

Company Registration Number - 07126773

The Charity Registration Number is :- 1134778

Harrow Law Centre

Report and Accounts

31 March 2017



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Harrow Law Centre

Report and accounts for the year ended 31 March 2017

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Harrow Law Centre

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Trustees' Annual Report for the year ended 31 March 2017

The Trustees present their Report and Accounts for the year ended 31 March 2017, which also comprises the Directors' Report required by the the Companies Act 2006.

The Law Centre employs an expert staff team of 11 people delivering legal advice and representation in areas of social welfare law to approximately 3000 beneficiaries each year. The Law Centre has a growing reputation for excellence and there is no shortage of clients. The Law Centre is able to assist those who would otherwise have little prospect of receiving legal advice and representation from other providers. We are Lexcel accredited and have legal aid contracts in Community Care, Housing, Immigration and Asylum, Public Law and Welfare Benefits.

Reference and administrative details

The charity name.

The legal name of the charity is:- Harrow Law Centre

The charity's areas of operation and UK charitable registration.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1134778

Legal structure of the charity

The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity are:-

The Lodge

64 Pinner Road, Harrow

Middlesex, HA1 4HZ

Telephone 020 8863 4355 Email Address info@harrowlawcentre.co.uk Web address harrowlawcentre.org.uk

The registered office of the charity for Companies Act purposes is the same as the operating address shown above

The Trustees in office on the date the report was approved were:-

Adam Convisser

Anne Whitehead

Cyril Dennemont

Dr Ben Lucas

Harrow Law Centre

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Trustees' Annual Report for the year ended 31 March 2017

The following persons served as Trustees during the year ended 31 March 2017 :-

The trustees who served as a trustee in the reporting period, and, if applicable, their dates of appointment or resignation during the year were:-.

<i>Name</i>	<i>Appointed</i>	<i>Resigned/Retired</i>
Adam Convisser		
Anne Whitehead		
Cyril Dennemont		
Dr Ben Lucas		
Sandra Paul		11/01/2017

All the trustees were also members of the charity.

Objects and activities of the charity

The purposes of the charity as set out in its governing document.

The main objects of the Law Centre are the relief of financial hardship by the provision of free, independent legal advice and assistance to persons who, through lack of means, would otherwise be unable to obtain such advice; to advance education in the laws of England and Wales from time to time in force for the public benefit; and to advance such other charitable purposes as the directors at their absolute discretion may from time to time determine.

The main activities undertaken in relation to the charitable purposes and public benefit during the year.

The Law Centre has provided a specialist quality assured legal casework service representation and advice in the following areas of social welfare law: Community Care, Education, EU rights, Housing, Immigration & Asylum, Public Law and Welfare Rights.

Our housing work is primarily focused on assisting those with access to housing, homelessness, housing conditions and possession action. In addition we have seen a steep increase in those seeking our assistance due to forced out of borough placements following the introduction of the Localism Act. We regularly represent client at the County Court to defend against possession proceedings.

The main areas of welfare benefits work are representing clients at appeals to the first or upper tribunal. These appeals are largely in respect of people impacted by welfare reforms such as the benefit cap, reduced housing allowance as well as increased sanctions. Our immigration work concentrates on asylum and trafficking cases.

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

Harrow Law Centre

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Trustees' Annual Report for the year ended 31 March 2017

The main achievements and performance of the charity during the year.

We have a success rate of approximately 80% across all areas of our work despite the fact that the cases that come to the law centre are often the most complex and which have been unresolved by other agencies. The past year has been one where we were delighted to shortlisted for an award as Legal Aid Firm of the Year in the Legal Aid Practitioners Group annual awards. The Law Centre was also named as the Harrow Mayor's Charity of the Year.

Structure, governance and management of the charity

The methods used to recruit and appoint new charity trustees.

The trustees are appointed having regard to the specific skills that are required for the governance of the charity. In view of the size of the Centre, the trustees consider that they have a wide range of experience that is suitable for the governance of a charity.

The charity's organisational structure.

