

**Free
Representation
Unit**

**Annual Report and Financial
Statements**

31 March 2018

Charity Registration Number
295952

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Legal and administrative information

Patrons	The Rt Hon Lady Arden of Heswall The Rt Hon Lady Black of Derwent The Rt Hon Sir Henry Brooke (until 30 January 2018) The Rt Hon Lord Browne-Wilkinson (until 25 July 2018) The Rt Hon Lord Clarke of Stone-cum-Ebony The Rt Hon Lady Justice Hallett The Rt Hon Lord Judge The Rt Hon Lord Phillips of Worth Matravers The Secret Barrister
Trustees	Sean Jones QC (Joint senior trustee) Michael Fealy QC (Joint senior trustee) Fenella Morris QC Alison Padfield QC Jeremy Johnson QC
Management committee in the period from 29 October 2016 to 27 October 2017	Andrew Watson (Chair) Patrick Tomison (Secretary) Hannah Lewis (Treasurer) Gemma Daly Howard Leithead Patrick Lyons Rachel Sullivan Lorna Reid (Ex officio as Chief Executive Officer) David Abbott (Ex officio as Chief Executive Officer)
Management committee in the period from 27 October 2017	Rachel Sullivan (Chair) Patrick Tomison (Secretary) Tom Phillips (Treasurer) Deborah Acquaah Howard Leithead Patrick Lyons Gemma Daly David Abbott (Ex officio as Chief Executive Officer)
Chief Executive	David Abbott (From 5 June 2017) Lorna Reid (To 11 April 2017)
Registered address	5th Floor Kingsbourne House, 229-231 High Holborn, London, WC1V 7DA
Telephone	020 7611 9555
Website	www.thefru.org.uk

Legal and administrative information

Charity registration number	295952
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Unity Trust Bank plc 9 Brindleyplace Birmingham B1 2HB

Patrons

This report begins with the sad news that two of FRU's patrons, Lord Browne-Wilkinson and Sir Henry Brooke, died this year.

Lord Browne-Wilkinson was the senior law lord for two years until his judicial retirement. He was a noted defender of the fundamental principles of justice and of the judicial system against government attempts to limit access to justice on 'value for money' grounds.

Much has been written about Sir Henry Brooke's impact on the law and his ability to marry a strong intellect with great humanity. FRU was one of a number of legal charities that Sir Henry supported. We were honoured that he wanted to be involved with our work and indeed Sir Henry had been planning to visit us once he had recovered from his surgery.

Our condolences go to the family and friends of these two significant judicial figures.

Although it does not fall within this reporting period we were delighted that in October 2018 The Secret Barrister agreed to become a FRU patron. Whilst it is highly unusual to appoint an anonymous patron the Secret Barrister's passion for the justice system and for FRU's work is clear and we will say more about this development in next year's annual report.

FRU's work

	Year to 31 March 2018		Year to 31 March 2017	
	Cases taken	% of cases referred	Cases taken	% of cases referred
Employment (includes self-referral)	154	39	178	38
Social Security	340	30	457	31
Criminal Injuries Compensation	0	0	0	0
	494	32	635	32

Volunteer representatives

Training Day Attendance

	Year to 31 March 2018	Year to 31 March 2017
Employment	383	379
Social Security	481	688

FRU's work (continued)

This year saw a reduction both in the number of cases in which we represented the client and the number of volunteers trained. We believe that there are various reasons for this. The most notable fall was in the number of social security cases referred to us and the number that we could take on. During the summer months of 2017 many of our London referral agencies told us that their clients were receiving very late notice of the date of their tribunals. We require 14 days' notice of the tribunal date in order to grade the case, enable a volunteer to select it, ratify the volunteer, gather evidence, hold a client conference and send written submissions to meet the tribunal deadline. Our potential clients were receiving less than 14 days' notice themselves, making it impossible to meet our requirement. We understood that HM Courts & Tribunals Service (HMCTS) had outsourced sending hearing date notifications and that performance had suffered. To be helpful, we responded by temporarily reducing our notification requirement to 10 days, although that does potentially impact on our ability to prepare the case. We made representations to HMCTS about the cause of this problem, but it did not respond and after around 4 months hearing notification times began to increase. This had a lasting impact on our ability to take on cases and on the confidence that referral agencies had in the likelihood of their referrals being picked up. Such a loss of confidence can take months to build back up.

We note the increase of applications to the Employment Tribunal following the abolition of the fee regime arising from the Supreme Court decision in July 2017. There is a lag between applications being made and cases being referred to FRU, so we anticipate an increase in referrals, but it had not begun by the end of this reporting year.

It remains the fact that there is enormous unmet demand for representation in social security and employment tribunals, and we typically only have the resources to represent around one third of the cases referred to us.

We also experienced a reduction in bookings on our training days during 2017 - 18. We trained over 850 people, which is a significant number, but this was 200 fewer than the previous year. The reasons for this are unclear, and it appears from high demand for training days after April 2018 that it was a temporary phenomenon. Our training days continue to receive excellent feedback from attendees.

This year we began to look for opportunities to engage with policy makers. The Parliamentary Work & Pensions Select Committee held an inquiry into how claims for Personal Independence Payment and Employment and Support Allowance are assessed by the Dept. for Work & Pensions. The majority of our social security cases concern appeals about these assessments and FRU made a submission to the inquiry. In its report the Select Committee drew on FRU's evidence on challenging decisions at Mandatory Review, that evidence from different claims should be available to decision makers and on the fact that evidence obtained by independent appeal tribunals was often previously available but not properly sought. We also attended a reception for Members of Parliament and their staff. The event was to raise awareness of what constitutes a legal problem and where MP's can find legal support for their constituents.

