

**Free  
Representation  
Unit**

**Annual Report and Accounts**

Year to 30 September 2021

Charity Registration Number  
295952

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## Legal and administrative information

<b>Patrons</b>	The Rt Hon Lady Arden of Heswall The Rt Hon Lady Black of Derwent The Rt Hon Lord Clarke of Stone-cum-Ebony The Rt Hon Baroness Hallett The Rt Hon Lord Judge The Rt Hon Lord Phillips of Worth Matravers The Secret Barrister
<b>Trustees</b>	Sean Jones QC (Joint senior trustee) Michael Fealy QC (Joint senior trustee) Fenella Morris QC Alison Padfield QC
<b>Chief Executive</b>	David Abbott
<b>Registered address</b>	10/11 Gray's Inn Square, Gray's Inn, London, WC1R 5JD
<b>Telephone</b>	020 7611 9555
<b>Website</b>	<a href="http://www.thefru.org.uk">www.thefru.org.uk</a>
<b>Charity registration number</b>	295952
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	Unity Trust Bank plc 9 Brindleyplace Birmingham B1 2HB

### **FRU's work**

We reported in our previous annual report on the emerging impact of the COVID-19 pandemic. The pandemic again dominated our work in this reporting year. Lockdown restrictions were still in place, although more travel and face to face meetings were allowed as the year progressed.

We built on the adaptations to our service introduced in 2020, continuing to work remotely. Case referrals were significantly reduced, particularly for social security tribunals. This was for a variety of reasons including restrictions on client access to our referral agencies, adjustments to Dept. for Work and Pensions decision making about benefit entitlement including the suspension of capability assessments and changes in the listing of social security cases by HMCTS. Tribunals began to be listed to be heard on video link, by telephone or occasionally face to face. Employment referrals maintained at a more consistent rate, but were also fewer in number than pre-COVID.

We initially worked with a specific cohort of volunteers who had represented clients at face to face hearings pre-lockdown. These volunteers had the experience to adapt to virtual hearings. Training new volunteers was again delivered through online seminars, which gained good feedback from participants. In this way we were able to maintain our current service and prepare for an upswing of activity as lockdown restrictions were relaxed.

Case preparation and supervision took place remotely, enabling us to meet our obligations to represent every case that we had previously signed out to a volunteer and take on additional cases during lockdown. We are proud that we didn't have to suspend our service despite the unusual circumstances. Virtual working has many advantages in terms of access to our volunteering opportunities for a wider range of people, and there are some efficiencies from not having to travel to the office to complete all case preparation work. However, there are benefits to volunteers and to our work from volunteers being in the office. We know that volunteers have previously described some of the benefits of joining FRU as coming from the experience of being in the office, talking to peers about their cases and listening to conversations between other volunteers and legal officers. The sense of a shared endeavour, peer support and working in a professional legal office environment are important factors that we don't want to lose. We also found that supervising volunteers remotely is more time consuming and reduced our capacity to take on cases. We anticipate that we will adopt a hybrid model in the future to maximise the benefits from both ways of working.

I remain very proud of the high quality of the work undertaken by our volunteer advocates and team of legal officers. Time and again we achieve excellent negotiated settlements for our employment clients, win at tribunal hearings and secure access to justice even for those clients whose case isn't successful.

It is clear from client feedback just how much the FRU service is valued. Many of our clients feel overwhelmed at the prospect of representing themselves in complex formal legal hearings. There is clear relief when a volunteer advocate signs out the case, and enormous gratitude for the lengths our volunteers go to, to ensure their client is professionally represented.

The benefits to our advocates of taking on FRU cases apply to many stages of professional progression. Linklaters LLP is keen to offer a placement at FRU to its trainee solicitors because of the professional benefits of undertaking advocacy and engagement directly with the client. This year Linklaters secondee Rosie Vince signed out a case at the Employment Appeal Tribunal. In his judgment Gavin Mansfield QC, sitting as a deputy High Court Judge in the EAT added "Before going further, I would like to record my thanks to Ms Vince for the assistance that she has given to the appellant; and indeed my thanks to FRU for the great assistance that it gives to those otherwise unable to obtain representation". The Judge stated: "The claimant had the very considerable benefit of representation by Ms Vince on behalf of the FRU".

Writing after the judgment was handed down Rosie wrote "Thank you FRU for the wonderful and rewarding opportunity to represent my client in front of the Employment Appeal Tribunal - absolutely a defining moment in my career so far!".

### **Policy**

We are still committed to identifying opportunities to engage with policy makers about issues that affect FRU clients. We do so by feeding in evidence provided through our casework. There were fewer opportunities this year, but we were particularly pleased to be invited to contribute to a seminar on proposed changes to Judicial Review (JR) in July 2021. The seminar was entitled "Westminster Legal Policy Forum; The future for judicial review in England and Wales – new JR legislation, reducing undue delay to major projects and court proceedings, and the impact of reform on stakeholders". I was amongst a distinguished panel of speakers that included Lord Faulks QC (Chair, Independent Review of Administrative Law), Lord Anderson of Ipswich KBE QC and the former Attorney General Rt Hon Sir Geoffrey Cox QC MP. I highlighted the importance of JR to our clients in our ordinary appellate work rather than as strategic litigation, and that the proposals for reform were unnecessary and based on inadequate consultation. To be invited to address attendees from a range of civil service policy departments on such an important subject is recognition of the importance of our work and experience.