Trustees of the Law Centre 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 5 members and the Board is looking to recruit further trustees in the coming year. The Trustee Board of the Law Centre met quarterly over the past year. Existing trustees are familiar with the practical work of the Law Centre having visited the centre and taken part in fundraising events. In addition a staff member is invited to the Trustee board to present their work on a rolling basis. The trustees have appointed a full-time director to oversee the staff team and the day to day running of the Centre.

The charity as a part of a wider network.

Harrow Law Centre is a member of the Law Centre Network (LCN) which is an umbrella organisation to all Law Centres in the UK. In addition the Law Centre is part of a network of organisations that have come together to provide advice and support to EU nationals under the Living Rights Project funded by the EU.

The trustees' bankers and advisors

Bankers	Unity Trust Bank, 9 Brindleyplace, Birmingham, B1 2HB
Accountants	J W Grogan, 95 Headstone Lane, Harrow, Middlesex, HA26JL

Harrow Law Centre

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Trustees' Annual Report for the year ended 31 March 2017

Financial review

The charity's financial position at the end of the year ended 31 March 2017

The financial position of the charity at 31 March 2017 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2017	2016
	£	£
Net income	11,941	14,643
Unrestricted Revenue Funds available for the general purposes of the charity	29,099	16,658
Restricted Revenue Funds	2,040	2,540
Total Funds	31,139	19,198

Financial review of the position at the reporting date, 31 March 2017 .

The accounts reflect the current financial difficulties affecting much of the voluntary sector, however the Law Centre has managed to balance the books for the year end. The Law Centre has increased its income over the last year and shows a small increase in reserves. Income from legal aid has increased by approximately 35%.

Policies on reserves.

The trustees have set a policy to maintain reserves at a minimum level required if the Centre was to cease operations. At present the trustees assess the charity as a going concern and therefore do not envisage that reserves to cease operations would need to be called upon in the near future.

Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Harrow Law Centre

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Trustees' Annual Report for the year ended 31 March 2017

Plans For the Future

Summary of plans for the future and the trustees' perspective of the future direction of the charity.

The main aim for the Law Centre is to continue to meet the demand for legal advice locally. We expect the demand to continue to increase with further welfare reforms. We therefore aim to increase provision for representation at Tribunals in Welfare Benefits cases.

Details of the Independent Examiner

Myrnel Abdullahi BA (Hons)

Member of The Chartered Institute of Management Accountants

3 Stapenhill Road

North Wembley

Middlesex

HA0 3JF

Harrow Law Centre

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Trustees' Annual Report for the year ended 31 March 2017

Statement of the Directors Trustees's Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) .

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. 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.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

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Trustees' Annual Report for the year ended 31 March 2017

Method of preparation of accounts - Small company provisions

The financial statements are set out on pages 10 to 27.

The financial statements have been prepared implementing the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016).

These financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006, applicable to companies subject to the small companies regime.

This report was approved by the board of trustees on 9 November 2017.

A handwritten signature in black ink, appearing to read 'Anne Whitehead', with a stylized, cursive script.

Anne Whitehead
Director and Trustee

Harrow Law Centre

Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 March 2017

I report on the financial statements of the charitable company on pages 10 to 27 for the year ended 31 March 2017 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) published by the Charity Commission in England & Wales (CCEW) , effective January 2015 (The SORP), under the historical cost convention and the accounting policies set out on page 16.

Respective responsibilities of the Trustees and the Independent Examiner

As described on page 6, the charitable company's Trustees, who are also the Directors of the Company for the purposes of Company law, are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice , applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the memorandum and articles of the charity for the conducting of an audit, and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to Section 476 of the the Companies Act 2006. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the charity is not subject to audit under any legal provision, or otherwise, and is eligible for independent examination, it is my responsibility to:-

- a) examine the accounts under Section 145 of the Act;
- b) follow the procedures in the General Directions given by the Charity Commission under section 145(5)(b) of the Act and;
- c) state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement and scope of work undertaken

I conducted my examination in accordance with the General Directions given by the Charity Commission under section 145(5)(b) of the Act, setting out the duties of an Independent Examiner in relation to the conducting of an Independent Examination. An Independent Examination includes a review of the accounting records kept by the charitable company and of the accounting systems employed by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that the financial statements comply with the SORP, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