FRU's work (continued)

The importance of FRU's role was recognised in two speeches given by senior legal figures. In a speech during Justice week in 2017 entitled *The Citizen and the State: Poor decision-making and the role of the pro bono Bar* Sir Henry Brooke drew attention to the large number of PIP appeals that FRU had provided a representative for and how valuable such work is for young advocates. In a speech in March about assisting access to justice, The Senior President of Tribunals, Sir Ernest Ryder, pointed to the efforts of the legal profession to demonstrate its civic engagement. He identified FRU as an exemplar of this, and urged the legal profession, universities and legal regulators to collaborate to show leadership in civic engagement with the justice system.

FRU strives to promote equal opportunities, human rights and diversity, through our legal and non-legal work. For example, FRU assistant legal officer Josh Yetman represented a client in the Upper Tribunal. The decision was reported, meaning that it has general significance. The decision offers guidance for decision makers on taking account of the cultural context of claimants when making decisions on the credibility of their evidence. In explaining the actions of his client Josh made a number of wide-ranging submissions about the implications of the Traveller community's culture. In the reported decision the Upper Tribunal Judge recognised the quality of the submissions made by Josh, describing them as 'well-crafted'. The decision went on to state that 'Given the undoubted legal and evidential complexities of this case, I hope that the Free Representation Unit will be able to continue to provide its invaluable help to the Appellant, both by way of preparation for, and representation at, the First-tier Tribunal rehearing. FRU also became a supporter of FreeBar, which does excellent work to support all gender & sexuality minority barristers and people who work alongside them, share best practice on workplace inclusion and celebrate LGBTQ+ role models and their allies. We were also pleased to host a visit by two representatives from the PathFinders NGO from Hong Kong who were seeking examples of best practice. PathFinders provides humanitarian support, social and welfare services, access to healthcare, education and legal support. PathFinders serves pregnant, migrant women in distress and their Hong Kong-born children.

CASE STUDY

Personal Independence Payment ("PIP") is a disability benefit which provides cash payments in order to cover the costs associated with being disabled. There is a daily living component and a mobility component. The former covers day-to-day activities like cooking, washing and getting dressed. The latter addresses navigating journeys and moving around. Each component attracts payments at either the standard rate or the enhanced rate.

FRU acted for an Appellant who had claimed both of PIP's components. She had a history of severe depression, had been diagnosed with bi-polar disorder, and been the victim of domestic violence on a number of occasions. As a result of her bi-polar disorder, she suffered from depressive episodes lasting up to 6 months. There was evidence that she had suicidal ideation during these episodes and had made attempts on her life. Two key issues were i) whether the Appellant satisfied the relevant legal tests for enough time, and ii) how the risk associated with her suicidal ideation should be addressed.

Having instructed FRU, the Appellant successfully argued that relevant evidence had not been given due weight when considering the legal tests. Whilst her condition was fluctuating, she satisfied the legal tests for over 50% of the relevant period. In relation to the suicidal ideation, it was found that whilst the attempts were infrequent, the risk posed by the attempts when made was so severe that the Appellant could not navigate safely.

The Appellant was awarded the enhanced rate of both components from December 2017 to December 2019 (£83.10 per week daily living, £58.00 per week mobility). She also received backdated payments to January 2017.

FRU's work (continued)

Nottingham

FRU Nottingham is the only FRU branch outside of London and represents clients in both employment and social security claims. FRU represented 63 clients in social security hearings and 12 clients in employment hearings during 2017-18. Whilst the majority of tribunal hearings have taken place in Nottingham, we have also covered hearings in Derby, Boston and Sheffield. FRU is part of the Nottingham Law School Legal Advice Centre, whose student Pro Bono Committee were the winners of The Law School Challenge 2017/18. They collected the award for supporting pro bono legal activity from the Attorney General at the House of Commons in April 2018. Nottingham FRU has continued to maintain strong referral networks with local referral agents, such as Citizen's Advice Broxtowe and The Ark, which refer the majority of the FRU Social Security cases. We also continue to represent clients that have approached us directly, especially in our employment cases. We are confident that our reputation is growing stronger within the locality and we will continue to receive appropriate referrals in the future.

CASE STUDY

Jim Hirschman attended a state school in England before studying law at the University of Westminster and UCL. In the summer before he started his Bar Professional Training Course (BPTC) he started volunteering with FRU. FRU was recommended to him by the careers team at UCL as an "exceptional opportunity to work with real clients in real cases in front of real courts."

Jim's first case for FRU was a wrongful dismissal claim. It was the first time he had had to get to grips with a real case file. After reading into the case, he had a detailed discussion of the law and process with the FRU employment law case worker. Jim met with his client and took detailed notes, building rapport and gaining his client's confidence. Jim's first step was to determine if settlement was a viable option. After taking instructions, he contacted the other side, a leading firm of solicitors. Jim said this was a daunting and intimidating first encounter, but he held his nerve and, after some back-and-forth, was able to secure settlement for his client at 87% of the value of the claim. His client was delighted with this outcome, particularly as the case, though strong, was not certain to win.

Jim's second case was a more complex unfair dismissal claim worth £30,000 against a large company. Jim attempted settlement negotiations with the other side, again a large solicitor's firm but was not able to achieve a settlement. At the hearing the other side was represented by a leading employment barrister supported by a team of solicitors. Jim researched in depth all the relevant case law and prepared and agreed a list of issues with the other side. He wrote a skeleton argument, prepared examination-in-chief, cross-examination and witness statements. At the hearing, Jim had to hold his nerve against a much more experienced team on the other side. Judgment was reserved, reflecting the complexity of the case. Ultimately, to the delight of Jim's client and Jim himself, the court found in favour of Jim's client.

Jim says his experience at FRU was "invaluable" preparation for pupillage interviews, giving him confidence that he could answer competency-based questions. At all of his interviews, he was asked about his FRU experiences, and drew upon the skills he learnt on the cases. According to Jim, FRU is "a place where you are trusted to take on responsibility and hone skills you only applied previously in an academic context." He says it was a "brilliant" experience and "the best preparation for pupillage you can get."

