 member of staff was furloughed for 3 weeks and the overall service was impacted. However, through close working with local authorities, the Law Centres Network and other Law Centres, we anticipate that the year will end on a more positive note.

Housing and Homelessness

Our Legal Aid contract in Housing and Debt will continue. However, Covid-19 started at the end of 19/20 and has impacted on our Legal Help housing advice service, reducing it to around 10% of its usual target. We anticipate, however, a large increase in work from October when courts re-open and the ban on evictions is lifted.

The increase in housing staff during 19-20 allows us to take on additional work, particularly higher level work through Legal Aid Certificates as well as provide supervision for our Homelessness projects and workers.

With the successful conclusion of the PRS project, we shall continue our homelessness support work through the Homelessness Prevention project funded by a number of local authorities. This will retain 2 Homeless Prevention Workers and is now funded until May 2021. This will work closely with our HRA project which will continue to employ a Paralegal, working in the North Eastern Derbyshire area. Both projects will continue to provide all round support to clients who are experiencing difficulties in obtaining or retaining their tenancies.

We anticipate that we shall retain and expand our independent housing advice service in the Amber Valley Borough Council area. Services will continue from the Town Hall in Ripley once safe distancing measures are satisfied.

Once the Courts re-open, 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.

Employment Service

Covid-19 has already impacted greatly on the demand for employment advice services. We shall invest additional staff resources into this area of work as funding becomes available. We have already been successful in obtaining funds through the Community Justice Fund and this will see an increase in paralegal support as well as additional caseworker time. A recent award from the Access to Justice Foundation will hopefully see the recruitment of another caseworker in October 2020.

Our Legal Aid Agency contract in Discrimination work will continue and we anticipate that demand will increase as time goes on.

Our existing employment telephone service will continue. Our casework service will also continue in the North Eastern Derbyshire area. In addition, we shall, as soon as we are able, continue to provide a face to face service at Ilkeston and Ripley, funded through Derbyshire County Council. In the meantime, this service is being done through telephone interviews.

The "Just in Time" employment project is a pilot project which started last year. The project will come to an end in November 20 and is led by Derbyshire Public Health with other funds from the Legal Education Foundation. It will continue to support those who are either on long-term health related absence from work or at risk of long-term absence in the Chesterfield area. Consultants will also carry out a full assessment of this pilot project.

We shall continue to provide a limited charged for services which at present is largely made up of settlement agreement reviews. This will help to bring in funds to help support the employment unit and the retention of highly skilled staff.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Plans for future periods (continued)

Debt Advice

Specialist debt work is an essential part of the services we offer. We will increase our capacity 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 March 2022.

Immigration

We shall continue to work alongside other Law Centres to provide immigration advice through the EU Settlement Scheme project. Funded by the Home Office via the Law Centres Network, we shall continue to provide assistance for vulnerable EU citizens and complex cases as well as generate referral pathways through various advice sessions and presentations. This fund will end in September. We shall carry on this work jointly with Nottingham Law Centre.

We shall renew our OISC registration and will continue with a limited charged for service. If funding allows, we shall also increase the OISC level of qualified advisers.

Discrimination

As well as our work in employment discrimination (above), we shall continue to offer discrimination in Goods and Services through our Legal Aid Agency contract.

Technology and other resources to support our services

Home working has transformed the way our staff work. We shall continue to invest in laptops and appropriate software to allow staff to work from home when required. We will also look at how the service will be offered post lockdown.

We shall continue to develop our ICT Strategy and maintain a secure IT network, working with DCC and the LCN to keep up to date in IT developments and security. We shall also achieve Cyber Essentials certification.

We shall continue to have 2 offices in Chesterfield and look to having Wi-Fi at both offices.

We shall increase our paralegal provision in employment and also employ an apprentice to work within our Admin Team.

Project work

- 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. This project is about to start its final project year.
- Money Sorted in D2N2 – Funded by the Big Lottery and the EU. This project will continue until March 2022, retaining two staff members.
- Opportunity and Change – Again, funded by the Big Lottery and the EU, it too has been extended to March 2022, retaining two staff members.