The procedures undertaken do not provide all the evidence that would be required in an audit , and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries, and consequently I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the Independent Examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above , in connection with my examination, I can confirm that :-

Harrow Law Centre

The accounts of this charitable company are not required to be audited under Part 16 of the Companies Act 2006;

The gross income of the charitable company in the year ended 31 March 2017 appears to exceed the sum specified in Section 145(3) of the Act, namely £250000, and that I am qualified to act as Independent Examiner in accordance with that section by virtue of my being a qualified member of The Chartered Institute of Management Accountants;

This is a report in respect of an examination carried out under 145 of the Act and in accordance with General Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no matter has come to my attention in connection with my examination which gives me reasonable cause to believe that in any material respect the requirements :-

to keep accounting records in accordance with Section 386 of the Companies Act 2006 and Section 130 of The Charities Act 2011;

to prepare financial statements which accord with the accounting records and comply with the accounting requirements of Section 396 of the Companies Act 2006 and The Charities Act 2011 and;

have been prepared in accordance with the requirements of Section 396 of the Companies Act 2006 and and with the methods and principles set out in the FRS102 Statement of Recommended Practice - Accounting and Reporting by Charities (effective January 2016)

have not been met or to which, in my opinion, attention should be drawn in my report in order to enable a proper understanding of the accounts to be reached;

Myrnel Abdullahi BA (Hons) - Independent Examiner

The Chartered Institute of Management Accountants

3 Stapenhill Road
North Wembley
Middlesex
HA0 3JF

This report was signed on 9 November 2017



MYRNEL ABDULLAHI

Harrow Law Centre - Statement of Financial Activities for the year ended 31 March 2017

Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 March 2017, as required by the Companies Act 2006)

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2017 £	2017 £	2017 £	2016 £
Income & Endowments from:					
Donations & Legacies	A1	5,870	-	5,870	6,387
Charitable activities	A2	153,875	172,680	326,555	302,161
Total income	A	159,745	172,680	332,425	308,548
Expenditure on:					
Charitable activities	B2	147,304	173,180	320,484	293,905
Total expenditure	B	147,304	173,180	320,484	293,905
Net income for the year		12,441	(500)	11,941	14,643
Net income after transfers	A-B-C	12,441	(500)	11,941	14,643
Net movement in funds		12,441	(500)	11,941	14,643
Reconciliation of funds:-					
	E				
Total funds brought forward		16,658	2,540	19,198	4,555
Total funds carried forward		29,099	2,040	31,139	19,198

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All activities derive from continuing operations

The notes attached on pages 16 to 27 form an integral part of these accounts.

Harrow Law Centre - Statement of Financial Activities for the year ended 31 March 2017

Harrow Law Centre - Analysis of prior year total funds, as required by paragraph 4.2 of the SORP

	SORP Ref	Prior Year Unrestricted Funds 2016 £	Prior Year Restricted Funds 2016 £	Prior Year Total Funds 2016 £
Income & Endowments from:				
Donations & Legacies	A1	6,387	-	6,387
Charitable activities	A2	149,539	152,622	302,161
Total income	A	155,926	152,622	308,548
Expenditure on:				
Charitable activities	B2	139,283	154,622	293,905
Total expenditure	B	139,283	154,622	293,905
Net income for the year		16,643	(2,000)	14,643
Transfers between funds	C	-	-	-
Net income after transfers		16,643	(2,000)	14,643
Other recognised gains/(losses)		-	-	-
Net movement in funds		16,643	(2,000)	14,643
Reconciliation of funds:-	E			
Total funds brought forward		15	4,540	4,555
Total funds carried forward		16,658	2,540	19,198

All activities derive from continuing operations

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.'

The notes attached on pages 16 to 27 form an integral part of these accounts.

Harrow Law Centre - Statement of Financial Activities for the year ended 31 March 2017

Harrow Law Centre - Resources applied in the year ended 31 March 2017 towards fixed assets for Charity use:-

	2017 £	2016 £
Funds generated in the year as detailed in the SOFA	11,941	14,643
Net resources available to fund charitable activities	11,941	14,643

The notes attached on pages 16 to 27 form an integral part of these accounts.