Supporters

FRU is exceptionally fortunate with the support that it enjoys from all parts of the legal profession, traditionally from the Bar but increasingly from law firms.

The Bar Council

Our thanks go to Andrew Langdon QC, Chair of the Bar Council in 2017, and Andrew Walker QC, Chair in 2018 and Malcolm Cree, Chief Executive, for the Bar Council's continued support. The grant provided by the Bar Council is the bedrock of FRU's funding and makes a major contribution to our financial stability. Andrew Langdon QC appointed two new trustees, Alison Padfield QC and Jeremy Johnson QC. We look forward to maintaining the institutional links to the Bar Council into the long-term following our plan to form a new, incorporated, charity with new governance arrangements – see below for further details.

The Inns of Court and the Inns of Court and the Bar Educational Trust

All four Inns of Court support our work by providing grants towards our work and by promoting our activities with their student members. We are very grateful to them for this. Our position as a charity with educational objectives complements the Inns of Court and the Bar Educational Trust and we recognise the enormous benefits of working closely together. We thank them too for their donation.

Support from Associations

The London Legal Walk continues to go from strength to strength and we are greatly indebted to the team at the London Legal Support Trust for the work they put in to making this event such a success. This year our supporters once again donned FRU t-shirts to walk in our team. We are also grateful to all the walkers and the barristers' chambers who raised money for the general funds, part of which go to support FRU.

Supporters (continued)

Support from Associations (continued)

We enjoy a fruitful relationship with the Employment Lawyers Association (ELA) and have continued to work with them on facilitating the 100 Days scheme. This year we have also increased our support to the Employment Tribunal Litigant in Person Support (ELIPS) scheme. Our thanks go to Sophie Roberts, Ruth Gamble and Cyril Dennemont for maintaining the link with the ELA Pro Bono Committee, and we look forward to working with Natasha Joffe, the pro bono committee chair for 2018 – 19.

Chambers

Much of our support comes from barristers' chambers. We attract support from across the Bar and are very grateful both for the fundraising events in our name and for the regular contributions we receive, for example 5 Raymond Buildings has an annual quiz night in support of FRU and Advocate.

Grants from Charitable trusts

We were delighted that Trust for London decided to provide a further three year's support to our employment Self-Referral Scheme, by covering the cost of the Employment Assistant Legal Officer and Self-Referral Scheme Co-ordinator. This grant of £40,000 for three years is a significant contribution to our service and we are extremely grateful for Trust for London's continued confidence in FRU.

We also appreciated the grants provided by both the Legal Education Foundation and the Access to Justice Foundation to enable us to implement the first phase of our digital strategy. As we reported in the previous annual report, this project is essential to improving our service to our clients, volunteers, referral agencies and staff in the future.

Linklaters LLP

FRU has continued our excellent relationship with Linklaters and we were delighted to host Linklaters trainees for two periods during this year, Priya Kotecha and Andrew Comisky undertook cases and assisted in the office. We are very grateful to Ben Carroll who sits with our board of trustees and provides us valuable advice and support. Linklaters is also extremely generous in its financial support, being the largest donor among firms and chambers.

Individuals

We are very grateful for the efforts of individual fundraisers who raise money for us.

We had two runners in the London Marathon in April 2017, whose fundraising efforts are very much appreciated: Ross McKeown and Kate Chandler.

The popular London Legal Walk event was taken up on behalf of FRU by Priya Kotecha, Francesca Kirby, Michael Reed, Kieran Anderson, Deborah Acquaah, Emma Pitfield, Anna Hoffman, Sarah Fincham, Geeta Koska, Jennifer Dixon.

Holly Stout very bravely swam the Serpentine in London's Hyde Park in September.

Andy Poole, alongside David Abbott, took part in the Walk the Thames event organised by the London Legal Support Trust.

Supporters (continued)

Individuals (continued)

FRU also entered a keen cyclist, Stephen Ball in the Prudential RideLondon-Surrey 100.

We are also grateful to the authors of legal books who kindly donate their royalties to FRU, including Naomi Cunningham and Michael Reed for *Employment Tribunal Claims: Tactics and Precedents* and Jonathan Kirk QC for *Modern Financial Regulation*.

Other support

FRU is indebted to the Attorney General and Solicitor General (who is a former FRU volunteer) for their role in the leadership of pro bono in the legal profession. We have also enjoyed the support and cooperation of many pro bono organisations, not least Advocate (formerly the Bar Pro Bono Unit) and other members of the Attorney General's pro bono organising committee. Many members of the legal profession have helped us in a variety of ways during the year, publicising our work, providing pro bono advice and support or taking on a case that is beyond our experience.

They include:

- ◆ Tim Buley Landmark Chambers
- ◆ Anne Fairpo Temple Tax Chambers
- ◆ Dominic Howells Blackstone Chambers
- ◆ Katherine Barnes 39 Essex Street
- ◆ Christopher Brown Matrix
- ◆ Leon Glenister Landmark Chambers
- ◆ Charles Bagot QC Harwicke
- ◆ Eleanor Mitchell Matrix
- ◆ Sally Robertson Cloisters

We could not run our volunteers' training days without the help of speakers who have given up parts of their weekends to contribute:

- ◆ Sally Robertson Cloisters
- ◆ Celia Rooney Blackstone Chambers
- ◆ Gemma Daly Doughty Street
- ◆ Desmond Rutledge Garden Court Chambers
- ◆ Ella Davis 1 Chancery Lane
- ◆ Rachel Sullivan 39 Essex Street
- ◆ Matthew Jackson 10 KBW

Supporters (continued)

Other support (continued)

- ◆ Andrew Watson 12 KBW
- ◆ Alexandra Sidossis, pupil Outer Temple Chambers

Our main website was designed and is maintained and hosted by New Digital Partnership at no cost whatsoever to us and we are greatly indebted for the donation of their expertise.