### **Office move**

The lease on our office accommodation at Kingsbourne House in Holborn expired in February 2021. As reported in our last annual report we had considerable help from Nigel Fox, Elliot Davies and colleagues from Capital Real Estate Partners LLP in researching the market throughout 2020.

During our accommodation search we approached each of the Inns of Court, as existing supporters, to see whether they had any suitable office space. We were grateful to each of them for proposing a range of options. Fortunately, one office suite in Gray's Inn was particularly suitable in terms of space, configuration and location.

We are grateful to the trustees of Gray's Inn for agreeing to lease part of the 1<sup>st</sup> floor of 10/11 Gray's Inn Square. The lease is let on commercial terms, but there are many benefits to us from being located in the Inn, with access to excellent facilities for our staff and volunteers. The office has been recently refurbished and we have an agreeable view out over the peaceful green space of Gray's Inn Square.



The move itself was more difficult due to the ongoing restrictions caused by COVID-19. Unpacking took much longer than it might have done as staff were still working from home. My thanks go to all staff who were involved, but particularly Sharon Sneddon our office manager, and Michael Reed, principal legal officer, who packed, supervised and took the lead on setting up our new office.

The Gray's Inn Square office is smaller than our previous office. We are still in the process of developing a hybrid working model, balancing the competing factors mentioned above. The office is an excellent environment that is more cost effective and flexible than our previous office and we are delighted to be back in Gray's Inn, where FRU was located earlier in our nearly 50 year history.

Our smart new office in Gray's Inn

### **Nottingham**

FRU Nottingham is the only FRU branch outside of London and represents clients in both employment and social security claims. FRU Nottingham is part of the Nottingham Law School Legal Advice Centre, a teaching law firm, which is fully authorised and regulated by the Solicitors Regulation Authority. Nottingham Law School Legal Advice Centre provides practical legal work experience to Nottingham Law School students, whilst offering pro bono and low-cost legal services to the community.

Our students, supported by Centre staff, represented a total of 28 individuals in Social Security and Employment Tribunal proceedings over the period 1 October 2020 to 30 September 2021. Over £390,000 was recovered in benefits or awarded in settlements and compensation to our FRU clients this year.

FRU Nottingham saw a reduction in cases by almost 50% compared to before the pandemic, starkly highlighting the impact of Covid on access to justice. The pandemic continued to bring challenges this year, but we are really proud of how our student volunteers and clients adapted during a difficult time. We note that the DWP suspended a significant number of cases during the pandemic, a time which has been particularly difficult for those unable to access technology.

### **Supporters**

FRU is exceptionally fortunate with the support that it enjoys from all parts of the legal profession.

#### ***The Bar Council***

The Bar Council is a long-standing and generous supporter of FRU. The Council makes a significant annual financial donation and supports our work in many other ways. We are grateful to the Chairs of the Bar Council during this period, Amanda Pinto QC and Derek Sweeting QC, for their personal interest and support for our work. Thanks too go to Bar Council Chief Executive Malcolm Cree CBE, for his ongoing support. Regular meetings were held between ourselves and Amanda, Derek and Malcolm. We are always pleased to prepare a short written and verbal report to the Bar Council each year to demonstrate the impact of its support for FRU and to highlight key developments in our work.

In April 2021, through Derek Sweeting QC's good offices, we were offered the opportunity to take over the Bar Council's Instagram account for a day. We gladly took the opportunity to talk to a wide audience of people about our work and impact. We were grateful to FRU volunteer Mahika Gogi, barrister Daniel Barnett, Linklaters' secondee Rosie Vince and FRU patron the Secret Barrister for preparing videos that spoke about their reasons for supporting FRU. The takeover had an excellent reaction and encouraged us to set up a FRU Instagram account to build on the event and to reach a different audience to our other social media channels. Thanks must go to the Bar Council communications team of Shiryn Sayani and Hannah Williams for their patience and assistance in setting up the takeover.

We were, as always, invited to participate in the Bar Council annual pupillage fair and to attend the Bar Council and Young Bar annual conference. Both events were successfully run remotely due to ongoing COVID-19 restrictions.

#### ***The Inns of Court***

All four Inns of Court support our work by providing grants and by promoting our activities with their student members. Together the Inns are our largest source of income, and their support is invaluable. As reported above the Inns supported our search for a new office base and we are grateful to each of them for their positive responses.

#### ***Support from other organisations***

The London Legal Walk is usually a significant source of funds for FRU. Due to the COVID-19 pandemic the event was run differently, and we are greatly indebted to the team at the London Legal Support Trust for the work they put in to making the revised events such a success. We are also grateful to all the walkers and the barristers' chambers who raised money for FRU.

We enjoy a fruitful relationship with the Employment Lawyers Association (ELA) and have continued to work with them on facilitating the 100 Days and Employment Tribunal Litigant in Person Support (ELIPS) schemes in London, which go from strength to strength. Our thanks go to the ELA Pro Bono Committee, and all ELA members for this crucial support to our employment service.

For the second year running we were honoured to be selected as the charity partner for The Lawyer Awards. The Lawyer magazine is a prestigious legal publication which runs annual awards to recognise high achievement by law firms, barristers' chambers and individual lawyers. The awards ceremony was again an online event hosted by the BBC journalist Huw Edwards. Attendees were given information about our service, giving us excellent exposure to parts of the legal sector that may be unfamiliar with our work. The Lawyer also ran a feature about FRU later in the year. We are grateful for these invaluable opportunities to raise our profile and identify new supporters.

We were also grateful to the organisers of the UK Adjudicators London Conference 2021 for allowing us to display information about our service to attendees, and for holding a raffle to fundraise for FRU.