Movements in revenue and capital funds for the year ended 31 March 2017

Revenue accumulated funds

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Last year Total Funds 2016 £
Accumulated funds brought forward	16,658	2,540	19,198	15
Recognised gains and losses before transfers	12,441	(500)	11,941	14,643
	29,099	2,040	31,139	14,658
Closing revenue funds	29,099	2,040	31,139	14,658

Summary of funds

	Unrestricted and Designated funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Last Year Total Funds 2016 £
Revenue accumulated funds	29,099	2,040	31,139	14,658

The notes attached on pages 16 to 27 form an integral part of these accounts.

Harrow Law Centre - Statement of Financial Activities for the year ended 31 March 2017

Harrow Law Centre Income and Expenditure Account for the year ended 31 March 2017 as required by the Companies Act 2006

	2017 £	2016 £
Income		
Income from operations	332,425	308,548
Gross income in the year before exceptional items	332,425	308,548
Gross income in the year including exceptional items	332,425	308,548
Expenditure		
Charitable expenditure, excluding depreciation and amortisation	319,184	293,005
Governance costs	1,300	900
Realised losses on disposals of social investments which are programme related	-	-
Total expenditure in the year	320,484	293,905
Net income before tax in the financial year	11,941	14,643
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	11,941	14,643
Retained surplus for the financial year	11,941	14,643

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 16 to 27 form an integral part of these accounts.

Harrow Law Centre - Balance Sheet as at 31 March 2017

	SORP		2017	2016
	Note	Ref	£	£
Current assets		B		
Stocks		B1	45,000	30,000
Debtors	9	B2	-	22,000
Cash at bank and in hand		B4	54,117	20,366
Total current assets			<u>99,117</u>	<u>72,366</u>
Creditors: amounts falling due within one year	10	C1	<u>(67,978)</u>	<u>(53,168)</u>
Net current assets			<u>31,139</u>	<u>19,198</u>
The total net assets of the charity			<u>31,139</u>	<u>19,198</u>

The total net assets of the charity are funded by the funds of the charity, as follows:-

Restricted funds

Restricted Revenue Funds	17	D2	2,040	2,540
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Unrestricted Funds

Unrestricted Revenue Funds	17	D3	29,099	16,658
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Designated Funds

Total charity funds			<u>31,139</u>	<u>19,198</u>
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The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 9.

Harrow Law Centre - Balance Sheet as at 31 March 2017

The financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006, applicable to companies subject to the small companies regime.

A handwritten signature in black ink, appearing to read 'Anne Whitehead', enclosed within a large, loopy oval shape.

Anne Whitehead

Trustee

Approved by the board of trustees on 9 November 2017

The notes attached on pages 16 to 27 form an integral part of these accounts.

Harrow Law Centre

Notes to the Accounts for the year ended 31 March 2017

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) published by the Charity Commission in England & Wales (CCEW), effective January 2016, (The SORP), and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Risks and future assumptions

In the application of the charity's accounting policies, the Trustees 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.

Policies relating to categories of income and income recognition.

Nature of income

Gross income represents grant income, donated income, or the value, net of value added tax and discounts, of work carried out in respect of services provided on behalf of clients.

Categories of Income

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Harrow Law Centre

Notes to the Accounts for the year ended 31 March 2017

Accounting for deferred income and income received in advance

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

Policies relating to expenditure on goods and services provided to the charity.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Policies relating to assets, liabilities and provisions and other matters.

Stocks and work in progress

Stocks comprise work in progress and are valued at the lower of cost and net realisable value.

Financial instruments including cash and bank balances

The charity has financial assets and 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. Cash and bank balances include only cash and short term highly liquid investments with a maturity of three months or less.

Leasing and hire purchase contracts and commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

2 Liability to taxation

The Trustees consider that the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not fully recoverable by the charity, and the irrecoverable element is therefore included in the relevant costs in the Statement of Financial Activities.

Harrow Law Centre

Notes to the Accounts for the year ended 31 March 2017

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Significance of financial instruments to the charity's position

There are no significant implications of the use or importance of financial instruments to the operation of the charity.