Trainee Solicitors

We shall continue to employ a Trainee Solicitor through funds from The Law Society under the Diversity Access Scheme.

In addition, we have been successful in obtaining funding through the Legal Education Foundation from the Justice First Fellowship programme and hope to recruit another Trainee Solicitor from January 2021.

As always, the hope is that 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Plans for future periods (continued)

Initial Assessment and Signposting Service

Volunteers continue to be a crucial part of the team. They provide a front of house assessment service which directs clients to the appropriate service (both internally and externally). However, due to Covid-19, we will not have any volunteers working at the office for the first 6 months of the year. It is hoped that once the office re-opens, our volunteers will return. However, we anticipate a drop in numbers and will consider how to re-energise our volunteering opportunities during the year.

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

Funding

2020/21 so far has been very challenging for the organisation. Staff have had to change how they work, working from home and where previously remote access was exception rather than the norm, it is now how we work day to day. Zoom meetings are a daily occurrence and not meeting face to face with co-workers and clients is standard.

However, we hope that this will change later in the year when staff start working from the office on a 50% basis. Protection measures have been put in place in offices, interview rooms, meeting room and reception.

All of this has had financial implications – from furloughing staff, to buying new laptops, to installing screens and PPE.

This has all been possible with new core funding and some new project funding.

For the first time, we expect to be very near to or reach £1m in our income for the year. This is wonderful and scary, all at the same time. Our clients are reliant on us for their advice, our employees are reliant on us for employment. The higher it goes, the harder it is to maintain the levels of funds, especially short term funds.

How are we likely to achieve this? Without our core funding from 4 local authorities, none of this will be possible. We are thankful that Derbyshire County Council, Chesterfield Borough Council, North East Derbyshire District Council and Bolsover District Council have once again, confirmed funding for 2020/21. We shall continue to work with other local authorities to seek new core funding.

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

We have already been fortunate to succeed in obtaining new Covid-19 related funds from the Community Justice Fund, AB Charitable Trust, Alex Ferry Foundation and the Charities Aid Foundation.

We have also been fortunate that through partnership work with Derbyshire Unemployed Workers Centre, we have obtained new funds from the Big Lottery.

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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Plans for future periods (continued)

Information and Publicity

Our Marketing and Communications Strategy will continue to be developed. We will improve our website and increase our presence on social media through Facebook and Twitter. 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. We shall continue to support and be a member of Sheffield and District Law Society and Derby and District Law Society.

We will continue our work leading the Housing Law Group, facilitating network meetings and training for housing specialists in North East Derbyshire.

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 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 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 2019 (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 operation.

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

Disclosure of information to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

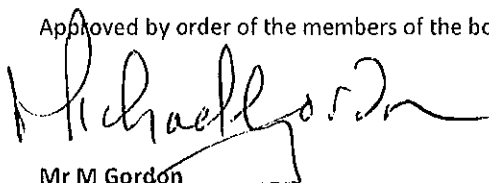
DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Auditor

The auditor, BHP LLP, has indicated their willingness to continue in office. The Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

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



Mr M Gordon

(Chair)

Date:

4/12/20

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 'charitable company') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. 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 2020 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 trustees' 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.

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

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.

Opinions 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 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 directors' report and from the requirement to prepare a strategic report.

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company 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 (Dec 4, 2020 13:36 GMT)

Jane Marshall (Senior statutory auditor)
for and on behalf of
BHP LLP
Statutory Auditors
57-59 Saltergate
Chesterfield
S40 1UL
Date: Dec 4, 2020

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	2	166,794	520,813	687,607	467,190
Charitable activities	3	142,832	50,796	193,628	205,059
Investments	4	33	-	33	46
Other income	5	1,326	10	1,336	2,560
Total income		310,985	571,619	882,604	674,855
Expenditure on:					
Raising funds	6	3,286	3,694	6,980	1,315
Charitable activities	7	297,056	579,091	876,147	678,828
Total expenditure		300,342	582,785	883,127	680,143
Net income/(expenditure)		10,643	(11,166)	(523)	(5,288)
Transfers between funds	12	(13,206)	13,206	-	-
Net movement in funds		(2,563)	2,040	(523)	(5,288)
Reconciliation of funds:					
Total funds brought forward		151,164	5,043	156,207	161,495
Net movement in funds		(2,563)	2,040	(523)	(5,288)
Total funds carried forward		148,601	7,083	155,684	156,207

The Statement of financial activities includes all gains and losses recognised in the year.

