

**Free
Representation
Unit**

**Annual Report and Financial
Statements**

31 March 2015

Charity Registration Number
295952

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The following page does not form part of the audited financial statements:

List of donors	22
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Legal and administrative information

Patrons

The Rt Hon Lady Justice Arden
The Rt Hon Lady Justice Black
The Rt Hon Sir Henry Brooke
The Rt Hon Lord Browne-Wilkinson
The Rt Hon Lord Clarke of Stone-cum-Ebony
The Rt Hon Lady Justice Hallett
The Rt Hon Lord Judge, Lord Chief Justice
The Rt Hon Lord Phillips of Worth Matravers

Trustees

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

Management committee in the period to 16 October 2014

George Miller (Chair)
Madeline Stanley (Secretary)
Marianne Tutin (Treasurer)
Jumoké Adejímola
Sukanya Deshraj
Matthew Sellwood
Michael Sprack
Simon Lawson (Ex officio as chief executive)
Ann Lewis (Ex officio as interim chief executive)

Management committee in the period from 16 October 2014 to 29 October 2015

Andrew Watson (Chair)
James Quelch (Secretary)
Liam Sabec (Treasurer)
Charlotte Bull
Allison Crabtree
Jessica Harris
Adam Ross
Simon Lawson (Ex officio as chief executive)

Management committee from 29 October 2015

Adam Ross (Chair)
Clara Browne (Secretary)
Andrew Watson (Treasurer)
Allison Crabtree
Howard Leithead
Keileigh Pink
James Quelch
Lorna Reid (Ex officio as interim chief executive, from 21
December 2015)

Legal and administrative information

Chief Executive Simon Lawson (from 27 May 2014 to 13 October 2015)
Interim Chief Executive Ann Lewis (from 3 February 2014 to 23 May 2014)
Lorna Reid (from 21 December 2015)

Registered address 60 Gray's Inn Road
London
WC1X 8LU

Telephone 020 7611 9555
Website www.thefru.org.uk

Charity registration number 295952

Auditor Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Bankers Unity Trust Bank plc
9 Brindley Place
Birmingham
B1 2HB

FRU has again this year had to chart its course through increasingly choppy waters. However we have once again emerged with our commitment to pro bono representation undiminished. We continue to do everything we can to provide advocates for as many of those cases referred to us as possible.

This year was the second in which we saw the impact of employment tribunal fees, which came into force on 31 July 2013, on our case numbers. In 2012-13 we represented claimants in 429 employment cases. In 2013-14 it was 307. This year was 190, which is a drop of more than 50 per cent on 2012-13. By way of comparison, the Employment Tribunal's own statistics showed a decrease in quarterly receipts of almost 70 per cent from 2012-13 to 2014-15.

In an attempt to widen the net for our employment referrals, we introduced a self-referral scheme, by which clients with upcoming employment tribunal hearings can refer themselves in straightforward cases with shorter hearings. We are extremely grateful to Trust for London for providing funding for the post of an Assistant Legal Officer with responsibility for running the self-referral scheme and supervising our employment volunteers. Ella Davis, the first holder of this post, did an excellent job in setting up the scheme. Early results have shown a steady flow of cases coming in which we hope to build on in the coming year.

Our social security numbers declined slightly in 2014-15. We had a decrease in referrals from 2013-14 which, we believe, was caused in part by delays in decision making by the Department for Work and Pensions and in part by quick turnaround times for listing cases giving appellants less time to have their cases referred. In response to this we have made changes to our working processes in order to maximise the number of cases we are able to represent at short notice.

The work which FRU does both depends on and benefits our volunteer representatives. They provide greatly-needed assistance to clients, and obtain the unrivalled experience of arguing a case when—for the vast majority of them—they are still at law school. We are grateful to all the volunteers who took on cases this year, and we hope that they found the experience to be a rewarding one.

I wish to express my thanks also to the other members of the management committee, who give their time freely to assist in the running of FRU, and to our staff, whose dedication and hard work form the backbone of the organisation.