I was delighted to be invited to the annual dinner of the Institute of Barristers' Clerks in 2021. IBC Chair Lucy Barbet made an excellent speech at the dinner, and we look forward to working with Lucy's successor, Geoff Carr, an old friend of FRU's.

### ***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. This year 11 King's Bench Walk, 39 Essex, Matrix, 1 Crown Office Row, 1 Essex Court, Serle Court and South Square chambers made generous donations. 11 King's Bench Walk made an unsolicited increased donation for which we are particularly grateful.

### ***Grants from Charitable trusts***

Income from charitable trusts is important in terms of the size and regularity of grants. This year marked the end of our previous grant from Trust for London, which has supported our employment work for three years. We are grateful for the Trust for this support, and we look forward to continuing the relationship in the future through further grant applications.

We were in the second year of our five year grant programme from the City Bridge Trust which is associated with the Corporation of the City of London. Being able to count on guaranteed income for five years is a real benefit in planning our service. The Trust is a generous supporter, and offers access to non-financial help and opportunities in addition to the grant income.

We have a long-standing relationship with the Inns of Court & Bar Educational Trust (ICBET), whose charitable objectives to support the education of aspiring barristers aligns well with our own mission. ICBET's significant grant supports us to offer clinical legal education to aspiring barristers which increases their skills and prospects of securing pupillage.

### ***Linklaters LLP***

FRU has continued our excellent relationship with Linklaters, and we were delighted to once more host a Linklaters' trainee solicitor, Rosie Vince, who represented clients and assisted with the wider work of the Unit. Rosie undertook her secondment during lockdown restrictions, having more limited face to face time than would normally be the case for these secondments. It is testament to her skills and resilience that she made a success of her time with us.



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. During this year, in addition to making a significant contribution to our running costs of £25,000, Linklaters also agreed to cover the costs of our office move in the sum of £18,000. I can't overstate just how much this support means to the continuation of our service.

### ***Individuals***

For the second year running we benefited from the generosity of Outer Temple Chambers' barrister Daniel Barnett who organised a series of webinars on employment law. The webinars raised an incredible £30,000 to support our service. Thanks must go to Daniel for organising the webinars and underwriting the donation before bookings had opened, and to the 30 lawyers who generously gave their time for free to present the webinars. In addition to making a presentation, each lawyer made themselves available to take questions on their chosen subject.

Daniel Barnett also helped us to publicise our service by inviting me onto his LBC radio 'Legal hour' show to speak about our work. He also kindly recorded a video clip that was shown during the Instagram takeover offered to FRU by the Bar Council.

We also benefited from the generosity of legal conference organiser Michael Rubenstein who made FRU the charitable beneficiary of his '22 QCs on the Hot Employment Law Issues 2020 – 21' conference in October 2020.

As always, we benefit from the financial support of hundreds of individuals throughout the year. During this year fundraising events were still affected by lockdown, but dozens of people still undertook sponsored events to raise sponsorship. Thanks go to all those who ran, walked or cycled for FRU as part of the London Legal Support Trust 10 x Challenge in October 2020. Other people started fundraising for their London Marathon run in October 2021, the outcome of which will be reported in our next annual report.

Aside from sponsored activities the most significant income from individuals comes through one-off or regular donations. Some members of the public donate after hearing about our work on social or other media. In conjunction with Advocate we write to all those who are appointed as Queen's Counsel (QC) each year, inviting them to donate to Advocate and FRU as part of celebrating their professional advance. Each year several new QCs donate £500 to FRU and to Advocate, for which we are grateful. Special thanks must go to the dozens of people who set up regular donations by standing order. Having certainty of this income helps with financial planning and raises considerable sums. Support of this kind is crucial to maintaining and developing our service.

### **City University**

For many years we have had a successful partnership with the Law School at City University. City students are of course welcome to volunteer in the usual way, but in contrast to our partnership with Nottingham Law School, City students can also undertake FRU cases as part of their studies. We offer assessed clinical legal placements for students from City taking the Bar Vocational Studies course and those studying for the LLM. FRU legal officers train and supervise the students, and provide a report to the university on their casework. Academic staff can also volunteer to take FRU cases to maintain their practical legal skills.

## **Chief Executive's report** Year ended 30 September 2021

We were delighted to be asked by the Law School to develop this partnership by providing face to face support for City law students on 2 days per week at the new law school building in Clerkenwell. This will enable us to provide immediate, tailored support in a way that integrates effectively with academic timetables and student preferences. We were in discussions with City academic staff during this reporting year to commence as soon as COVID-19 conditions allow. We are pleased to deepen our links to City Law School in a way that recognises the value of FRU as clinical legal education.

### **Other support**

FRU is indebted to the Attorneys General and Solicitors General (who included a former FRU volunteer) who served during this period 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, Lawworks 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 helping with some of the more complex cases we receive.

They include:

Charles Bagot QC, Gatehouse Chambers

Tim Buley QC, Landmark Chambers

Ann Fairpo, Temple Tax Chambers

Leon Glenister, Landmark Chambers

Eleanor Mitchell, Matrix Chambers

Margaret Pennycook, City Chambers

Sally Robertson, Cloisters

Celia Rooney, Blackstone Chambers

Frederick Wilmot-Smith, Brick Court Chambers

Joshua Yetman, 7 Bedford Row

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

Gemma Daley, Doughty Street Chambers

Alison Padfield QC, 4 New Square

## Chief Executive's report Year ended 30 September 2021

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.