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

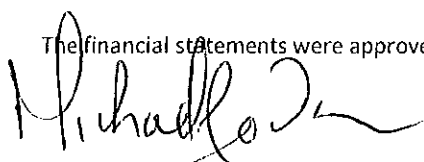
BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	7,196	3,902
		<u>7,196</u>	<u>3,902</u>
Current assets			
Debtors	10	174,844	174,348
Cash at bank and in hand		88,844	44,106
		<u>263,688</u>	<u>218,454</u>
Creditors: amounts falling due within one year	11	(115,200)	(66,149)
Net current assets		<u>148,488</u>	<u>152,305</u>
Total assets less current liabilities		<u>155,684</u>	<u>156,207</u>
Total net assets		<u>155,684</u>	<u>156,207</u>
Charity funds			
Restricted funds	12	7,083	5,043
Unrestricted funds	12	148,601	151,164
Total funds		<u>155,684</u>	<u>156,207</u>

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 and signed on their behalf by:



Mr M Gordon
(Chair)

Date:

4/12/20

The notes on pages 24 to 42 form part of these financial statements.

Mr A Crow
(Treasurer)



DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	15	50,534	(33,378)
		<hr/>	<hr/>
Cash flows from investing activities			
Bank interest		33	46
Purchase of tangible fixed assets		(5,829)	(2,511)
		<hr/>	<hr/>
Net cash used in investing activities		(5,796)	(2,465)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		44,738	(35,843)
Cash and cash equivalents at the beginning of the year		44,106	79,949
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	16	<u>88,844</u>	<u>44,106</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies

1.1 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.

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 Going concern

As with many other charitable organisations, grant funding is secured annually in advance. The Board have prepared forecasts of income and expenditure for the period to 31 March 2022 which considers only known and highly probable income streams. Within these budgets the Board have also considered the impact of COVID-19 on the charitable company's income and operating cost base. The Board are confident that they have in place plans to deal with any financial losses that may arise and will continue to monitor the impact on income and take appropriate action as necessary.

These budgets and forecasts have been subjected to sensitivity analysis which shows that the charity has sufficient reserves and cash to be able to continue for the foreseeable future. The Board therefore continue to adopt the going concern basis of preparation for these financial statements.

1.4 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

1.5 *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.

1.6 *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.

1.7 *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.

1.8 *Pensions*

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

1.9 *Operating leases*

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

1.10 *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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

1.11 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.

1.12 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.

1.13 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.

1.14 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.

1.15 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

1.16 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 2020

2. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	583	-	583	867
Private Rented Sector Access Fund from MHCLG	-	138,231	138,231	-
Chesterfield Borough Council	41,697	42,000	83,697	65,364
Derbyshire County Council	88,061	3,730	91,791	98,457
N E Derbyshire District Council	18,453	17,000	35,453	33,370
Bolsover District Council	18,000	27,000	45,000	38,750
Amber Valley Borough Council	-	22,000	22,000	12,000
Access to Justice - Litigants in Person	-	-	-	7,500
Rogue Landlord Project	-	3,000	3,000	3,000
Big Lottery Fund - Building Better Opportunities	-	134,782	134,782	152,174
Big Lottery Fund - Help Through Crisis Buddy Project	-	24,933	24,933	24,260
Legal Education Foundation - Trainee Solicitor Project	-	24,315	24,315	31,448
Diversity and Access Scheme - Trainee Solicitor Project	-	13,244	13,244	-
Law Centres Network - EUSS Project	-	38,628	38,628	-
The Guardian - Hostile Environment Project	-	15,000	15,000	-
Legal Education Foundation - Just in Time Project	-	16,950	16,950	-
Total 2020	166,794	520,813	687,607	467,190
Total 2019	169,141	298,049	467,190	

