

Norfolk Community Law Service Limited

Company Number: 3524607

A company limited by guarantee and not having a share capital and not for profit

ANNUAL ACCOUNTS AND REPORT
FOR THE YEAR ENDED 31 MARCH 2005



Norfolk Community Law Service Limited

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FOR THE YEAR ENDED 31 MARCH 2005

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GENERAL INFORMATION

Registered Charity Number:	1069066
Company Number:	3524677
Board of Directors:	Benedict Keane - Chair David Adler - Hon Treasurer (resigned 26.1.05) Richard Holcombe – Hon Treasurer (appointed 2.3.05) Liz Edwards - Hon Secretary Lesley Burdett (appointed 12.7.04) Gordon Dean (appointed 12.7.04) Richard Goodall Mike Pendred (appointed 15.12.04) Keith Ratcliffe (appointed 15.12.04) Gerardo Rodriguez Councillor Ron Round Margaret Sparrow Andrew Spencer Steve Stavridis Steve Wiseman (appointed 15.12.04)
Company Secretary:	Richard Goodall
Principal Office:	Boardman House Redwell Street Norwich NR2 4SL
Bankers:	Lloyds TSB plc Gentlemans Walk Norwich

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REPORT OF THE BOARD OF DIRECTORS **FOR THE YEAR ENDED 31 MARCH 2005**

The Board present their Annual Report with the financial statements of the Charity for year ended 31 March 2005.

Norfolk Community Law Service Limited is a registered Charity being a company limited by guarantee and not having a share capital and not being run for profit. It is a voluntary body, run by a Board of Directors and governed by its Memorandum and Articles of Association. Under the terms of that document, the members of the Board are Trustees of the Charity. On 30 March 2005 the name of the Company was changed by special resolution from NDLS Limited to Norfolk Community Law Service Limited. The organisation originally took over the work and assets of Norwich & District Legal Services Committee on 1 April 1998 having operated as such in similar guises since 1985.

Objectives of the Charity

The remit is to increase access to justice for the people of Norwich and the surrounding district by providing free advice, assistance and representation in various areas of Social Law. These services are provided by a team of trained volunteers, both lay and professional. We are entirely dependent upon donations and monies arising from Service Agreements for our continued existence.

The principal objects for which the Company is established are to:

- Identify problems of access by needy people to legal services.
- Provide advice assistance and representation to needy persons resident or working in the local authority areas of Breckland, Broadland, North Norfolk, South Norfolk, City of Norwich, King's Lynn, West Norfolk and Great Yarmouth ('the area of benefit').
- To advance the education of the public by the improvement and diffusion of knowledge of the law, its practice and the administration of justice having regard especially to those areas of law which are of particular concern to poor people or which are directed to the relief of poverty, distress or sickness.
- To promote such other charitable purposes as are for the benefit of the community in the area of benefit.

Members of the Board (Trustees) are elected at the Annual General Meeting by those present and eligible to vote, or may be co-opted during the year pending formal election at the next Annual General Meeting.

Statement of Board of Directors Responsibilities

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the directors should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are responsible and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The directors are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ascertain the financial position of the Charity and which enable them to ensure that the financial statements comply with applicable law and to the constitution. 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.

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REPORT OF THE BOARD OF DIRECTORS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2005

Finances

The attached financial statements show the current state of the finances.

The Accounts for the year ended 31 March 2005 show a small surplus of income over expenditure on the services provided during the year. Just before the year end, additional income was received by way of a donation from the TGWU and a set up grant from the Community Law Service and these will be used for the Rent Repossession Support Scheme alongside the existing Mortgage Repossession Support Scheme

Reserves

The reserves are available to fund the ongoing Mortgage and Rent Repossession Support Schemes. At the current levels of expenditure, the reserves and anticipated income for 2005/06 should be sufficient to cover expenditure to the end of the financial year.

Review of Progress and Achievements

The Company continues to provide free legal advice with the assistance of local solicitors who provide their services voluntarily.

The Mortgage Repossession Scheme has operated successfully throughout the year and funding has been obtained to allow the service to continue in 2005/06. Training of advisors for the new Rent Repossession Scheme is underway and funding has been obtained which should allow the two services to operate at least until the end of the 2005/06 financial year.

Further funds are being sought to finance the continuation of these services and an application has been made to the Lottery Fund for funding to provide a Discrimination Advice Service for which legally qualified staff will be required.

Risk Review

Over the course of time, the directors have conducted reviews of the major risks to which the Charity is exposed and systems have been put in place to mitigate those risks. These are updated periodically to ensure they meet the needs of the Charity.