5 Staff costs and emoluments

<i>Salary costs</i>	2017	2016
	£	£
Gross Salaries excluding trustees and key management personnel	223,040	220,044
Employer's National Insurance for all staff	16,374	16,810
Trustees' Remuneration as detailed in note 0	-	-
Total salaries, wages and related costs	239,414	236,854

<i>Numbers of full time employees or full time equivalents</i>	2017	2016
The average number of total staff employed in the year was	10	10
The average number of part time staff employed in the year was	9	9
The average number of full time staff employed in the year was	1	1
The estimated full time equivalent number of all staff employed in the year was	7	7

The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on charitable activities	6	6
Engaged on management and administration	1	1
The estimated full time equivalent number of all staff employed as above	7	7

Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

6 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

Harrow Law Centre

Notes to the Accounts for the year ended 31 March 2017

7 Deferred income - Restricted funds

	Opening Deferrals	Released from prior years	Received less released in year	Deferred at year end
	£	£	£	£
John Lyon's Charity	33,917	(33,917)	33,917	33,917
Evening Standard	2,500	(2,500)	6,590	6,590
AB Charitable Trust	3,333	(3,333)	-	-
Legal Education Foundation	5,000	(5,000)	-	-
3 Guineas Trust	-	-	12,018	12,018
Gordon Family Trust	-	-	1,667	1,667
Total	44,750	(44,750)	54,192	54,192
				2017
				£
These deferrals are included in creditors				54,192
				2016
				£
				44,750

The deferrals included in creditors relate to funding specified by the funders as relating to specific periods and represent those parts of restricted funds which relate to periods subsequent to the accounting year end and are treated as grants in advance.

8 Stocks & Work in Progress	2017	2016
	£	£
Work in progress before write downs	45,000	30,000
	45,000	30,000

Analysis of the carrying value of stocks and work in progress by activities

	Work in Progress		Stocks	
	2017	2016	2017	2016
Activity	£	£	£	£
Legal advice, aid and assistance	45,000	30,000	-	-
	45,000	30,000	-	-

9 Debtors	2017	2016
	£	£
Trade debtors	-	22,000

Harrow Law Centre

Notes to the Accounts for the year ended 31 March 2017

10 Creditors: amounts falling due within one year	2017	2016
	£	£
Accruals	11,731	7,291
Deferred Income - Restricted funds	54,192	44,750
PAYE, NIC VAT and other taxes	2,055	1,127
	67,978	53,168

11 Loans to trustees included in debtors

There were no loans to the trustees made during the year.

12 Guarantees made by the charity on behalf of trustees

There were no guarantees made on behalf of the trustees during the year.

13 Financial commitments under operating leases	2017	2016
	£	£
At the year end the charity had annual commitments under non-cancellable operating leases as set out below:		
Operating leases which expire:		
within one year	-	5,526
within two to five years	16,897	3,407
	16,897	8,933

14 Income and Expenditure account summary	2017	2016
	£	£
At 1 April 2016	19,198	4,555
Surplus after tax for the year	11,941	14,643
At 31 March 2017	31,139	19,198

15 No related party transactions

There were no transactions with related parties in the year.

16 Particulars of how particular funds are represented by assets and liabilities

At 31 March 2017	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Current Assets	97,077	-	2,040	99,117
Current Liabilities	(67,978)	-	-	(67,978)
	29,099	-	2,040	31,139

Harrow Law Centre

Notes to the Accounts for the year ended 31 March 2017

At 1 April 2016

	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Current Assets	69,826	-	2,540	72,366
Current Liabilities	(53,168)	-	-	(53,168)
	16,658	-	2,540	19,198

17 Change in total funds over the year as shown in Note 16 , analysed by individual funds

	Funds brought forward from 2016 £	Movement in funds in 2017 See Note 18 £	Transfers between funds in 2017 £	Funds carried forward to 2018 £
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	16,658	12,441	-	29,099
Total unrestricted and designated funds	16,658	12,441	-	29,099
Restricted funds:-				
Cold Weather Payments	2,540	(500)	-	2,040
Total restricted funds	2,540	(500)	-	2,040
Total charity funds	19,198	11,941	-	31,139