There are many people whose help is not always obvious, but without their help, our work would be more difficult. The efforts of chambers' clerks help to make so much happen behind the scenes. We are grateful also to the many Tribunal judges and the staff from HM Courts and Tribunals Service for their assistance, support and patience.

But our greatest help comes from our very own volunteer representatives, who are professional, dedicated and loyal and who put in thousands of hours on their clients' cases. We simply would not exist without them.

CASE STUDY

The client was a foreign national who worked as a hotel receptionist. She worked up to 11.5 hour shifts for a total of 200 hours. She received a pay slip showing a minus figure of £215, i.e. that she owed the employer that amount for her time there. This was because deductions had been made to cover the non-payment of bookings by guests and for the cost of a manager's time to investigate this. The employer said that the client was liable for any losses made during her shifts and that she had accepted these terms.

A FRU volunteer prepared a lengthy witness statement and a skeleton legal submission. He cross examined the employer during the hearing. The tribunal found that many parts of the contract were not enforceable as it was so garbled as to be indecipherable. The tribunal ordered the employer to repay unlawful deductions to the client of £858 and prevented the employer reclaiming wages paid to the client on account. Without FRU's support this vulnerable client would have had to pay her employer for the privilege of working long hours for several weeks.

Staff

None of the fantastic work of the Unit could have happened without the excellent work of the staff.

We had many comings and goings during the course of this year. Our new Chief Executive, David Abbott joined us in June from HM Courts & Tribunals Service. In October our long-serving Office Manager Sharon Sneddon had her baby, Noah, and left on 12 month's maternity leave. We were pleased to welcome her replacement, Lobna Rahman, who had the daunting task of taking over running our systems with only a couple of week's handover from Sharon.

Chair's report Year to 31 March 2018

Staff (continued)

We said goodbye to our former Assistant Legal Officers, Deborah Acquaah and Francesca Kirby and were pleased to welcome their replacements Verity Bell and Josh Yetman.

We have been fortunate to retain 6-month placement of trainee solicitors from Linklaters LLP, and during the course of the year Priya Kotecha and Andrew Comiskey joined us, both quickly making an excellent contribution to our work.

We also welcomed our third Outer Temple Chambers/FRU extended pupil. Alexandra Sidossis, who joined us in September. We thank Patrick Reeves' family, through Outer Temple Chambers, for this support.

Finally, our Office Administrator Ryan Valmont also left us at the end of the year having found a role in the TV and film industry, and his replacement, Ayesha Tarannum, quickly settled in.

Our staff members during 2017/2018 were:

CEO	Lorna Reid (to April 2017) David Abbott (from June 2017)
Principal Legal Officers	Michael Reed Emma Baldwin
Assistant Legal Officer	Deborah Acquaah (to June 2017) Josh Yetman (from October 2017) Abou Kamara
Assistant Legal Officer & Self-referral Coordinator	Francesca Kirby (to September 2017) Verity Bell (from October 2017)
Office Manager	Sharon Sneddon (on maternity leave from 15 September 2017) Lobna Rahman (maternity cover from 29 August 2017)
Administrators	Ryan Valmont (to April 2018) Ayesha Taranum (from June 2018)
Book keeper (part-time)	Bosede Babalola

Looking to the future

We continued to lay the groundwork for the future this year. Our two main initiatives were the move to new governance arrangements and the digital upgrade.

In terms of governance, at the moment, FRU is an unincorporated association and a registered charity. Our structure has two elements; an elected management committee made up of active FRU members who are responsible for day to day management of FRU's affairs and appointed trustees who hold FRU's assets and provide strategic advice and support. This structure has served us well, but it has some constraints and it is now time to update our organisation. We have decided to create a new charitable incorporated body to

Looking to the future (continued)

continue FRU's service. This will have a single trustee board, retaining the best of our current approach as we will retain some elected trustees and a trustee appointed by the Chair of the Bar Council. Importantly we will be able to appoint trustees from a wider range of backgrounds and we can use the opportunity to widen the skills and experience available to manage FRU. I am grateful to one of our new trustees, Jeremy Johnson QC, for agreeing to steer us through the creation of 'new FRU' and winding up our current charity.

In 2017 we identified the need to upgrade our digital technology. With the assistance of Dr Simon Davey, an experienced IT change consultant, we created a three-stage strategy to transform the way that we offer our service. We reported the intended benefits of the digital strategy in last year's report. This year, having secured the financial support of the Legal Education Foundation and the Access to Justice Foundation, we have been implementing the first phase of the strategy. This involved appointing a new IT provider and renewing our core technology, so we have a stable platform to build on. We are grateful for Dr Simon Davey's continued support in implementing the strategy, which is already bearing results. The first phase will be completed by March 2019 and we will then look to securing the resources to implement the remaining phases.

Signed: Rachel Sullivan

Management Committee Chair

Date: 25 January 2019

The trustees present their report together with the financial statements of The Free Representation Unit ("FRU" or "the Unit") for the year ended 31 March 2018. This report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 24 to 27 of the attached financial statements and comply with the Unit's constitution, the law and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015.

The trustees echo the remarks made by Rachel Sullivan about the sad loss of two of our trustees this year. Both Lord Browne-Wilkinson and Sir Henry Brooke were significant judicial figures and their support for FRU sent out an important message about the value of FRU's work to the justice system. We thank them for championing FRU and send our condolences to Lord Browne-Wilkinson and Sir Henry Brooke's friends and family.

OBJECTIVES AND ACTIVITIES

What we do

FRU provides free representation in Employment, Social Security and a small number of Criminal Injuries Compensation tribunals using trained volunteers. FRU's aims are to:

- ◆ provide advice and representation before tribunals for those who could not afford representation and for which legal aid is not available; and
- ◆ train and develop the skills of law students and graduates and lawyers at the start of their careers.

FRU is based in London and the majority of our cases are from the Greater London area. We also have a small branch in Nottingham. We are one of the largest single providers of free advocacy in the United Kingdom.