Chair:

.....
Ben Keane

Dated: 28 June 2005

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**REPORT OF THE AUDITOR TO THE MEMBERS
OF NORFOLK COMMUNITY LAW SERVICE LIMITED**

We have audited the financial statements of Norfolk Community Law Service Limited for the year to 31 March 2005 on pages five to eleven, which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page seven.

Respective Responsibilities of Directors and Auditors

As described on page two the trustees, who are also the directors of Norfolk Community Law Service Limited for the purposes of company law, are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31 March 2005 and of its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Roger Hopkins
Registered Auditor & Chartered Accountant

18 Princes Street
Norwich NR3 1AE

Dated: 28 June 2005

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2005

	<u>Notes</u>	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Year Ended</u> <u>31.3.05</u> £	<u>2004</u> £
Incoming Resources:					
Donations and Gifts		1,992.70	-	1,992.70	640.58
Income from Activities in Furtherance of Charity's Objects:					
Grants	2	25,300.00	6,500.00	31,800.00	23,227.31
Investment Income:					
Bank Interest		797.02	-	797.02	645.06
Total Incoming Resources		<u>£ 28,089.72</u>	<u>£6,500.00</u>	<u>£ 34,589.72</u>	<u>£ 24,512.95</u>
Resources Expended:					
Cost of Activities in:					
Furtherance of Charity's Objects	3	26,553.78	322.28	26,876.06	31,422.60
Management and Administration	3	866.84	172.84	1,039.68	967.91
Total Resources Expended		<u>£ 27,420.62</u>	<u>£ 495.12</u>	<u>£ 27,915.74</u>	<u>£ 32,390.51</u>
Net Incoming Resources for the Year and Net Movement in Funds		669.10	6,004.88	6,673.98	(7,877.56)
Total Funds at 1 April 2004		<u>13,983.90</u>	<u>-</u>	<u>13,983.90</u>	<u>21,861.46</u>
Total Funds as at 31 March 2005	8	<u>£ 14,653.00</u>	<u>£ 6,004.88</u>	<u>£ 20,657.88</u>	<u>£ 13,983.90</u>

The notes on pages 7 to 11 form part of these Accounts

Norfolk Community Law Service Limited

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BALANCE SHEET
AS AT 31 MARCH 2005

	<u>Notes</u>	<u>2005</u>	<u>2004</u>
		£	£
FIXED ASSETS:			
Equipment	6	1,782.54	2,145.93
CURRENT ASSETS:			
Debtors	-		1,263.12
Prepayments	1,927.78		213.33
Bank Balance:			
Deposit Accounts	11,300.00		14,500.00
Current Accounts	6,501.60		232.58
Cash in Hand	68.70		141.77
		<u>£ 19,798.08</u>	<u>£ 16,350.80</u>
CURRENT LIABILITIES:			
Amounts Falling Due Within One Year	7	922.74	4,512.83
		<u>£ 922.74</u>	<u>£ 4,512.83</u>
NET CURRENT ASSETS		<u>18,875.34</u>	<u>11,837.97</u>
		<u>£ 20,657.88</u>	<u>£ 13,983.90</u>
REPRESENTED BY:			
Unrestricted Funds	8	14,653.00	13,983.90
Restricted Funds	8	6,004.88	-
		<u>£ 20,657.88</u>	<u>£ 13,983.90</u>

R Holcombe - Hon Treasurer



For and on Behalf of the Board

Dated: 28 June 2005

The notes on pages 7 to 11 form part of these Accounts

Norfolk Community Law Service Limited

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NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31 MARCH 2005

1. **ACCOUNTING POLICIES**

a. **Basis of Preparation**

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in October 2000 and applicable accounting standards.

The charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate Statement of Financial Activities (SOFA) has been presented for the charity alone as permitted by Section 230 of the Companies Act 1985 and Paragraph 304 of the SORP.

b. **Company Status**

The charity is a company limited by guarantee. The members of the company are the trustees named on page one. 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.

c. **Fund Accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Investment income and gains are allocated to the appropriate fund.

d. **Incoming Resources**

All income resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

e. **Resources Expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Overheads have been allocated on an appropriate basis consistent with previous years.