18 Analysis of movements in funds over the year as shown in Note 17

	Income 2017 £	Expenditure 2017 £	Other Gains & Losses 2017 £	Movement in funds 2017 £
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	159,745	(147,304)	-	12,441
Restricted funds:-				
Cold Weather Payments	-	(500)	-	(500)
Trust For London	28,000	(28,000)	-	-
Law Centre Network - Legal Education Foundation	10,000	(10,000)	-	-
Evening Standard	15,680	(15,680)	-	-
3 Guineas Trust	36,055	(36,055)	-	-
LCF Gordon Family Trust	3,334	(3,334)	-	-
London Borough of Harrow	12,931	(12,931)	-	-
City Bridge Trust	25,850	(25,850)	-	-
John Lyon's Charity	37,000	(37,000)	-	-
Sundry other funds	3,830	(3,830)	-	-
	332,425	(320,484)	-	11,941

Harrow Law Centre

Notes to the Accounts for the year ended 31 March 2017

19 The purposes for which the funds as detailed in note 17 are held by the charity are:-

Unrestricted and designated funds:-

Unrestricted Revenue Funds

These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use. Harrow Law Centre is a London Legal Support Trust Centre of Excellence. As such it receives a proportion of funds from the annual sponsored walk. The funding is for core costs.

Restricted funds:-

Cold Weather Payments

These are grants funded by the London Community Foundation for people over pension age who are in fuel poverty.

Trust For London

Trust for London has funded Harrow Law Centre for three years to provide specialist advice in respect of EU law. This relates to both EU nationals but also asylum seekers and those affected by modern day slavery.

Law Centre Network - Legal Education Foundation

The funding from the Legal Education Foundation is a joint project with the LCN to generate additional income through EU funding streams.

Evening Standard

The Evening Standard provided the Law Centre with funds to represent clients at first tier tribunal in welfare benefits cases. This one year funding comes to an end in 2017.

3 Guineas Trust

Three year funding has been provided to the Law Centre to establish a benefits tribunal unit.

LCF Gordon Family Trust

A small grant has been provided by the Gordon Family to fund work providing advice and representation to older people in the borough.

London Borough of Harrow

Harrow Law Centre receives only a small amount of support from the Local Authority which has reduced year on year and is due to end in 2017. The funding contributed to the cost of a solicitor to provide advice and representation on areas of social welfare law.

City Bridge Trust

Funding from City Bridge Trust allowed us to continue our housing work. This three year funding comes to an end in 2017.

John Lyon's Charity

Funding from John Lyon's Charity has provided the Law Centre with the funds for a children and young person's law centre. This funding comes to an end in 2017

Sundry other funds

The Law Centre received a small grant for new computers from the Edward Harvest Trust.

20 Ultimate controlling party

The charity is under the control of its legal members.

Every member of the charity is obliged to contribute such amount as may be required not exceeding £1 to the assets of the company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Harrow Law Centre

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

This analysis is classified by conventional nominal descriptions and not by activity.

21 Donations and Legacies

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017 £	2017 £	2017 £	2016 £
Donations and gifts from individuals				
Small donations individually less than £1000	3,870	-	3,870	6,387
J Whitehead	2,000	-	2,000	-
Total donations and gifts from individuals	5,870	-	5,870	6,387
Total Donations and Legacies A1	5,870	-	5,870	6,387

22 Charitable income from funders

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017 £	2017 £	2017 £	2016 £
Contractual payments from public bodies to fund charitable activities				
Legal Services Commission - Legal Aid/Help	112,993	-	112,993	83,445
Total contractual payments from public bodies	112,993	-	112,993	83,445
Performance related grants from public bodies to fund charitable activities				
London Borough of Harrow	-	12,931	12,931	33,208
National Lottery Fund	-	-	-	5,344
Total performance related grants from public bodies	-	12,931	12,931	38,552

