

Company Registration No. 10556197 (England and Wales)

**GOOD LAW PROJECT LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2022**



# GOOD LAW PROJECT LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	R Evans	
	S Wood	
	S Ahmad	(Appointed 27 July 2021)
	M Lodge	(Appointed 27 July 2021)
	S Morgan	(Appointed 27 July 2021)
	J Walters	(Appointed 27 July 2021)

<b>Company number</b>	10556197
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<b>Registered office</b>	3 East Point High Street, Seal Sevenoaks Kent TN15 0EG
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<b>Accountants</b>	Lee, Dicketts & Co 3 East Point High Street, Seal Sevenoaks Kent TN15 0EG
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# GOOD LAW PROJECT LIMITED

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# GOOD LAW PROJECT LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 JANUARY 2022

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The directors present their annual report and financial statements for the year ended 31 January 2022.

#### Principal activities

The principal activity of the company, which is a not for profit organisation, continued to be that of using the law to address significant issues of disadvantage, discrimination, unfairness and wrongdoing.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J Maugham	(Resigned 27 July 2021)
R Evans	
S Wood	
S Ahmad	(Appointed 27 July 2021)
M Lodge	(Appointed 27 July 2021)
S Morgan	(Appointed 27 July 2021)
J Walters	(Appointed 27 July 2021)

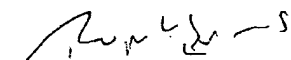
#### Limited assurance review

For the financial year ended 31 January 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. However the directors chose to commission a review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised) 'Engagements to review historical financial statements'. ISRE 2400 (Revised) requires our Chartered Certified Accountants to conclude whether anything has come to their attention that causes them to believe that the financial statements, taken as a whole, are not prepared, in all material respects, in accordance with United Kingdom Generally Accepted Accounting Practice.

#### Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



R Evans  
Director

28 April 2022

# GOOD LAW PROJECT LIMITED

## INDEPENDENT CHARTERED CERTIFIED ACCOUNTANTS' REVIEW REPORT TO THE DIRECTORS OF GOOD LAW PROJECT LIMITED

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We have reviewed the financial statements of Good Law Project Limited for the year ended 31 January 2022 which comprise the income and expenditure account, the statement of financial position and notes to the financial statements, 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

### Directors' responsibility for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

### Accountants' responsibility

Our responsibility is to express a conclusion on the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised) 'Engagements to review historical financial statements'. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared, in all material respects, in accordance with United Kingdom Generally Accepted Accounting Practice. ISRE 2400 (Revised) also requires us to comply with the ethical and other professional requirements of our accounting body.

### Scope of the assurance review

A review of financial statements in accordance with the ISRE 2400 (Revised) is a limited assurance engagement. We have performed procedures, primarily consisting of making enquiries of management and others within the company, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the company's affairs as at 31 January 2022, and of its profit for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice; and
- in accordance with the requirements of the Companies Act 2006.

### Use of our report

This report is made solely to the company's directors, as a body, in accordance with the terms of our engagement letter dated 17 February 2017. Our review work has been undertaken so that we might state to the company's directors those matters we have agreed to state to them in a reviewer'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 company and the company's directors as a body, for our review work, for this report, or for the conclusions we have formed.



Lee, Dicketts & Co

28 April 2022

Chartered Certified Accountants

3 East Point  
High Street, Seal  
Sevenoaks  
Kent  
TN15 0EG

# GOOD LAW PROJECT LIMITED

## INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2022

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	2022 £	2021 £
Income	6,395,451	2,932,027
Direct costs	(3,311,983)	(1,634,537)
	<hr/>	<hr/>
Gross surplus	3,083,468	1,297,490
Administrative expenses	(432,725)	(149,543)
Other operating income	2,606	130
	<hr/>	<hr/>
Operating surplus	2,653,349	1,148,077
Interest receivable and similar income	-	483
	<hr/>	<hr/>
Surplus for the financial year	<u>2,653,349</u>	<u>1,148,560</u>

# GOOD LAW PROJECT LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 JANUARY 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Intangible assets	4		4,684		-
Tangible assets	5		51,778		6,248
			<u>56,462</u>		<u>6,248</u>
<b>Current assets</b>					
Debtors	6	41,297		98,175	
Cash at bank and in hand		5,498,889		1,963,195	
		<u>5,540,186</u>		<u>2,061,370</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,510,461)</u>		<u>(634,780)</u>	
<b>Net current assets</b>			<u>4,029,725</u>		<u>1,426,590</u>
<b>Net assets</b>			<u>4,086,187</u>		<u>1,432,838</u>
<b>Reserves</b>					
Income and expenditure account	9		<u>4,086,187</u>		<u>1,432,838</u>
			<u>4,086,187</u>		<u>1,432,838</u>

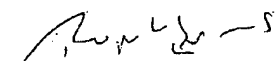
For the financial year ended 31 January 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 28 April 2022 and are signed on its behalf by:



R Evans  
Director

Company Registration No. 10556197

# GOOD LAW PROJECT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

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### 1 Accounting policies

#### Company information

Good Law Project Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 3 East Point, High Street, Seal, Sevenoaks, Kent, TN15 0EG.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due. Expenses include VAT where applicable as the company cannot reclaim it.