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

3. Income from charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
LSC: Legal Help Contract	52,790	-	52,790	54,292
LSC: Disbursements (Block Contract)	3,665	-	3,665	1,431
LSC: Disbursements (Legal rep)	22,480	-	22,480	4,861
LSC: County Court Duty Scheme	5,438	-	5,438	6,869
LSC: Legal representative	47,696	-	47,696	48,533
Case work fees	2,138	-	2,138	11,550
EMMA Project	-	50,796	50,796	58,772
Charged Services income	8,625	-	8,625	18,751
	<u>142,832</u>	<u>50,796</u>	<u>193,628</u>	<u>205,059</u>
Total 2019	<u>146,287</u>	<u>58,772</u>	<u>205,059</u>	

4. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	33	33	46
Total 2019	<u>46</u>	<u>46</u>	

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

5. Other income

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Training fees	754	-	754	2,100
Miscellaneous	572	10	582	460
	<u>1,326</u>	<u>10</u>	<u>1,336</u>	<u>2,560</u>
Total 2019	<u>2,560</u>	<u>-</u>	<u>2,560</u>	

6. Expenditure on raising funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Publicity and promotion	<u>3,286</u>	<u>3,694</u>	<u>6,980</u>	<u>1,315</u>
Total 2019	<u>1,102</u>	<u>213</u>	<u>1,315</u>	

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

7. Charitable activities

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Staff costs	179,990	510,885	690,875	550,086
Recruitment	707	631	1,338	3,004
Practising certificates	1,637	1,252	2,889	2,178
Telephone	4,977	956	5,933	5,152
Affiliations, reference books etc	3,462	1,217	4,679	4,456
Subscriptions	3,642	417	4,059	3,833
Staff expenses	5,449	8,481	13,930	8,170
Participant expenses	-	5,658	5,658	7,964
Committee expenses	1,070	27	1,097	1,338
Staff training costs	2,632	3,520	6,152	3,566
Volunteers expenses	1,038	-	1,038	826
Training delivery	71	105	176	741
Disbursements	25,691	5,079	30,770	16,385
PRS participant expenses	-	30,949	30,949	-
Professional indemnity	1,576	104	1,680	1,680
Insurance	1,180	116	1,296	664
Heat, light and water	1,299	48	1,347	-
Rent	19,182	1,464	20,646	19,055
Repairs and cleaning	2,741	148	2,889	5,646
Stationary and postage	7,295	944	8,239	7,805
Equipment maintenance and repairs	21,622	3,074	24,696	18,815
Interpretation costs	276	280	556	570
Hospitality	1,007	172	1,179	963
IT equipment	335	3,153	3,488	1,888
Bank and card charges	288	-	288	297
Legal and professional	1,010	-	1,010	4,807
Depreciation	2,535	-	2,535	1,357
Audit costs	6,344	411	6,755	6,555
Loss on currency exchange	-	-	-	1,027
Total 2020	297,056	579,091	876,147	678,828

In 2019, £295,505 was from unrestricted funds and £383,323 was from restricted funds.

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

8. Staff costs

	2020 £	2019 £
Wages and salaries	592,556	480,715
Social security costs	53,066	36,928
Contribution to defined contribution pension schemes	45,253	32,443
	<u>690,875</u>	<u>550,086</u>

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

2020 No.	2019 No.
<u>25</u>	<u>21</u>

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

The total amount of employee benefits received by key management personnel, including employer's NI and pension is £388,155 (2019: £392,424). The charity considers its key management personnel comprise the staff on the Workers Group and the Trustees on the Management Committee.

