
Harrow Law Centre
(Private Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

COMPANY REG NO. 07126773

CHARITY NO. 1134778



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Page 14 does not form part of the statutory accounts.

Trustees and directors

Adam Convisser**
Ann Whitehead**
Cyril Dennemont**
Dr Ben Lucas**
Rishi Joshi

*** - Management committee members are also, for the purpose of the Companies Act 2006, company directors.*

Company secretary: None

Key management & personnel Center Director - P Fitzpatrick

Administration office: The Lodge
64 Pinner Road
Harrow
Middlesex HA1 4HZ

Registered office: The Lodge
64 Pinner Road
Harrow
Middlesex HA1 4HZ

Charity registration no.: 1134778

Company registration no.: 07126773 (England & Wales)

Independent examiner: Christopher Michael Limited
Chartered Certified Accountants & Statutory Auditors
26 Station Road
New Barnet
Herts
EN5 1QW

Bankers: Unity Trust Bank
9 Brindleyplace
Birmingham B1 2HB

Harrow Law Centre
(Private Company Limited by Guarantee)
Directors' & Trustees' Report for the Year Ended 31 March 2020

The trustees are pleased to present their annual directors' report for the year ended 31 March 2020 which is also prepared to meet the requirements for a directors report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 (FRS102).

Structure, Governance and Management

Governing Document

Harrow Law Centre is a company limited by guarantee and is a registered charity. 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. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment & Appointment of Trustees

The trustees and directors who have served throughout the year are shown on page 1. Appointment of directors/trustees is governed by the Memorandum & Articles of Association.

New Trustees undergo training on their legal obligations as under Charity Law, the decision making process, the business plan and recent performance of the charity.

Organisational Structure

The trustees are appointed having regard to 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 as part of a wider 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.

Risk Management

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at the current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

Related parties

None of the trustees receive remuneration or other benefit in their capacity as trustees of the charity. Any connection between a trustee of the charity and organisations providing services to the charity must be disclosed to the full board of trustees in the same way as any contractual relationship with a related party. In the current year no such related party transactions were reported.

Purpose and objectives

The main objects of the Law Centre are the relief of financial hardship by 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 time to time determine.

Achievements and performance

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commissions guidance on public benefit, including the guidance "public benefit": running a charity. The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

Harrow Law Centre
(Private Company Limited by Guarantee)
Directors' & Trustees' Report for the Year Ended 31 March 2020
(Continued)

Financial review

Total income for the year amounted to £601,616 with total expenditure amounting to £452,347 leaving a surplus for the year of £149,269

Accumulated reserves at the balance sheet date amounted to £210,357 represent income reserves."

Reserves policy

The Trustees have set up 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 are satisfied that the charity's assets in each fund are available and adequate to fulfill its obligations in respect of each fund.

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. We therefore aim to increase provision for representation at Tribunals in Welfare Benefits cases.

Trustees responsibilities in relation to the financial statements

The charity trustees (who are also directors of the Company for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Directors and trustees

The trustees who are directors for the purpose of company law who have served during the year and up to the date of this report are set out on page 1.

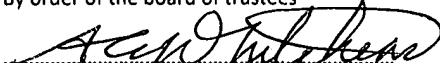
Statement as to disclosure to our independent examiner

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the independent examiner in connection with preparing their report, of which the company's independent examiner is unaware; and
- the trustees, having made enquiries of fellow directors and the company independent examiner that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make

themselves aware of any relevant audit information and to establish that the independent examiner is aware of that information

By order of the board of trustees


Ann Whitehead - Trustee & Director

Date: 29-3-21

I report on the accounts of the company for the year ended 31 March 2020, which are set out on pages 5 to 15

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible

for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the ACCA.

Having satisfied myself that the charity is not subject to an Audit under company law and is eligible for an independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act ; and
- to state whether particular matters have come to my attention.