### Staff

None of the fantastic work of the Unit could have happened without the excellent work of the staff. We continue to give grateful thanks to the staff who were with us during the continuing lockdown. All staff members continued to adapt and deliver our service without interruption through COVID-19, ensuring that our clients and volunteers continued to receive the same high standard of service. We are grateful to their dedication and resilience.

We have been fortunate to retain 6-month placements of trainee solicitors from Linklaters LLP, and during this period Rosie Vince made a significant contribution to our work in her relatively short time with us.

Our staff members during 2020/2021 were:

CEO	David Abbott
Principal Legal Officers	Michael Reed Emma Baldwin
Legal Officer	Abou Kamara
Assistant Legal Officers	Laura Regueiro Romero to December 2020 Heloise Ramage Hayes to October 2021 Nathan Toms to July 2021 Helen Moizer from September 2021 Daniel Hallstrom from September 2021
Office Manager	Sharon Sneddon
Administrator	Nneoma Atumonyogo to May 2021 Joanne Yates from August 2021
Bookkeeper (part-time)	Bosede Babalola

As we were approaching the end of this reporting year Michael Reed, our principal legal officer for employment, gave us advance notice that he was going to extend his judicial sittings and wouldn't be able to continue in his role at FRU. We were grateful for Michael's early notice, enabling us to appoint a successor. Michael will be leaving in 2022 and much more will be said about his contribution to FRU in our next annual report.

**Chief Executive's report** Year ended 30 September 2021

**Governance**

Our plans to move to a new governance structure were paused as a result of the pandemic. We will conclude the transition to a new FRU charity over the coming months.

Signed:

A handwritten signature in black ink that reads "David Abbott". The signature is written in a cursive style with a long horizontal stroke at the end.

Chief Executive

Date: 22/07/2022

The trustees present their report together with the accounts of The Free Representation Unit ("FRU" or "the Unit") for the year to 30 September 2021. This report has been prepared in accordance with Part 8 of the Charities Act 2011.

The accounts have been prepared in accordance with the accounting policies set out on pages 24 to 27 of the attached accounts 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.

## **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 through a partnership with Nottingham Law School Legal Advice Centre. 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. 49 years on, FRU provides up to 800 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.

- ◆ 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. Although, the organisation has again been tested during these 12 months, we have managed to maintain our service under very difficult circumstances. The trustees would like to thank the staff for their hard-work, dedication and adaptability.

FRU was able to continue representing clients and training aspiring lawyers throughout the year. We have adapted our model to support our volunteers and to represent clients remotely. It is testament to the resilience of our model that we could adapt so quickly. We also continued to make the voices of our clients heard to policy makers, this year speaking at a significant conference on the future of Judicial Review. 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 period**

Income for the year was £439,585 (2020 – £612,958). Expenditure totalled £476,731 (2020: £484,610). This results in a net loss position of £37,146 (2019: net gain of £128,348).

The pandemic did limit some fundraising possibilities, but fortunately we benefited from the generosity of some existing funders including Linklaters LLP, which offered additional support to cover the costs of our office move. This was highly appreciated.

Our financial position was considerably improved by the support of individuals and organisations who recognise the value of our work. Particular thanks must go to Daniel Barnett for organising the employment webinars which raised £30,000 and to Dr Catrin Griffiths, editor of The Lawyer magazine for appointing FRU as the charity partners for The Lawyer Awards 2021.

### **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 £238,926 (2020: £276,072) none of which was restricted as at 30 September 2021 (2020: £14,530).

Unrestricted reserves are therefore £238,926 (2020: £261,452). 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 £229,275 as at 30 September 2021 (2020: £246,032). This is above the charity's target level of free reserves, but not as strong a position as last year. We are not complacent about this and will continue to monitor income and expenditure in real time to enable timely financial decisions to be taken.

The trustees have taken careful steps to manage the finances of the charity and to forecast our income and expenditure over the forthcoming 12 months accurately. We set out in this report the actions taken to manage the continuing risks from the COVID-19 crisis, which is an important feature of the current financial and operational situation. In reaching their conclusion that the charity is a going concern, the Trustees have considered the ability of the charity to absorb a fall in voluntary income of up to 10% whilst continuing to carry out its activities.

### **Reserves policy and financial position (continued)**

We are satisfied that through a combination of successful applications for additional funding, generous additional donations from existing supporters and careful management of expenditure we are in a good position to operate for the next 12 months.. We also have plans for additional funding applications which, if successful, would further strengthen our financial position.

## **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 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 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.

Until 29 April 2019 the Unit was run by a Management Committee, consisting of representatives who were elected from the body of volunteers who carry out the work of the Unit, together with the Chief Executive. Following the adoption of a resolution at an Extraordinary General Meeting on 29 April 2019 the functions and powers of the management committee were transferred to the trustees. As previously reported a new incorporated FRU charity with the same charitable objectives has been registered with Companies House, the Charity Commission and HMRC. We are in the process of transferring the assets and liabilities to the new charity and have set a target date of 31 July 2022 when this will take effect. We would like to express our thanks to our pro bono legal advisers from Dechert LLP and Baker & MacKenzie LLP.

### **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 trustees regularly consider the major risks to which the Unit is exposed, prioritise those risks, review the extent to which they are and can be managed and, in the light of that work, consider what further management actions are required.

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.



## **GOVERNANCE, STRUCTURE AND MANAGEMENT** (continued)

### **Risk management** (continued)

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 stakeholder 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 was the development of the digital strategy to meet the needs of all stakeholders over the next five to ten years.