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NOTES TO THE ACCOUNTS - CONTINUED
FOR THE YEAR TO 31 MARCH 2005**1. ACCOUNTING POLICIES - CONTINUED**

Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

f. Tangible Fixed Assets and Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the costs on a reducing balance basis over their expected useful economic lives as follows:

Equipment - 20%

2. GRANTS

	<u>2005</u>	<u>2004</u>
	£	£
Unrestricted Grants:		
Norwich City Council	10,000.00	7,764.00
Town Close Estate Charities	6,300.00	-
Norwich Consolidated Charities	9,000.00	-
Restricted Grants:		
Immigration:		
Immigration Advisory Service	-	10,000.00
Housing Repossession:		
Pilot Scheme	-	5,463.31
Rent Repossession Scheme:		
Legal Services Commission	4,500.00	-
TGWU	2,000.00	-
	-----	-----
	£ 31,800.00	£ 23,227.31
	=====	=====

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NOTES TO THE ACCOUNTS - CONTINUED
FOR THE YEAR TO 31 MARCH 2005

3. **COST OF THE ACTIVITIES IN FURTHERANCE OF THE CHARITIES OBJECTS**

	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>2005</u> <u>Total</u> £	<u>2004</u> <u>Total</u> £
Direct Charitable Expenditure:				
Staff - Salaries	15,222.70	-	15,222.70	17,753.58
- Training and Expenses	304.31	322.28	626.59	128.21
- Placement Fee	-	-	-	587.50
Volunteers - Training and Expenses	2,087.94	-	2,087.94	1,470.01
Office - Rent	3,939.32	-	3,939.32	1,905.00
- Insurance and Affiliations	2,105.95	-	2,105.95	1,883.69
- Telephones, Print Etc.	1,647.12	-	1,647.12	4,102.44
- Internet & Data Protection	156.62	-	156.62	-
- Equipment Depreciation	445.63	-	445.63	537.00
Immigration Advisory Service	-	-	-	54.00
Housing Repossession Scheme	-	-	-	940.00
Journals and Books	59.00	-	59.00	89.95
Annual Report	77.59	-	77.59	236.42
Loss on Disposal of Fixed Assets	-	-	-	1,734.80
Relocation Costs	507.60	-	507.60	-
	£ 26,553.78	£ 322.28	£ 26,876.06	£ 31,422.60

The average number of employees during the year was as follows:

Administration - 2

Management and Administration of the Charity:

Professional Fees Payroll	259.07	-	259.07	240.88
Audit	510.50	-	510.50	500.00
Sundry	97.27	172.84	270.11	227.03
	£ 866.84	£ 172.84	£ 1,039.68	£ 967.91

4. **TAXATION**

The organisation is exempt from corporation tax as surplus income is applied for charitable purposes.

5. **TRUSTEE REMUNERATION**

The directors/trustees were not remunerated nor have they charged any significant expenses to the Charity.

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NOTES TO THE ACCOUNTS - CONTINUED
FOR THE YEAR TO 31 MARCH 2005**6. FIXED ASSETS**

	<u>2005</u>	<u>2004</u>
	<u>Equipment</u>	<u>Equipment</u>
	£	£
Cost at beginning of year	3,465.93	3,465.93
Additions in year	82.24	1,807.52
Disposals in year	-	(5,251.88)
Cost or Valuation: At end of year	£ 3,548.17	£ 3,465.93
Depreciation at beginning of year	1,320.00	4,300.08
Charge for the year	445.63	537.00
Written back on disposal	-	(3,517.08)
Depreciation: At end of year	£ 1,765.63	£ 1,320.00
Book Value: At end of year	£ 1,782.54	£ 2,145.93

7. CURRENT LIABILITIES

Accruals	£ 922.74	£ 4,512.83

8. STATEMENT OF FUNDS

	<u>1.4.04</u>	<u>Income</u>	<u>Expenditure</u>	<u>31.3.05</u>
Unrestricted Funds:				
General Reserve	£ 13,983.90	27,589.72	26,920.62	14,653.00
Restricted Funds:				
Rent Repossession	£ -	6,500.00	495.12	6,004.87

The Rent Repossession fund comprises monies from the Legal Services Commission to cover start-up costs for the scheme and a donation from the Transport & General Workers Union to enable the running of the scheme.

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NOTES TO THE ACCOUNTS - CONTINUED
FOR THE YEAR TO 31 MARCH 2005

8. **STATEMENT OF FUNDS - CONTINUED**

The analysis of net assets between funds is as follows:

	<u>Tangible</u> <u>Assets</u> £	<u>Net</u> <u>Current Assets</u> £	<u>Total</u> £
Unrestricted Funds	1,782.54	12,870.46	14,653.00
Restricted Funds	-	6,004.87	6,004.87
	£ 1,782.54	18,875.33	20,657.87

9. **RELATED PARTY DISCLOSURE**

There are no transactions with related parties requiring disclosure in the financial statements.

10. **GOING CONCERN**

Funding has been obtained which should allow the Rent and Mortgage Repossession Schemes to continue until the end of the financial year. Further funding is being sought to extend the period for which these services can be offered and, in addition, an application has been made to the Lottery Fund for funding to provide a Discrimination Advice Service for which legally qualified staff will be required.