Basis of Independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect the requirements:
 - (a) to keep accounting records in accordance with section 386 of the companies Act 2006, and
 - (b) to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

m michael

Independent Examiner

Michalis Michael

for and on behalf of Christopher Michael Ltd, Chartered Certified Accountants & Statutory Auditors
26 Station Road, New Barnet, Herts EN5 1QW

Date: 29th March 2021

Harrow Law Centre
(Private Company Limited by Guarantee)
Statement of financial activities
for the year ended 31 March 2020

	<u>Notes</u>	<u>Restricted Funds</u> £	<u>Unrestricted/ Designated Funds</u> £	<u>Total 2019/2020</u> £	<u>Total 2018/19</u> £
Income:					
Donations and legacies	3	288,460		288,460	32,672
<i>Income from Charitable activities:</i>					
Charitable activities	4	-	313,129	313,129	346,152
<i>Income from other charitable activities</i>					
Fundraising & other income	5	-	27	27	
Investment income	6				
Total income		<u>288,460</u>	<u>313,156</u>	<u>601,616</u>	<u>378,824</u>
Expenditure					
<i>Expenditure on charitable activities:</i>					
Direct Charitable expenditure	7	288,460	162,637	451,097	413,526
Management and administration	8	-	1,250	1,250	1,300
Total expenditure		<u>288,460</u>	<u>163,887</u>	<u>452,347</u>	<u>414,826</u>
Net income/(expenditure) and net movements in funds before gains and losses on investments	9	-	149,269	149,269	(36,002)
Net gains/(losses) on investments		-	-	-	-
Total funds brought forward		-	61,088	61,088	97,090
Total funds carried forward		<u>-</u>	<u>210,357</u>	<u>210,357</u>	<u>61,088</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

Harrow Law Centre
(Private Company Limited by Guarantee)
BALANCE SHEET
AS AT 31 MARCH 2020

	<u>Notes</u>	<u>2019/20</u>		<u>2018/19</u>	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	16		412		-
			-		-
Total fixed assets			<u>412</u>		<u>-</u>
Current Assets					
Stocks & Work in process	17	125,611		87,544	
Debtors	18	2,295		-	
Cash at bank and in hand		<u>97,114</u>		<u>15,055</u>	
Total current assets		225,020		102,599	
Creditors: amounts falling due within one year	19	<u>(15,075)</u>		<u>(41,511)</u>	
Net current assets			<u>209,945</u>		<u>61,088</u>
NET ASSETS			<u>210,357</u>		<u>61,088</u>
The funds of the Charity:					
Unrestricted/Designated income funds:	21	210,357		61,088	
TOTAL CHARITY FUNDS			<u>210,357</u>		<u>61,088</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 9 to 14 form part of these accounts

Approved by the trustees on DATE: **29-8-20**



Ann Whitehead
Trustee & Company Director

Harrow Law Centre**Statement of cash flows****As at year ended at 31.03.20**

	2019/20	2018/19
	Total Funds £	Prior year Funds £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	120,676	4,925
Cash flows from investing activities		
Dividends, interest and rents from investments	-	-
Purchase of tangible fixed assets	(550)	-
Net gains/(losses) on investments	-	-
Net cash provided by / (used in) investing activities	120,126	4,925
 Change in cash and cash equivalents in the reporting period	 82,059	 4,925
Cash and cash equivalents at the beginning of the reporting period	15,055	10,130
Cash and cash equivalents at the end of the reporting period	97,114	15,055
 Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds for the reporting period (as per the SOFA)	149,269	(36,002)
Adjustments for :		
Depreciation charges	138	-
Dividends, interest and rents from investments	-	-
(increase)/decrease in debtors	(2,295)	31,303
increase(decrease) in creditors	(26,436)	9,625
Net cash provided by (used in) operating activities	120,676	4,926
 Analysis of cash and cash equivalents		
Cash in hand	97,114	15,055
Total cash and cash equivalents	97,114	15,055

Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of financial statements are as follows

Basis of Preparation

The Financial statements have been prepared in accordance with Accounting and Reporting of charities : SORP applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective date 1 January 2015) - Charities SORP (FRS 102), the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Harrow Law Centre meet the definition of Charity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless, otherwise stated in the relevant accounting policy (notes).