This document was written during the third year of the COVID-19 crisis. The crisis poses ongoing risks to FRU from changes in case referral patterns, a move to greater online working in legal education, legal hearings and the general world of work and changing funder priorities. We are working to understand and mitigate these risks. For example:

- ◆ Our digital transformation strategy is incremental and modular. We are now reviewing the elements that have not yet been implemented to ensure that our IT offers the best experience to volunteers working remotely. We will develop a new volunteer hub to replace our aging and unsupported FRUonline system.
- ◆ Our new office is smaller, more flexible and cheaper. We have reduced our accommodation costs and have taken on a lease that offers stability for 10 years but with a rolling 3-month notice period. We can be nimble if we need to be, but retain our base if it works well for us.
- ◆ We will review our current service to ensure it is as efficient and effective as possible so that we are sure that we maximise the number of cases that can be taken on with a hybrid working model. We will develop new projects to address the case profile post COVID-19, applying to charitable trusts for multi-year funding.
- ◆ We will take advantage of developments in HM Courts & Tribunals Service transformation, for example plans to introduce a new online user journey to the employment tribunal. This will improve efficiency and effectiveness.
- ◆ We will look to update our website to offer all users better functionality and services.
- ◆ We will collaborate with partner organisations in legal education, such as City University, and in pro bono legal services such as Advocate to maximise funding opportunities and create seamless transmission of cases and/or volunteers between appropriate agencies.

## **GOVERNANCE, STRUCTURE AND MANAGEMENT** (continued)

### **Risk management** (continued)

We believe that this package of measures places FRU in a strong position to maintain our service over the next 12 months and beyond.

### **Trustees**

The following trustees were in office at the date of approval of the accounts and served throughout the year ended 30 September 2021.

#### **Trustee**

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

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Sir Jeremy Johnson was in office until his resignation on 24 November 2020 and was not in office at the date of approval of the accounts.

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, 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.

### **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;

**GOVERNANCE, STRUCTURE AND MANAGEMENT** (continued)

**Statement of trustees' responsibilities** (continued)

- ◆ 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: 22 July 2022

## **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 30 September 2021 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 30 September 2021 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**

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report

**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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charity through discussions with management and from our knowledge and experience;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity; and
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected financial relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made were indicative of potential bias.

**Auditor's responsibilities for the audit of the accounts** (continued)


In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reading the minutes of meetings of trustees; and
- ◆ enquiring of management as to actual and potential litigation and claims.

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](http://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

22 July 2022

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

**Statement of Financial Activities** Year ended 30 September 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
<b>Income from:</b>							
Donations	1	350,700	53,500	<b>404,200</b>	489,621	68,950	558,571
Investments		3	—	<b>3</b>	2	—	2
Charitable activities							
. Legal representation of those in need	2	35,382	—	<b>35,382</b>	54,385	—	54,385
<b>Total income</b>		<b>386,085</b>	<b>53,500</b>	<b>439,585</b>	<b>544,008</b>	<b>68,950</b>	<b>612,958</b>
<b>Expenditure on:</b>							
Raising funds							
. Raising donations	3	19,302	—	<b>19,302</b>	19,467	—	19,467
Charitable activities							
. Legal representation of those in need	3	389,399	68,030	<b>457,429</b>	379,804	85,339	465,143
<b>Total expenditure</b>		<b>408,701</b>	<b>68,030</b>	<b>476,731</b>	<b>399,271</b>	<b>85,339</b>	<b>484,610</b>
<b>Net (expenditure) income and net movement in funds for the period</b>		<b>(22,616)</b>	<b>(14,530)</b>	<b>(37,146)</b>	<b>144,737</b>	<b>(16,389)</b>	<b>128,348</b>
<b>Reconciliation of funds:</b>							
<b>Fund balances brought forward</b>							
<b>at 30 September 2020</b>		<b>261,542</b>	<b>14,530</b>	<b>276,072</b>	<b>116,805</b>	<b>30,919</b>	<b>147,724</b>
<b>Fund balances carried forward</b>							
<b>at 30 September 2021</b>		<b>238,926</b>	<b>—</b>	<b>238,926</b>	<b>261,542</b>	<b>14,530</b>	<b>276,072</b>

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.



**Balance Sheet** Year ended 30 September 2021

	Notes	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	7		<b>9,651</b>		15,510
<b>Current assets</b>					
Debtors	8	<b>44,736</b>		91,287	
Cash at bank and in hand		<b>234,554</b>		221,924	
		<b>279,290</b>		313,210	
<b>Current liabilities</b>					
Creditors, accruals and deferred income	9	<b>(50,015)</b>		(52,648)	
<b>Net current assets</b>			<b>229,275</b>		260,562
<b>Total net assets</b>			<b>238,926</b>		<b>276,072</b>
<b>The funds of the charity:</b>					
Restricted funds	10		—		14,530
Unrestricted funds					
. Designated funds	11	<b>9,651</b>		15,510	
. General funds		<b>229,275</b>		246,032	
			<b>238,926</b>		261,542
			<b>238,926</b>		<b>276,072</b>

Approved by the trustees  
and signed on their behalf by:



Date: 22 July 2022

## **Principal accounting policies** Year ended 30 September 2021

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 ended 30 September 2021.

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), 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.

One area where a judgement and estimate have been made is in respect of estimating the useful economic life of tangible fixed assets.