Applicants to the Tribunal

Every year, thousands of people apply to have their case heard by Employment and Social Security Tribunals. These tribunals make decisions about matters that affect the very basic economic and social realities of the lives of often vulnerable people. Entitlement to benefits, decisions about fitness to work, protection from unfair treatment and remedies where an employee has faced discrimination are only a few of the matters these tribunals deal with.

Although the decisions these tribunals make can affect the economic and emotional health of the applicants, legal aid or other public funding is not available for representation. When they were established, tribunals were intended to be informal allowing claimants to represent themselves; the reality is most applicants do not understand the basic principles of the law relevant to their case and many would struggle to represent themselves.

OBJECTIVES AND ACTIVITIES (continued)

FRU Volunteers

FRU was founded in 1972 by Bar Students who wanted to provide aspiring lawyers with real experience of advocacy and who wanted vulnerable claimants to have free representation. 45 years on, FRU provides up to 1,000 training places annually for potential volunteers who are law students and graduates and junior lawyers from both branches of the profession, who gain valuable experience of client handling, case management and advocacy in a real court.

Public benefit

FRU is such a successful project because it provides a benefit for all concerned: the applicant has representation, the representative gains vital experience of advocacy and the tribunal is assisted by the applicant being represented. Why?

- ◆ Clients who cannot afford a lawyer benefit financially when they win their cases.
- ◆ Clients benefit from having their case professionally presented. Tribunal judges tell us that clients' cases are improved by being presented by a FRU volunteer.
- ◆ Respondents benefit if the opposing party is represented as the issues are likely to be more clearly presented.
- ◆ Hearings run more smoothly and effectively when the claimant is represented.
- ◆ Volunteers receive training and acquire experience that is focused and relevant.
- ◆ The reputation of the justice system is enhanced as a result.

The trustees are of the view that we provide a public benefit on each of the ways set out under 'What we do' and that, having regard to the Charity Commission's guidance, the Unit provides a public benefit.

ACHIEVEMENTS AND PERFORMANCE

FRU's core activity is the provision of free representation in tribunal hearings. We note the reduction in cases in which FRU was able to provide representation this year and in particular the reasons for the reduction in social security cases taken. It is disappointing when changes in tribunal processes have a detrimental impact on the ability of our clients to seek legal assistance. Fortunately, the short notice of tribunal dates did improve and FRU will monitor any similar issues in the future and address them with HMCTS.

Notwithstanding the lower number of cases receiving representation, for almost 500 clients FRU's support in their tribunal proceedings was crucial. Research published by the Department for Work & Pensions¹ demonstrated that many social security claimants do not

¹ Personal Independence Payment Claimant Research - Final Report Summary September 2018 Dept for Work & Pensions/Government Social Research

ACHIEVEMENTS AND PERFORMANCE (continued)

appeal against decisions they disagree with because the stress and anxiety that an appeal would cause would be detrimental to their condition, and not having the physical and emotional energy that the appeals process was deemed to require. Our clients can't afford to pay for legal representation and for the majority the prospect of representing themselves is so daunting that some may not attend the hearing at all. Therefore, in terms of our impact on access to justice for our clients we are proud that:

- Every working day of the year two FRU volunteers are either setting off to a tribunal hearing or helping a client to reach an agreed settlement of their case.
- Every working day of the year up to 20 volunteers attend the office to prepare for their tribunal hearings, each putting dozens of hours into each case.
- Time and again tribunal judges refer to the quality of FRU submissions and their beneficial impact on the administration of justice.

This year FRU also demonstrated the value of engaging with policy makers to provide a voice for the experiences of our clients. We particularly note the submission to the Parliamentary Work & Pensions Select Committee inquiry into decision making in disability benefit applications. This was a seminal inquiry on an important matter that affects tens of thousands of vulnerable people each year. It was pleasing to see FRU's submission being referred to in the final inquiry report. This activity accords with our charitable objectives and we will continue to look for opportunities to represent the interests of our clients.

FINANCIAL REVIEW

Results for the year

Income for the year was £385,041 (2017: £444,070). Expenditure totalled £477,835 (2017: £444,366). This results in net loss position of £92,794 (2017: £296).

Reserves policy and financial position

It is the policy of the trustees to ensure that the organisation maintains adequate free reserves to meet its charitable obligations while maintaining adequate reserves to allow operations to continue if there is a short term downturn in income or increase in expenditure. The trustees consider that it would take three to six months to identify a material change of this nature and to find the necessary funds or adjust expenditure, and that therefore reserves of at least three months expenditure are necessary. This equates to approximately £120,000.

The balance sheet shows total reserves of £138,187 (2017: £230,981) of which £20,000 as at 31 March 2018 were restricted (2017: £36,530).

FINANCIAL REVIEW (continued)

Reserves policy and financial position (continued)

Unrestricted reserves are therefore £118,187 (2017: £194,451). After deducting those unrestricted reserves that are represented by tangible fixed assets, and are therefore not readily available to meet expenditure or are designated for a particular purpose, the charity's free reserves were £66,355 as at 31 March 2018 (2017: £126,469). This is significantly below the charity's target level of free reserves. To manage the additional risk that this represents, the charity has introduced additional financial monitoring tools that monitor income and expenditure in real time with reporting to the management committee and trustees promptly at the end of each month. This has enabled timely decisions to be taken to reduce discretionary expenditure whilst additional income is sought, so that there is always certainty that the charity meets its financial obligations. Steps will be taken to build up the free reserves through applications for additional funding.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Organisation

The Free Representation Unit is an unincorporated body, registered with the Charity Commission. It is governed by a constitution dated 31 March 2005 and revised on 25 March 2010. The Unit is run by a Management Committee consisting of representatives who are elected from the body of volunteers who carry out the work of the Unit together with the Chief Executive.