No Trustee received any remuneration during either year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

9. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
<i>Cost or valuation</i>			
At 1 April 2019	12,171	18,782	30,953
Additions	-	5,829	5,829
At 31 March 2020	12,171	24,611	36,782
<i>Depreciation</i>			
At 1 April 2019	9,953	17,098	27,051
Charge for the year	502	2,033	2,535
At 31 March 2020	10,455	19,131	29,586
<i>Net book value</i>			
At 31 March 2020	1,716	5,480	7,196
At 31 March 2019	2,218	1,684	3,902

10. Debtors

	2020 £	2019 £
Trade debtors	36,029	22,598
Other debtors	118,140	132,826
Prepayments and accrued income	20,675	18,924
	174,844	174,348

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

11. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	4,307	2,214
Other taxation and social security	13,853	16,107
Other creditors	2,769	994
Accruals and deferred income	94,271	46,834
	<u>115,200</u>	<u>66,149</u>
	2020 £	2019 £
Deferred income at 1 April 2019	23,334	7,500
Resources deferred during the year	57,325	23,334
Amounts released from previous periods	(23,334)	(7,500)
	<u>57,325</u>	<u>23,334</u>

Deferred income relates to project funding received in advance for projects in 2020/21.

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
<i>Unrestricted funds</i>					
<i>Designated funds</i>					
Staff contingency	73,733	-	-	7,639	81,372
Equipment renewals	12,843	-	-	(4,043)	8,800
Staff car parking	1,000	-	-	-	1,000
	<u>87,576</u>	<u>-</u>	<u>-</u>	<u>3,596</u>	<u>91,172</u>
<i>General funds</i>					
General Funds	<u>63,588</u>	<u>310,985</u>	<u>(300,342)</u>	<u>(16,802)</u>	<u>57,429</u>
<i>Total Unrestricted funds</i>	<u>151,164</u>	<u>310,985</u>	<u>(300,342)</u>	<u>(13,206)</u>	<u>148,601</u>

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
<i>Restricted funds</i>					
Derbyshire & Nottinghamshire Housing Law Group	460	10	(58)	-	412
Trainee Solicitor Project (DAS)	-	13,244	(13,344)	100	-
Trainee Solicitor Project (Justice First Fellowship)	-	24,315	(24,768)	453	-
NED Homelessness Prevention	-	36,000	(35,995)	-	5
Homelessness Reduction Act	-	40,000	(40,000)	-	-
EMMA project	-	50,796	(52,732)	1,936	-
Amber Valley Independent Advice	-	22,000	(24,248)	2,248	-
Living Rights Project	-	-	(8)	8	-
Derbyshire Bilingual Help Through Crisis Buddy Projects	-	24,933	(25,056)	123	-
Building Better Opportunities - Opportunity and Change Programme	4,583	134,782	(141,846)	2,481	-
Derbyshire Communities Project	-	3,730	(3,730)	-	-
Rogue Landlord Project	-	3,000	(3,167)	167	-
Private Rented Sector Access Fund	-	138,231	(137,794)	3,614	4,051
Just In Time Project (CBC and LEF)	-	26,950	(24,335)	-	2,615
EUSS Project	-	38,628	(40,704)	2,076	-
The Guardian - Hostile Environment Project	-	15,000	(15,000)	-	-
	5,043	571,619	(582,785)	13,206	7,083
<i>Total of funds</i>	156,207	882,604	(883,127)	-	155,684

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
<i>Unrestricted funds</i>					
<i>Designated funds</i>					
Staff contingency	66,965	-	-	6,768	73,733
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>
<i>General funds</i>					
General Funds	<u>71,493</u>	<u>318,034</u>	<u>(296,607)</u>	<u>(29,332)</u>	<u>63,588</u>
<i>Total Unrestricted funds</i>	<u>157,053</u>	<u>318,034</u>	<u>(296,607)</u>	<u>(27,316)</u>	<u>151,164</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
Restricted funds					
Derbyshire & Nottinghamshire Housing Law Group	460	-	-	-	460
Trainee Solicitor Project (DAS)	418	31,448	(33,763)	1,897	-
NED Homelessness Prevention	-	36,000	(39,104)	3,104	-
Homelessness Reduction Act	-	23,334	(23,687)	353	-
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 Projects	-	24,260	(24,410)	150	-
Building Better Opportunities - Opportunity and Change Programme	3,534	152,174	(151,125)	-	4,583
Derbyshire Communities Project	-	8,333	(12,060)	3,727	-
Rogue Landlord Project	-	3,000	(3,148)	148	-
Litigants in Person - Employment Tribunal Assistance Project	30	7,500	(7,530)	-	-
	<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>