General donations are recognised by the entity when received, net of transaction fees.

Case-specific revenues are recognised when they meet the relevant income recognition criteria. Crowdfunded income is recognised on receipt, as are other case-specific donations, unless there are conditions affecting the entity's entitlement to the funds, in which case they are deferred until the conditions are met. Case-specific funds received in advance of expenditure on a case are therefore included in current assets on the entity's balance sheet.

At the balance sheet date, costs in relation to cases are recognised in accordance with the relevant expenditure recognition criteria, whether they constitute legal or constructive obligations. Costs which have actually been paid are recognised as expenditure when paid. Once the entity has started fundraising for a case it has at least a constructive obligation up to the amount of funds raised, on the basis that it has appointed a legal team and raised an expectation that it will take the case forward using the funds raised. At the balance sheet date, it therefore accrues costs over and above any expenditure actually incurred, up to the amount of the income raised with respect to each case. If at the balance sheet date the entity assesses, in accordance with FRS 102, that the liabilities in relation to a case will in fact be lower or higher than the funds raised to date, the accrual is adjusted accordingly, to reflect this assessment.

Such anticipated costs are included under "Creditors falling due within one year" on the balance sheet.

Surpluses generated will be spent on future cases, on developing the company and building its financial sustainability, on supporting other initiatives and organisations which are aligned with our purpose and aims, and on meeting future potential liabilities as they arise, including the contingent liabilities listed at note 10 to the accounts.

#### 1.3 Intangible fixed assets other than goodwill

Intangible assets other than goodwill represents the licence costs.



# GOOD LAW PROJECT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

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### 1 Accounting policies

(Continued)

Intangible assets are stated at cost less amortisation and are reviewed for impairment whenever there is an indication that the carrying value may be impaired.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives. No amortisation will be charged until the intangible asset is available for use.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Furniture, fixtures and fittings	over 5 years straight line basis
Computers	over 3 years straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# GOOD LAW PROJECT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

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### 1 Accounting policies (Continued)

#### 1.7 Basic financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any loss arising from impairment is recognised in the profit and loss account in other administrative expenses.

#### 1.8 Taxation

The company is exempt from corporation tax, it being a company not carrying on a business for the purposes of making a profit.

#### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Employees

The average monthly number of persons employed by the company during the year was:

	2022 Number	2021 Number
Total	16	6

The salary of the highest paid member of staff is three times that of the lowest paid member of staff, on a full-time equivalent basis.

Good Law Project's directors work in a non-executive, unpaid capacity.

# GOOD LAW PROJECT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

### 4 Intangible fixed assets

	Licence £
<b>Cost</b>	
At 1 February 2021	-
Additions	4,684
	<u>4,684</u>
At 31 January 2022	<u>4,684</u>
<b>Amortisation and impairment</b>	
At 1 February 2021 and 31 January 2022	-
	<u>-</u>
<b>Carrying amount</b>	
At 31 January 2022	4,684
	<u><u>4,684</u></u>
At 31 January 2021	-
	<u><u>-</u></u>

### 5 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 February 2021	7,636
Additions	54,103
Disposals	(1,200)
	<u>60,539</u>
At 31 January 2022	<u>60,539</u>
<b>Depreciation and impairment</b>	
At 1 February 2021	1,388
Depreciation charged in the year	7,733
Eliminated in respect of disposals	(360)
	<u>8,761</u>
At 31 January 2022	<u>8,761</u>
<b>Carrying amount</b>	
At 31 January 2022	51,778
	<u><u>51,778</u></u>
At 31 January 2021	6,248
	<u><u>6,248</u></u>

### 6 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Other debtors	41,297	98,175
	<u><u>41,297</u></u>	<u><u>98,175</u></u>

# GOOD LAW PROJECT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

### 7 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	124,514	46,285
Other creditors	8,117	6,079
Accruals and deferred income	1,377,830	582,416
	<u>1,510,461</u>	<u>634,780</u>

### 8 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

Amended Articles of Association were approved by special resolution on 15 December 2021. As set out in its Articles of Association, the income and property of the company shall be applied solely towards the promotion of its objects. No part of the income and property of the company may be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to any member of the company. The company's Articles also contain an "asset lock" so that should the company cease to exist, residual assets must be given or transferred to an asset-locked body such as a charity or a community interest company.