The assets of the Unit are vested in the trustees, who are appointed by the Chair of the Bar Council. The appointment of a trustee by the Chair of the Bar Council occurs after consultation with the Management Committee of the Unit and the General Management Committee of the Bar Council. The trustees are appointed for a period of four years but are eligible for reappointment. Only a member of the Bar or a judge may be appointed as a trustee.

Key management personnel

The trustees consider that they together with the Chief Executive comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

The salary of the Chief Executive is set by the trustees, who ensure that it is broadly in line with comparable roles.

Risk management

The management committee regularly considers the major risks to which the Unit is exposed, prioritises those risks, reviews the extent to which they are and can be managed and, in the light of that work, considers what further management actions are required. The trustees oversee this work.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

The key risks to the organisation are changes that reduce the flow of referrals, volunteers or income. These risks can be generated by changes in government policy or through FRU's inability to meet client, referral agency or volunteer expectations.

Changes in policy and tribunal procedures can impact on the number of cases the charity receives in the office. If there are not sufficient cases the charity is unable to satisfy the number of volunteers it recruits. To recruit fewer volunteers impacts on the charity's income from training.

To mitigate these risks the charity undertakes a range of actions including regularly reviewing trends in the number, type and source of referrals, reviewing other areas of law and legal representation which could be taken on, reviewing channels for referrals, gathering information about referral agency, client and volunteer satisfaction, ensuring that all expenditure provides value for money and identifying ways of working that meet need and provide assurance to funders that FRU is efficient and effective. An example of the effectiveness of this risk mitigation is the development of the digital strategy to meet the needs of all stakeholders over the next five to ten years.

Trustees

The following trustees were in office at the date of approval of the financial statements and served throughout the year ended 31 March 2018.

Trustee

Michael Fealy QC (Joint senior trustee)
Sean Jones QC (Joint senior trustee)
Fenella Morris QC

The following trustees were in office at the date of approval of the financial statements but did not serve throughout the year ended 31 March 2018.

Alison Padfield QC
Jeremy Johnson QC

The Chair of the General Council of the Bar (Bar Council) appoints the trustees of FRU.

It is our policy, on the appointment of a new trustee or a new member of the Management Committee, to check that they are conversant with the relevant provisions of charity law and that they are sufficiently familiar with the workings of FRU. In most cases, they are conversant, but, where necessary, briefings are provided.

The Unit's patrons lend their support where it is helpful. They have no role in the governance or management of the Unit.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Signed on behalf of the trustees:

Date: 25/1/19.

Independent auditor's report to the trustees of the Free Representation Unit

Opinion

We have audited the accounts of Free Representation Unit (the 'charity') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- ◆ the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Other information (continued)

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 31 March 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Income from:					
Donations	1	283,260	39,050	322,310	364,048
Investments		16	—	16	57
Charitable activities					
. Legal representation of those in need	2	62,715	—	62,715	79,965
Total income		345,991	39,050	385,041	444,070
Expenditure on:					
Raising funds					
. Raising donations	3	20,883	—	20,883	19,450
Charitable activities					
. Legal representation of those in need	3	401,372	55,580	456,952	424,916
Total expenditure		422,255	55,580	477,835	444,366
Net expenditure and net movement in funds for the year		(76,264)	(16,530)	(92,794)	(296)
Reconciliation of funds:					
Fund balances brought forward at 1 April 2017		194,451	36,530	230,981	231,277
Fund balances carried forward at 31 March 2018		118,187	20,000	138,187	230,981

All of the charity's activities derived from continuing operations during the above two financial periods.

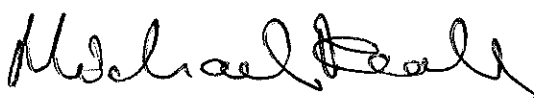
All recognised gains and losses are included in the above statement of financial activities.

All income from investments was unrestricted in 2018.

Balance sheet 31 March 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	7		51,832		67,982
Current assets					
Debtors (amounts falling due after more than one year)	8	24,497		24,497	
Prepayments and accrued income		69,962		73,047	
Other debtors		—		2,365	
Cash at bank and in hand		81,688		163,685	
		<u>176,147</u>		<u>263,594</u>	
Current liabilities					
Creditors, accruals and deferred income	9	(89,792)		(100,595)	
Net current assets			86,355		162,999
Total net assets			<u>138,187</u>		<u>230,981</u>
The funds of the charity:					
Restricted funds	10		20,000		36,530
Unrestricted funds					
· Designated funds	11	51,832		67,982	
· General funds		66,355		126,469	
			<u>118,137</u>		<u>194,451</u>
			<u>138,187</u>		<u>230,981</u>

Approved by the trustees
and signed on their behalf by:





Date:

25/1/19.

Principal accounting policies 31 March 2018

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 March 2018.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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 (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The only item in the accounts where these judgements and estimates have been made is in respect to estimating the useful economic life of tangible fixed assets.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The charity's free reserves as at 31 March 2018 were £66,355 (2017: £126,469). This is significantly below the charity's target level of free reserves of £120,000 (see reserves policy on page 16). To manage the additional risk that this represents, the charity has introduced additional financial monitoring tools that monitor income and expenditure in real time with reporting to the management committee and trustees promptly at the end of each month. This has enabled timely decisions to be taken to reduce discretionary expenditure whilst additional income is sought, so that there is always certainty that the charity meets its financial obligations. Steps will be taken to build up the free reserves through applications for additional funding.

Assessment of going concern (continued)

As a result of the mitigating activities described above, the trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, fees from the training of volunteers, subscriptions from referral agencies and investment income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated services and facilities provided to the charity are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the service is provided/the facilities are used by the charity. An equivalent amount is included as expenditure.

Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Fees from the training of volunteers are recognised once the course has been provided. Subscriptions from referral agencies are received for a 12-month period and are recognised over that period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes staff costs associated with fundraising, and an allocation of support costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include direct and support costs, including governance costs.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs form part of the costs of the charitable activity.