In addition to the above, the full impact of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. The charity has therefore made judgements when estimating the impact of COVID-19 on the charity's income and expenditure flows for the purpose of preparing cash flow forecasts and budgets to assist in the assessment of going concern.

### **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 of a period of one year from the date of approval of these accounts.

The charity's free reserves as at 30 September 2021 were £220,275 (2020: £246,032). This is significantly above the charity's target level of free reserves of £120,000.

**Assessment of going concern** (continued)

As explained more fully in the Trustees' Report, the trustees have considered the effect of the changes to the fundraising landscape of COVID-19 pandemic on the charity and have concluded that they believe it is still a going concern. In reaching this conclusion, the Trustees have considered the ability of the charity to absorb a fall in voluntary income of up to 10% whilst continuing to carry out its activities. In particular, the trustees have taken careful steps to manage the finances of the charity and to forecast the charity's income and expenditure over the forthcoming 12 months accurately and are satisfied that through a combination of successful applications for additional grants, fundraising appeals to the public and legal profession, and careful management of expenditure the charity is in a good position to operate for the next 12 months.

**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 the value of volunteers' 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**

Expenditure is recognised 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 of 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 £	<b>2021 Total funds £</b>
Donations received:			
. Bar Council <sup>1</sup>	64,800	—	<b>64,800</b>
. Inns of Court	80,000	—	<b>80,000</b>
. Linklaters LLP	25,000	18,000	<b>43,000</b>
. Individuals, including chambers	73,102	—	<b>73,102</b>
. City Bridge Trust	31,000	—	<b>31,000</b>
. Legal Education Foundation	—	12,500	<b>12,500</b>
. Employment Lawyers Association	10,000	—	<b>10,000</b>
. London Legal Support Trust	3,248	—	<b>3,248</b>
. Trust for London	—	20,000	<b>20,000</b>
. Individuals' sponsored activities	11,142	—	<b>11,142</b>
. Inns of Court & Bar Educational Trust	25,000	—	<b>25,000</b>
. Income received under standing order from individuals and sets of chambers	13,291	3,000	<b>16,291</b>
. Others	10,293	—	<b>10,293</b>
Total donations	<u>346,876</u>	<u>53,500</u>	<b>400,376</b>
Tax repayment under Gift Aid	3,824	—	<b>3,824</b>
<b>2021 Total funds</b>	<u>350,700</u>	<u>53,500</u>	<b>404,200</b>

<sup>1</sup> The Chairman of the General Council of the Bar (Bar Council) appoints the trustees of FRU.

**1 Donations and other financial support (continued)**

	Unrestricted funds £	Restricted funds £	2020 Total Funds £
<i>Donations received:</i>			
. Bar Council <sup>1</sup>	64,800	—	64,800
. Inns of Court	80,000	—	80,000
. Linklaters LLP	35,000	—	35,000
. Individuals	102,544	—	102,544
. City Bridge Trust	45,625	—	45,625
. Community Justice	75,000	—	75,000
. Legal Education Foundation	—	20,950	20,950
. Therium Access Limited	—	25,000	25,000
. The Law Society Charity	4,000	—	4,000
. Employment Lawyers Association	20,000	—	20,000
. London Legal Support Trust	17,550	—	17,550
. Trust for London	—	20,000	20,000
. Individuals' sponsored activities	9,319	—	9,319
. Inns of Court & Bar Educational Trust	10,000	—	10,000
. Income received under standing order from individuals and sets of chambers	16,089	3,000	19,089
. Others	5,820	—	5,820
<b>Total donations</b>	<b>485,747</b>	<b>68,950</b>	<b>554,697</b>
<i>Tax repayment under Gift Aid</i>	<i>3,874</i>	<i>—</i>	<i>3,874</i>
<b>2020 Total funds</b>	<b>489,621</b>	<b>68,950</b>	<b>558,571</b>

**2 Income from charitable activities**

	Unrestricted funds £	Restricted funds £	2021 Total funds £
Training of potential volunteers	14,632	—	<b>14,632</b>
Subscriptions from referral agencies	7,550	—	<b>7,550</b>
Payments by Law Schools ('FRU option')	13,200	—	<b>13,200</b>
<b>2021 Total funds</b>	<b>35,382</b>	<b>—</b>	<b>35,382</b>

	Unrestricted funds £	Restricted funds £	2020 Total funds £
Training of potential volunteers	34,520	—	34,520
Subscriptions from referral agencies	6,425	—	6,425
Payments by Law Schools ('FRU option')	13,440	—	13,440
<b>2020 Total funds</b>	<b>54,385</b>	<b>—</b>	<b>54,385</b>