### 9 Income and expenditure account

	2022 £	2021 £
At the beginning of the year	1,432,838	284,278
Surplus for the year	2,653,349	1,148,560
	<u>4,086,187</u>	<u>1,432,838</u>

# GOOD LAW PROJECT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

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### 10 Contingent liabilities

The company achieves its aims through strategic litigation, and is claimant in a number of ongoing legal cases. When it loses a case, it bears costs incurred by the defendant. When appropriate – typically where this adverse costs risk is substantial – it seeks to mitigate it by seeking a court order “capping” the amount to be paid to the defendant in the event that it loses. It has also built up and set aside a legal defence fund of £2m in case a contingent liability of this nature should crystallise.

At the date of signing these accounts, the company had estimated the potential liability for adverse costs arising on 14 cases in its strategic litigation portfolio to be £2.6m. These have been treated as contingent liabilities as the outcomes of the cases are uncertain. In two of these cases, the company has successfully applied for cost capping orders, and further applications have been made in two other cases. Cost capping applications can only be made in certain circumstances and at certain points in the life of the litigation.

The company has also estimated the legal costs it will itself incur in future for these cases, net of the funds it has raised to 31 January for each case. This estimated future liability amounts to £0.5m. Against this the company is holding surpluses on cases which have been completed of £0.4m, which under commitments made to its donors it will apply to future litigation costs. It expects to be able to fundraise for any balance remaining that is required.

The company has also made provisions for adverse costs in a number of ongoing cases in which it is either appealing decisions, or negotiating on costs. In three of these cases, the costs net of income raised for the litigation would need to be offset against the legal defence fund of £2m if the company is unable to fundraise further for the litigation. These costs amount to £0.6m.

In total, the company has potential net liabilities of £3.2m across its litigation portfolio against its legal defence fund of £2m. However, it does not expect to fight and lose all these cases in its portfolio, and as these cases are ongoing, it expects to be able to fundraise further as the litigation progresses.

The directors and officers of the company have the benefit of the indemnity provisions contained in the company's Articles of Association and the company has entered into deeds of indemnity with its directors and officers at 30 November 2021 until further notice. The indemnities are intended to be compliant with section 234 of the CA 2006 and represent qualifying third-party indemnity provisions thereunder.

**GOOD LAW PROJECT LIMITED**  
**MANAGEMENT INFORMATION**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

# GOOD LAW PROJECT LIMITED

## DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2022

	£	2022 £	£	2021 £
<b>Income</b>				
Regular and one-off general donations		4,216,549		1,116,655
Crowdfunded income		1,862,979		1,144,280
Grants and high value donations		327,399		402,304
Legal costs awarded		(11,476)		268,788
		<u>6,395,451</u>		<u>2,932,027</u>
<b>Direct costs</b>				
<b>Litigation and mission-related costs</b>				
Legal advice and litigation costs	2,180,521		1,269,825	
Support to other organisations	5,384		4,625	
Research and consultancy	32,529		14,425	
Wages and salaries (incl social security and pension costs)	361,520		94,491	
<b>Communications and fundraising costs</b>				
Income processing fees charged by payment providers	293,424		121,412	
Website maintenance and development and other supporter engagement systems	65,703		-	
Other communications and fundraising costs	48,387		13,407	
Wages and salaries (incl social security and pension costs)	317,874		116,352	
Temporary staff costs	6,641		-	
		<u>(3,311,983)</u>		<u>(1,634,537)</u>
<b>Gross surplus</b>		<u>3,083,468</u>		<u>1,297,490</u>
<b>Other operating income</b>				
Sundry income		2,606		130
<b>Administrative expenses</b>				
Wages and salaries (incl social security and pension costs)	169,510		73,094	
Premises, administration and utilities	73,111		33,401	
Business applications and technology costs	44,827		18,116	
Travelling and subsistence	1,533		384	
Professional services and consultancy	87,857		16,570	
Training and recruitment	44,259		4,844	
Other costs	3,895		1,323	
Depreciation	7,733		1,505	
Profit or loss on sale of tangible assets (non exceptional)	-		306	
		<u>(432,725)</u>		<u>(149,543)</u>

# GOOD LAW PROJECT LIMITED

## DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

	£	2022 £	£	2021 £
Operating surplus		2,653,349		1,148,077
Interest receivable and similar income				
Bank interest received	-		483	
		-		483
Net surplus for the year		2,653,349		1,148,560