Cash flow

The accounts do not include a statement of cash flow because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 102.

Tangible fixed assets

All assets costing more than £100 are capitalised.

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

- | | |
|--------------------------|---|
| ◆ Leasehold improvements | On a straight line basis over the life of the lease |
| ◆ Office equipment | 25% on a reducing balance basis |

Tangible fixed assets (continued)

- ◆ Computer equipment 33% on a reducing balance basis
- ◆ Computer software 33% on a straight line basis

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Unrestricted funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds represent those monies set aside from unrestricted funds by the trustees for a specific purpose.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

Pension costs

Contributions in respect to defined contribution pension schemes are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 3. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

1 Donations and other financial support

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Donations received:				
. Bar Council ¹	64,800	—	64,800	64,800
. Inns of Court	60,000	—	60,000	60,000
. Linklaters LLP	37,000	—	37,000	37,000
. Individuals	42,281	—	42,281	52,183
. Access to Justice	—	—	—	15,000
. Allen and Overy	—	—	—	5,000
. Legal Education Foundation	—	10,800	10,800	5,670
Employment Lawyers Association	15,000	—	15,000	20,000
London Legal Support Trust	29,001	—	29,001	31,586
Trust for London	—	28,250	28,250	33,500
Individuals' sponsored activities	10,013	—	10,013	13,025
Inns of Court & Bar Educational Trust	8,000	—	8,000	5,000
Clients	205	—	205	280
Income received under standing order from individuals and sets of chambers	13,632	—	13,632	17,050
Other	871	—	871	193
Total donations	280,803	39,050	319,853	360,287
Tax repayment under Gift Aid	2,457	—	2,457	3,761
2018 Total funds	283,260	39,050	322,310	364,048
2017 Total funds	299,878	64,170	364,048	

¹ The Chairman of the General Council of the Bar (Bar Council) appoints the trustees of FRU.

2 Income from charitable activities

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Training of potential volunteers	42,625	—	42,625	65,385
Subscriptions from referral agencies	9,690	—	9,690	10,180
Payments by Law Schools ('FRU option')	10,400	—	10,400	4,400
2018 Total funds	62,715	—	62,715	79,965
2017 Total funds	79,965	—	79,965	

Notes to the financial statements 31 March 2018

3 Expenditure

	Cost of raising funds		Legal representation		Governance		Total Restricted	Total 2018	Total 2017
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted			
	£	£	£	£	£	£	£	£	£
Fundraising costs	2,316	—	—	—	—	—	—	2,316	3,350
Staff costs									
. Wages and salaries	11,308	—	205,453	39,790	4,523	—	39,790	261,074	225,696
. Social security costs	1,040	—	18,148	3,812	418	—	3,812	23,418	20,245
. Pension costs	1,753	—	11,581	1,178	1,953	—	1,178	16,465	6,101
. Recruitment costs	333	—	6,245	—	142	—	—	6,720	2,278
	14,434	—	241,427	44,780	7,036	—	44,780	307,677	254,320
General expenditure									
. Depreciation	833	—	15,816	—	—	—	—	16,649	14,254
. Premises	373	—	73,682	—	—	—	—	74,055	96,606
. Office running	1,587	—	39,534	—	—	—	—	41,121	37,501
. Library	569	—	9,953	—	—	—	—	10,522	10,852
. Other	771	—	2,513	10,800	—	—	10,800	14,084	19,863
	4,133	—	141,498	10,800	—	—	10,800	156,431	179,076
Auditor's remuneration									
. Current year audit fee	—	—	—	—	7,811	—	—	7,811	7,620
. Prior year audit fee	—	—	—	—	3,600	—	—	3,600	—
. Current year non audit fee	—	—	—	—	—	—	—	—	—
	—	—	—	—	11,411	—	—	11,411	7,620
Total									
Allocation of governance costs	—	—	18,447	—	(18,447)	—	—	—	—
2018 Total funds	20,883	—	401,372	55,580	—	—	55,580	477,835	444,366
2017 Total funds	18,987	463	374,444	50,472	—	—	50,935	444,366	

4 Staff costs and remuneration of trustees and key management personnel

No employee earned £60,000 or more (including benefits) during the current or previous year. The average number of employees was 9 (2017 – 8). No trustee received any remuneration or expenses in respect of their services as a trustee during the year (2017 - £nil). No trustee had any beneficial interest in any contract with the charity during the year.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees and the Chief Executive. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £47,853 (2017 - £24,895).

5 Net income (expenditure)

This is stated after charging:

	2018 £	2017 £
Staff costs	307,677	254,320
Operating lease rentals	50,766	50,766
Auditor's remuneration		
· Current year audit fee	7,811	7,620
· Prior year audit fee	3,600	—
· Current year non-audit fee	—	—
Depreciation	16,648	14,254

6 Taxation

The Free Representation Unit is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities as this falls within the various exemptions available to registered charities. FRU is not registered for VAT.

7 Tangible fixed assets

	Leasehold improvements £	Computer equipment and software £	Office equipment £	Total £
Cost				
At 1 April 2017	55,968	47,607	37,523	141,098
Additions	—	—	498	498
At 31 March 2018	55,968	47,607	38,021	141,596
Depreciation				
At 1 April 2017	2,871	42,028	28,217	73,116
Charge for year	12,493	1,782	2,373	16,648
At 31 March 2018	15,364	43,810	30,590	89,764
Net book values				
At 31 March 2018	40,604	3,797	7,431	51,832
At 31 March 2017	53,097	5,579	9,306	67,982

8 Debtors (amounts falling due in more than one year)

The debtor represents the deposit paid on the rent of the charity's Kingsbourne House offices.