otes to the financial statements Period ended 30 September 2021

**3 Expenditure**

	Cost of raising funds		Legal representation		Governance		Total	Total	2021
	Unrestricted £	Restricted £	Unrestricted £	Restricted £	Unrestricted £	Restricted £	Unrestricted £	Restricted £	Total £
Fundraising costs	2,196	—	—	—	—	—	2,196	—	<b>2,196</b>
Staff costs									
. Wages and salaries	11,004	—	219,931	31,419	4,402	—	235,337	31,419	<b>266,756</b>
. Social security costs	1,241	—	21,649	3,565	499	—	23,389	3,565	<b>26,954</b>
. Pension costs	1,773	—	11,708	516	1,942	—	15,423	516	<b>15,939</b>
. Recruitment costs	—	—	395	—	—	—	395	—	<b>395</b>
	14,018	—	253,683	35,500	6,843	—	274,544	35,500	<b>310,044</b>
General expenditure									
. Depreciation	743	—	8,402	1,714	—	—	9,145	1,714	<b>10,859</b>
. Premises	631	—	76,989	11,422	—	—	77,620	11,422	<b>89,042</b>
. Office running	1,176	—	27,835	16,394	—	—	29,011	16,394	<b>45,405</b>
. Library	121	—	1,620	3,000	—	—	1,741	3,000	<b>4,741</b>
. Other	417	—	1,367	—	—	—	1,784	—	<b>1,784</b>
	3,088	—	116,213	32,530	—	—	119,301	32,530	<b>151,831</b>
Auditor's remuneration									
. Current year audit fee	—	—	—	—	8,100	—	8,100	—	<b>8,100</b>
. Prior year audit fee	—	—	—	—	4,560	—	4,560	—	<b>4,560</b>
	—	—	—	—	12,660	—	12,660	—	<b>12,660</b>
Total									
Allocation of governance costs	—	—	19,503	—	(19,503)	—	—	—	—
<b>2021 Total funds</b>	<b>19,302</b>	<b>—</b>	<b>389,399</b>	<b>68,030</b>	<b>—</b>	<b>—</b>	<b>408,701</b>	<b>68,030</b>	<b>476,731</b>



otes to the financial statements Period ended 30 September 2021

**3 Expenditure**

	<i>Cost of raising funds</i>		<i>Legal representation</i>		<i>Governance</i>		<i>Total</i>	<i>Total</i>	<i>2020</i>
	<i>Unrestricted</i>	<i>Restricted</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Unrestricted</i>	<i>Restricted</i>	<i>Total</i>
	£	£	£	£	£	£	£	£	£
<i>Fundraising costs</i>	2,238	—	—	—	—	—	2,238	—	2,238
<i>Staff costs</i>									
. <i>Wages and salaries</i>	10,520	—	191,132	58,897	4,208	—	205,860	58,897	264,757
. <i>Social security costs</i>	1,043	—	18,202	4,083	420	—	19,665	4,083	23,748
. <i>Pension costs</i>	1,638	—	10,820	591	1,795	—	14,253	591	14,844
. <i>Recruitment costs</i>	—	—	—	—	—	—	—	—	—
	13,201	—	220,154	63,571	6,423	—	239,778	63,571	303,349
<i>General expenditure</i>									
. <i>Depreciation</i>	1,203	—	21,080	1,192	—	—	22,283	1,192	23,475
. <i>Premises</i>	475	—	79,849	—	—	—	80,324	—	80,324
. <i>Office running</i>	1,216	—	30,280	16,426	—	—	31,496	16,426	47,922
. <i>Library</i>	528	—	7,083	3,000	—	—	7,611	3,000	10,611
. <i>Other</i>	606	—	1,975	1,150	—	—	2,581	1,150	3,731
	4,028	—	140,267	21,768	—	—	144,295	21,768	166,063
<i>Auditor's remuneration</i>									
. <i>Current year audit fee</i>	—	—	—	—	8,400	—	8,400	—	8,400
. <i>Prior year audit fee</i>	—	—	—	—	4,560	—	4,560	—	4,560
	—	—	—	—	12,960	—	12,960	—	12,960
<i>Total</i>									
<i>Allocation of governance costs</i>			19,383		(19,383)				
<i>2020 Total funds</i>	19,467	—	379,804	85,339	—	—	399,271	85,339	484,610

**4 Staff costs and remuneration of trustees and key management personnel**

No employee earned £60,000 or more (including benefits) during the year (2020 – none). The average number of employees was 9 (2020 – 9). No trustee received any remuneration or expenses in respect of their services as a trustee during the period (2020 - £nil). No trustee had any beneficial interest in any contract with the charity during the period.

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 £62,670 (2020 – £61,326).

**5 Net (expenditure) income**

This is stated after charging:

	2021 £	2020 £
Staff costs	<b>310,044</b>	303,349
Operating lease rentals	<b>65,660</b>	65,078
Auditor's remuneration		
. Current year audit fee	<b>8,100</b>	8,400
. Prior year audit fee	<b>4,560</b>	4,560
Depreciation	<b>10,859</b>	23,475

**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 improve- ments £	Computer equipment and software £	Office equipment £	Total £
<b>Cost</b>				
At 1 October 2020	55,968	58,887	38,379	<b>153,234</b>
Additions	5,000	—	—	<b>5,000</b>
Disposal	(18,000)	—	—	<b>(18,000)</b>
At 30 September 2021	<u>42,968</u>	<u>58,887</u>	<u>38,379</u>	<u><b>140,234</b></u>
<b>Depreciation</b>				
At 1 October 2020	48,160	53,171	36,393	<b>137,724</b>
Charge for period	7,808	2,352	699	<b>10,859</b>
Disposal	(18,000)	—	—	<b>(18,000)</b>
At 30 September 2021	<u>37,968</u>	<u>55,523</u>	<u>37,092</u>	<u><b>130,583</b></u>
<b>Net book values</b>				
At 1 October 2021	<b>5,000</b>	<b>3,364</b>	<b>1,287</b>	<b>9,651</b>
At 30 September 2020	<u>7,808</u>	<u>5,716</u>	<u>1,986</u>	<u>15,510</u>