Risks and future assumptions

The charity is a public benefit entity. 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 services. The estimates and associated assumptions are based on historical experience and other factors that are not 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), investments 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 non-exchange transactions 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 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.

Accounting for deferred income and income received in advance

conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions 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.

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 or expenditure on the activity funded by them, but there is no specific time related conditions, then the income is not deferred.

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

Interest and investment income receivable

Interest on funds held on deposit and income from investments held is included when receivable and the amount can be measured reliably by the charity.

Policies relating to expenditure on goods and services provided by 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

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

Stocks and work in progress

Stocks represent work in progress on long term service contracts for legal work where the prudently calculated attributable profit can be assessed with reasonable certainty by reference to the stage of completion at the end of the accounting period.

Financial instruments including cash and bank

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

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.

Pension

The trust has set up a government scheme in order to fulfil its autoenrolment obligations.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside for a specific purpose. Restricted funds are donations or grants which the donor has specified are to be solely used for a particular purpose or area of the Trust's work or projects being undertaken by the Trust.

Taxation

As a grant aided charity with charitable status the charity's activities do not create a charge to corporation tax.

Tangible fixed assets

Tangible fixed assets for use by the charity are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- office equipment - 25% straight line basis

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

1 Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. 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.

2 Financial performance of the charity

	2019/20	2018/19
	£	£
Income	<u>601,616</u>	<u>378,824</u>
Expenditure on charitable activities	450,959	413,526
Expenditure on management and administration	1,250	1,300
Depreciation	138	-
	<u>452,347</u>	<u>414,826</u>
Net income	149,269	(36,002)
Total funds brought forward	61,088	97,090
Total funds carried forward	<u>210,357</u>	<u>61,088</u>
Represented by:		
Unrestricted funds	208,317	59,048
Restricted funds	2,040	2,040
Total funds	<u>210,357</u>	<u>61,088</u>

3 Income from Donations and Grants

Grants receivable		
3 Guinness Trust	50,836	48,073
Trust for London	29,000	28,458
Children in need	25,239	23,411
Matrix Causes fund	-	2,500
Persula Foundation	-	5,000
Bell foundation	24,358	
AB charitable trust	15,000	
Law Centres Federation	41,609	5,325
Tudor Trust	2,000	
Harrow Council	30,000	
Pret foundation trust	14,800	
London legal support trust	13,500	
LCN Guardian appeal	17,044	
LCN	10,493	
Legal education Foundation	10,915	
Other donations	3,666	2,500
	<u>288,460</u>	<u>115,267</u>

4 Income from charitable activities

Unrestricted Revenue Funds	<u>313,129</u>	<u>263,557</u>
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5 Income from other charitable activities

Fundraising	-	-
Interest receivable	27	-
Other	-	-
	<u>27</u>	<u>-</u>

6 Investment Income

There was no investment income during the year

7 Analysis of expenditure on charitable activities

Staff & agency costs	299,015	265,722
Depreciation	138	-
Other running costs	151,944	147,804
	<u>451,097</u>	<u>413,526</u>

8 Analysis of governance and support cost

Staff costs	-	-
Audit and accountancy	1,250	1,300
Bank charges	-	-
Other legal & professional	-	-
	<u>1,250</u>	<u>1,300</u>

Harrow Law Centre
(Private Company Limited by Guarantee)
Notes to the financial statements
for the year ended 31 March 2020