9 Creditors, accruals and deferred income

	2018 Total funds £	2017 Total funds £
Other creditors	25,039	18,153
Accruals	52,053	82,002
Deferred income	12,700	440
	89,792	100,595

10 Restricted funds

	At 1 April 2017 £	Income £	Expenditure £	At 31 March 2018 £
Trust for London	16,530	28,250	(44,780)	—
Digital strategy	20,000	10,800	(10,800)	20,000
	36,530	39,050	(55,580)	20,000

The Trust for London restricted fund comprises funds received towards the salary and associated costs of an Assistant Legal Officer and a Self-Referral Scheme Coordinator.

The Digital Strategy fund comprises of monies received from donors specifically to further the charity's digital strategy.

11 Designated funds

	At 1 April 2017 £	Income £	Expenditure and transfers £	At 31 March 2018 £
Fixed asset fund	67,982	—	(16,150)	51,832

The fixed asset fund represent the net book value of the charity's unrestricted fixed assets as at 31 March 2018 and has been created to reflect the trustees' belief that these assets are not readily expendable by the charity.

12 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2018 Total funds £
Fund balances at 31 March 2018 are represented by:			
Fixed assets	51,832	—	51,832
Current assets	156,147	20,000	176,147
Creditors, accruals and deferred income	(89,792)	—	(89,792)
2018 Total funds	118,187	20,000	138,187

13 Commitments

Lease commitments – operating leases

At 31 March 2018, the charity had the following future minimum commitments under non-cancellable operating leases as follows.

	2018 £	2017 £
Payments which fall due:		
. Within one year	80,460	89,088
. After one year but within five years	160,920	254,772

14 Related party transactions

During the year the charity received no donations from trustees (2017: £nil).

Other than those disclosed elsewhere in the notes to the financial statements, there were no further related party transactions during the year (2017: none) which required disclosure.

Individual Donors

Note that some of our records are incomplete or not up to date. Would any donor whose name is incorrectly shown or omitted, or who wishes to be anonymous in future years, please accept our apologies and correct our records by contacting our office manager, Sharon Sneddon; office.manager@thefru.org.uk.

Institutions

5 Raymond Buildings
11 King's Bench Walk
11 South Square Chambers
12 King's Bench Walk
XXIV Old Buildings
39 Essex Chambers
Access to Justice Foundation
Devereux Chambers
Employment Lawyers Association
Inns of Court & Bar Educational Trust
(ICBET)
Landmark Chambers
Linklaters LLP
London Legal Support Trust
Matrix Chambers

Individuals

A. Beltrami	B. Strong
A.W. Hughes	B. Quiney
A.F. Wilkie	B. Langstaff
A. Moran	Browne-Wilkinson
A.M. Silverleaf	B. Collins
A. Nissen	C.A.C. Murfitt
A.M.L. Firth	C. Hutton
A. Pople	C. Lambert Purle
A.G. Perkins	C.P. Manzoni
A.L. Myerson	C. Samek
A. Henshaw	C.S. Welchman
A.J. Short	C. Clarke
A.V. Bramwell Bartlett	C. Banchard
A. Hudson	C. Robertson
A.J. Zacaroli	C. Tulloch
A. Temple	C. Quigley
B.A. Marder	C. Wood

Individuals (continued)

C. Shea	J.B. Brodie
C. Evans	J.B. Storey
D.C. Pitman	J. Johnson
D. Margolin	J.M. Nicholson
D.M. Beard	J.G. Boal
D. Toledano	J.M. Heal
D.A. Foxton	J. Crosfill
D. Forsdick QC	J.G.R. Martyn
D. Lewis	J.L. Litton
D.P. Friedman	J. McCaughran
D.J. Richardson	J. Mummery
D. Lewis	J. Davies-Jones
D.C. Lovell-Pank	J. Pembrocket
E.J. Mellor	J.S. Wiggs
E.H. Ovey	J. Dias
E. Weaver	J. David Matthews
F.M.H. Randolph	J. Ramsden
F.M.C. McCredie	K. Monaghan
F. Pirie	K. Anderson
G.D.A Weddell	K. Thirlwall
G.P. Connor	K. Coonan
G.M. Huston	K.S. Bishop
G.P. Lazarus	L. & G. Hinton
G.S. Murdoch	L. Persey
G.R.J. Mansfield	LAG Royalties
G. Roots	M.D. Barca
H.W. Baker	M. Rowland
H.C. Tayler	M.F. Young
H. Williams	M.O. Rodger
H. Brooke	M.J. Brindle
H. Turcan	M.J. Douglas
H.J. Byrt	M. Tappin
H.M. Boggis-Rolfe	M.L. Brent
H. King	M. Fogborun Bennett
H.L. Evans	N.A. Jefford
H. Witcomb	N. Le Poidevin
I.J. Ghosh	N. Lowe
J. Goudie	N.M.H. Williams
J.A. Orford	N. Tozzi
J. Evans-Tovey	N.T. Levisaur

Individuals (continued)

N. Vineall	S. Irwin
N. Giffin	S. Kenny
P.A.B. Jackson	S. Kramer
P.A. Hitchcock	S.R. Roberts
P.H. Milmo	S. Cheng
P.M. Stanley	T. Huckle
Penry-Davey	T.A.C. Leech
P. Andrews	T.J.B. Dumont
P. Carter	T. Weitzman
P.J. Rees	T.W.V. Kark
P. Melwani	T.D. Brenton
P.R. Cowell	T. Smith
P. Edey	T. Weisselberg
P. Madden	P. Stanley
P.L. Baxendale	V.J.H. Flynn
P.L. Gibson	V Dunne
R. McKeown	W. Trower

R.W.R. Thompson
R. Booth
R. Coleman
R. Jory
R.J. McGregor-Johnson
R.M. Planters
R.A. Hantusch
R. Clay
R. Terry
R.J. Evans
R.L. Martin
R. Symonds
R. Thomas
R. Allen
R. Jacob
R.V.M.E. Behar
S. Beard
S.J. Thorley
S. Loffhouse
S. Lopez Salzedo
S.N. Barwise
S.E. Shay