	Leasehold improve- ments £	Computer equipment and software £	Office equipment £	Total £
<b>Cost</b>				
At 1 October 2019	55,968	58,065	38,379	152,412
Additions	—	822	—	822
At 30 September 2020	<u>55,968</u>	<u>58,887</u>	<u>38,379</u>	<u>153,234</u>
<b>Depreciation</b>				
At 1 October 2019	34,104	46,743	33,402	114,249
Charge for period	14,056	6,428	2,991	23,475
At 30 September 2020	<u>48,160</u>	<u>53,171</u>	<u>36,393</u>	<u>137,724</u>
<b>Net book values</b>				
At 30 September 2020	<u>7,808</u>	<u>5,716</u>	<u>1,986</u>	<u>15,510</u>
At 30 September 2019	<u>21,864</u>	<u>11,322</u>	<u>4,977</u>	<u>38,163</u>

## 8 Debtors

	<b>2021 Total funds £</b>	2020 Total funds £
Debtor due in greater than one year	—	19,163
Accrued income	<b>34,806</b>	64,600
Prepayments	<b>9,930</b>	7,524
	<b>44,736</b>	91,287

The debtor due in greater than one year in 2020 represented the deposit paid on the rent of the charity's Kingsbourne House offices. These were vacated in 2021. There was no deposit payable for the new offices that the charity moved into during 2021 and hence no debtor greater than one year.

## 9 Creditors, accruals and deferred income

	<b>2021 Total funds £</b>	2020 Total funds £
Other creditors	<b>109</b>	4,609
Accruals	<b>44,906</b>	36,440
Deferred income	<b>5,000</b>	11,599
	<b>50,015</b>	52,648

## 10 Restricted funds

	At 30 September 2020 £	Income £	Expenditure £	At 30 September 2021 £
Staff fund	3,000	32,500	(35,500)	—
Digital strategy	11,530	—	(11,530)	—
Matrix Chambers	—	3,000	(3,000)	—
Office Move	—	18,000	(18,000)	—
	<b>14,530</b>	<b>53,500</b>	<b>(68,030)</b>	<b>—</b>

The Staff Fund comprises of monies granted to support specific posts, namely the Assistant Legal Officer and Self-referral Scheme Coordinator and the Assistant Legal Officer – Social Security.

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

The Matrix Chambers fund consists of a grant made to cover the purchase of legal reference materials and staff training.

## 10 Restricted funds (continued)

	At 1 October 2019 £	Income £	Expenditure £	At 30 September 2020 £
Staff fund	18,571	45,000	(60,571)	3,000
Digital strategy	12,348	20,950	(21,768)	11,530
Matrix Chambers	—	3,000	(3,000)	—
	<b>30,919</b>	<b>68,950</b>	<b>(85,339)</b>	<b>14,530</b>

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

The Matrix Chambers fund consists of a grant made to cover the purchase of legal reference materials and staff training.

## 11 Designated funds

	At 30 September 2020 £	Income £	Expenditure and transfers £	At 30 September 2021 £
Fixed asset fund	15,510	—	(5,859)	<b>9,651</b>

The fixed asset fund represents the net book value of the charity's unrestricted fixed assets as at 30 September 2021 and has been created to reflect the trustees' belief that these assets are not readily expendable by the charity.

	At 1 October 2019 £	Income £	Expenditure and transfers £	At 30 September 2020 £
Fixed asset fund	38,163	822	(23,475)	15,510

## 12 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2021 Total funds £
<b>Fund balances at 30 September 2021 are represented by:</b>			
Fixed assets	9,651	—	<b>9,651</b>
Debtors and cash at bank	279,290	—	<b>279,290</b>
Creditors, accruals and deferred income	(50,015)	—	<b>(50,015)</b>
<b>Total funds</b>	<b>238,926</b>	<b>—</b>	<b>238,926</b>
	Unrestricted funds £	Restricted funds £	2020 Total funds £
<i>Fund balances at 30 September 2020 are represented by:</i>			
<i>Fixed assets</i>	<i>15,510</i>	<i>—</i>	<i>15,510</i>
<i>Debtors and cash at bank</i>	<i>298,680</i>	<i>14,530</i>	<i>327,210</i>
<i>Creditors, accruals and deferred income</i>	<i>(52,648)</i>	<i>—</i>	<i>(52,648)</i>
<b>2020 Total funds</b>	<b>261,542</b>	<b>14,530</b>	<b>276,072</b>

## 13 Commitments

### **Lease commitments – operating leases**

At 30 September 2021, the charity had the following future minimum commitments under non-cancellable operating leases as follows.

<i>Leasehold premises</i>	2021 £	2020 £
Payments which fall due:		
. Within one year	<b>9,513</b>	40,230

## 14 Related party transactions

During the period the charity received £nil donations from trustees (2020: £nil). Other than those disclosed elsewhere in the notes to the accounts, there were no further related party transactions during the period (2020: none) which required disclosure.

## 15 Post balance sheet events

We will update our governance model by operationalising the incorporated entity created in 2019 and winding up the activity of this unincorporated body. The switch over to the new model will take place on 31 July 2022

## List of donors and financial supporters Year ended 30 September 2021

The following pages do not form part of the statutory accounts.

### 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](mailto:office.manager@thefru.org.uk).

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11 King's Bench Walk	The General Council of the Bar
39 Essex Chambers	The Honourable Society of Gray's Inn
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Employment Lawyers Association	The Honourable Society of Middle Temple
Employment Law Service (Daniel Barnett)	The Honourable Society of the Inner Temple
Linklaters LLP	The Inns of Court & Bar Educational Trust
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Matrix Chambers Causes Fund	Trust for London
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One Essex Court	
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Rothesay Pensions Management Ltd	
Salesforce	
Serle Court Chambers	
South Square Chambers	

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