Designated funds

Staff Contingency Fund

Staff redundancy costs are covered in the contingency fund. This designated fund will 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12. Statement of funds (continued)

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 (DAS)

Funded by the Law Society, the Diversity and Access Scheme funding will pay for a Trainee Solicitor for 2 years (ending July 2021).

Trainee Solicitor (Justice First Fellowship)

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 (ending January 2020).

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.

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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12. Statement of funds (continued)

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.

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 on line 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.

Private Rented Sector Access Fund

Funded by the Ministry of Housing, Communities and Local Government via an agreement with North East Derbyshire District Council, this project will work with "Call B4 You Serve" to provide tailored support for PRS renters at risk of homelessness. The funds also included a £40,000 Homelessness Prevention Fund. The project ends May 2020.

Just In Time Project

Funding from Derbyshire Public Health and The Legal Education Foundation enabled us to start a pilot project to support those who are either on long-term health related absence from work or at risk of long-term absence in Chesterfield. It will be independently assessed by Sheffield Hallam University to look at whether the project can be extended into the wider Derbyshire area.

European Union Settlement Scheme Project (EUSS)

Funded by the Home Office via the Law Centres Network, the project provides immigration advice and referral pathways for vulnerable EU citizens (currently ends September 2020).

The Guardian - Hostile Environment Project

Funded through a national campaign through the Law Centres Federation with the Guardian Newspaper, this fund allowed the employment caseworkers to provide employment advice and assistance for migrant workers. The project ended in March 2020.

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.

Transfers

Transfers have been made from unrestricted funds to cover deficits on restricted funds and to set aside designated funds.

A transfer has been made from unrestricted funds to the PRS restricted fund to cover a shortfall in income where core funds were used to cover the costs.

Funds in deficit

The Just in Time Project is in deficit due to expenditure being incurred in advance of funding being recognised.

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

13. Summary of funds

Summary of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Designated funds	87,576	-	-	3,596	91,172
General funds	63,588	310,985	(300,342)	(16,802)	57,429
Restricted funds	5,043	571,619	(582,785)	13,206	7,083
	<u>156,207</u>	<u>882,604</u>	<u>(883,127)</u>	<u>-</u>	<u>155,684</u>

Summary of funds - prior 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
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>

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	7,196	-	7,196
Current assets	187,365	76,323	263,688
Creditors due within one year	(45,960)	(69,240)	(115,200)
Total	<u>148,601</u>	<u>7,083</u>	<u>155,684</u>

DERBYSHIRE LAW CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

14. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	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)
Total	151,164	5,043	156,207

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

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(523)	(5,288)
Adjustments for:		
Depreciation charges	2,535	1,357
Bank interest	(33)	(46)
Increase in debtors	(496)	(34,776)
Increase in creditors	49,051	5,375
Net cash provided by/(used in) operating activities	50,534	(33,378)

16. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	88,844	44,106
Total cash and cash equivalents	88,844	44,106

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

17. Analysis of changes in net debt

	At 1 April 2019	Cash flows	At 31 March 2020
	£	£	£
Cash at bank and in hand	44,106	44,738	88,844
	<u>44,106</u>	<u>44,738</u>	<u>88,844</u>

18. 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 £45,253 (2019: £32,443). At the year end, £1,308 (2019: 103) of contributions were outstanding and included within creditors.

19. Operating lease commitments

At 31 March 2020 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	18,877	15,377
Later than 1 year and not later than 5 years	44,586	58,796
	<u>63,463</u>	<u>74,173</u>

20. 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 2020 5 members claimed expenses totalling £263 (2019: 4 members totalling £820).