	Property Improvements £	Office Equipment £	Total £
16 Tangible fixed assets			
Cost:			
At 1 April 2019	-	-	-
Additions	-	550	550
At 31 March 2020	-	550	550
Depreciation			
At 1 April 2019	-	-	-
Charge in year	-	138	138
At 31 March 2020	-	138	138
Net book value			
At 31 March 2020	-	412	412
At 31 March 2019	-	-	-
		2019/20	2018/19
		£	£
17 Stock and work in progress			
Work in progress		125,611	87,544
		<u>125,611</u>	<u>87,544</u>
18 Debtors		2019/20	2018/19
Amounts due within one year:			
Prepayments and accrued income			
Accrued income			
Prepayments			
Other debtors		2,295	
Staff loans			
		<u>2,295</u>	
19 Creditors		2019/20	2018/19
Amounts falling due within one year:			
Other taxation & social security		10,161	2,331
Other creditors		1,616	
Accrued expenses and trade creditors		3,298	8,659
Deferred income-restricted funds(note 19)		-	28,021
Deferred income-Unrestricted & designated funds (note 19)		-	2,500
		<u>15,075</u>	<u>41,511</u>
20 Deferred income		2019/20	2018/19
Deferred income comprise advance receipt of nursery fees for 2019/20.			
Balance as at 1 April 2019		28,021	14,351
Amount released to income earned from charitable activities		(28,021)	(14,351)
Amount deferred in the year			28,021
Balance as at 31 March 2020		<u></u>	<u>28,021</u>

Harrow Law Centre
(Private Company Limited by Guarantee)
Notes to the financial statements
for the year ended 31 March 2020

	2019/20	2018/19
	£	£
21 Analysis of charitable funds		
Analysis of movement in unrestricted funds		
<u>Unrestricted - Functional fixed assets reserve</u>		
Balance at 1 April 2019	-	-
Additions	550	-
Inter-fund transfers	-	-
Movement in year	(138)	-
Balance at 31 March 2020	412	-
<u>Unrestricted - General reserve:</u>		
Balance at 1 April 2019	59,048	95,050
Movement in year	148,857	(36,002)
Inter-fund transfers	(31,027)	-
Balance at 31 March 2020	176,878	59,048
<u>Restricted funds:</u>		
Balance at 1 April 2019	2,040	2,040
Inter-fund transfers	-	-
Balance at 31 March 2020	2,040	2,040
<u>Running costs reserve</u>		
Balance at 1 April 2019	-	-
Inter-fund transfers	31,027	-
Balance at 31 March 2020	31,027	-
Total	210,357	61,088

22 Analysis between fund balances

	General	Unrestricted		Total
	£	Designated £	Restricted £	£
Tangible fixed assets	-	-	412	412
Current Assets	222,980	-	2,040	225,020
Current liabilities	(15,075)	-	-	(15,075)
	-	-	-	-
	207,905	-	2,452	210,357

23 a) Analysis of movement in funds Funds

Funders name	Balance 1/4/19 £	Incoming Resources £	Resources Expended £	Balance at 31/3/20 £
Unrestricted	0	313,156	(163,887)	149,269
3 Guinness Trust		50,836	(50,836)	-
Trust for London		29,000	(29,000)	-
Children in need		25,239	(25,239)	-
Bell foundation		24,358	(24,358)	-
AB charitable trust		15,000	(15,000)	-
Law Centres Federation		41,609	(41,609)	-
Tudor Trust		2,000	(2,000)	-
Harrow Council		30,000	(30,000)	-
Pret foundation trust		14,800	(14,800)	-
London legal support trust		13,500	(13,500)	-
LCN Guardian appeal		17,044	(17,044)	-
LCN		10,493	(10,493)	-
Legal education Foundation		10,915	(10,915)	-
Other donations		3,666	(3,666)	-
		601,616	(452,347)	149,269

24 Post-balance sheet events

At the beginning of the Covid 19 pandemic, the wellbeing and safety of our people and stake holders was the charity's first priority. Where possible individuals are working remotely from home and we are continuing to operate effectively whilst taking appropriate actions to limit the spread of the virus.

25 Ultimate Controlling Party

The charity is under the control of its legal members.