Harrow Law Centre

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

Performance related grants from non public bodies to fund charitable activities

London Legal Support Trust	14,300	2,344	16,644	15,000
AB Charitable Trust	3,333	-	3,333	6,667
City BridgeTrust	-	25,850	25,850	25,800
Trust For London	-	28,000	28,000	24,000
John Lyon's Charity	-	37,000	37,000	37,000
Evening Standard	-	2,500	2,500	12,270
3 Guineas Trust	-	36,054	36,054	-
Edward Harvest Trust	-	1,487	1,487	-
Gordon Family Trust	-	3,334	3,334	5,000
Legal Education Foundation	-	10,000	10,000	10,000
LCF Evening Standard	-	13,180	13,180	-
J P Getty	-	-	-	11,667
Nexxon	-	-	-	5,000

Total performance related grants from non public bodies	17,633	159,749	177,382	152,404
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Case work fees and disbursements

Case work fees and disbursements	23,249	-	23,249	27,760
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Total Case work fees and disbursements	23,249	-	23,249	27,760
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Total Charitable income from funders	153,875	172,680	326,555	302,161
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23 Total Income from charitable activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	£	£	£	£
	2017	2017	2017	2016
Total Charitable income from funders	153,875	172,680	326,555	302,161
Total from charitable activities	153,875	172,680	326,555	302,161

Harrow Law Centre

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

24 Expenditure on charitable activities - Direct spending

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017	2017	2017	2016
	£	£	£	£
Gross wages and salaries - charitable activities	79,700	143,340	223,040	220,044
Employers' NI - Charitable activities	5,851	10,523	16,374	16,810
Case costs	37,424	750	38,174	26,941
Total direct spending	B2a	122,975	154,613	277,588
			277,588	263,795

25 Expenditure on charitable activities - Charitable trading

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017	2017	2017	2016
	£	£	£	£
<i>Reallocated from support costs</i>	<i>23,029</i>	<i>18,067</i>	<i>41,096</i>	<i>27,210</i>
Total charitable trading costs	B2b	23,029	18,067	41,096
			41,096	27,210

26 Expenditure on charitable activities- Grant funding of activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017	2017	2017	2016
	£	£	£	£
Grants made to individuals	-	500	500	2,000
Total grantmaking costs	B2c	-	500	2,000
			500	2,000

Harrow Law Centre

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

27 Support costs for charitable activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017	2017	2017	2016
	£	£	£	£
<i>Employee costs not included in direct costs</i>				
Solicitors' Training Costs	516	1,880	2,396	692
Practicing Certificates and	1,238	2,506	3,744	2,112
Travel and subsistence - staff	(97)	350	253	281
Recruitment expenses	550	-	550	-
<i>Premises Expenses</i>				
Rent and Room Hire	6,492	3,200	9,692	7,285
Property insurance	364	1,250	1,614	1,544
<i>Administrative overheads</i>				
Telephone and fax	2,815	1,925	4,740	4,452
Postage and Stationery	4,383	2,750	7,133	6,389
Library costs	869	-	869	-
Subscriptions	3,063	-	3,063	2,519
Equipment expenses	1,474	1,862	3,336	1,216
Promotion costs	-	-	-	119
Equipment,repairs,expenses and	127	2,344	2,471	53
<i>Professional fees paid to advisors other than the auditor or examiner</i>				
Accountancy fees other than examination or audit fees	1,140	-	1,140	540
<i>Financial costs</i>				
Bank charges	95	-	95	8
Support costs before reallocation	23,029	18,067	41,096	27,210
<i>Less support costs reallocated to specific activities</i>				
To charitable trading costs	(23,029)	(18,067)	(41,096)	(27,210)
Total support costs	-	-	-	-

The basis of allocation of costs between activities is described under accounting policies

28 Other Expenditure - Governance costs

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017	2017	2017	2016
	£	£	£	£
Independent Examiner's fees	500	-	500	400
Statutory accounts preparation costs	800	-	800	500
Total Governance costs	1,300	-	1,300	900

Harrow Law Centre

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

29 Total Charitable expenditure

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2017	2017	2017	2016
		£	£	£	£
Total direct spending	B2a	122,975	154,613	277,588	263,795
Total charitable trading costs	B2b	23,029	18,067	41,096	27,210
Total grantmaking costs	B2c	-	500	500	2,000
Total support costs	B2d	-	-	-	-
Total Governance costs	B2e	1,300	-	1,300	900
Total charitable expenditure	B2	147,304	173,180	320,484	293,905