Clients

	Year to 31 March 2015		Year to 31 March 2014	
	Cases taken	% of cases referred	Cases taken	% of cases referred
Employment (includes self-referral)	190	43	307	48
Social Security	346	48	403	31
Criminal Injuries Compensation	1	100	4	36
	535	46	714	36

Volunteer representatives

Training Day Attendance

	Year to 31 March 2015	Year to 31 March 2014
Employment	398	916
Social Security	519	803

Nottingham

After expanding into social security work last year, FRU Nottingham has continued strongly in representing claimants in both employment and social security claims. We continue to be aware of the need for pro bono advocacy units outside of London, and to exploring how FRU can work to facilitate this.

Supporters

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

The Bar Council

Our thanks go to Nicholas Lavender QC, Chairman of the Bar Council in 2014 and Alistair MacDonald QC, Chairman in 2015, for their 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.

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

All four Inns of Court support our work both by providing grants towards our work and by promoting our activities with their student members. We are very grateful for this opportunity. Our interest as a charity with educational benefits nicely overlaps with that of the Inns of Court Bar Educational Trust and we recognise the enormous benefits of working closely together. We also thank them for their donations to us.

Supporters (continued)

Support from Associations

We continue to enjoy a positive relationship with the Employment Lawyers Association (ELA) and have continued to work with them on facilitating the 100 Days scheme. Our thanks go to Ruth Badrick for maintaining the link with the ELA Pro Bono Committee.

Chambers and Individual Barristers

Much of our support comes from the efforts of individuals and from 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. Two sets of chambers, 5 Raymond Buildings and 12 King's Bench Walk, have an annual quiz night in support of the Bar Pro Bono Unit and us.

Our 'Friends in Law' scheme is run jointly with the Bar Pro Bono Unit and acknowledges those chambers who have given over £1,000 to both FRU and the Bar Pro Bono Unit. This year our Friends in Law are:

12 King's Bench Walk
39 Essex Chambers
Brick Court Chambers
Serjeant's Inn Chambers

20 Essex Street
Blackstone Chambers
Cloisters

We wish to make particular mention of our Platinum Friends in Law whose donations to both FRU and the Bar Pro Bono Unit were in excess of £3,000. This year these are:

One Crown Office Row
5RB
South Square

One Essex Court
11KBW

Linklaters LLP

FRU has developed an excellent relationship with Linklaters and has been delighted to host one of their trainees for six months of the year. Liam Sabec joined us in April 2014 and worked with us until the end of September 2014 and made a considerable contribution to the team. We are very grateful to Ben Carroll who sits with our board of trustees and provides us valuable advice and support. Linklaters are also extremely generous in their financial support, being the largest single donor among firms and chambers.

Individual Fundraising Efforts

Each year, we are overwhelmed by the efforts of individual fundraisers who undertake great feats, both daring and foolhardy, to raise money for us.

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. 24 people donned FRU t-shirts to walk in our team. We are also grateful to all the walkers and grateful to all the barristers' chambers who raised money for the general funds, part of which go to support FRU.

Supporters (continued)

Individual Fundraising Efforts (continued)

In other sporting events, John Hendy QC, our "Cycling Silk", again completed in the Cape Argus Cycle Race to raise money for FRU, and we are grateful as ever for his efforts. Matthew Sellwood walked from Land's End to John O'Groats and raised money for us along the way; a mean feat in anyone's estimation. We had five runners in the London Marathon in April 2014 whose fundraising efforts are very much appreciated: Ben Cooper, Elizabeth Forrester, Sean Jones, Adam Ohringer and Michael Reed.

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 for his 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 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:

Samantha Broadfoot, Landmark Chambers	Edmund Nourse, One Essex Court
Nathan Caiden, Cloisters	Zoë Leventhal, Landmark Chambers
Andrew Edge, 11KBW	Peter Linstead, Tanfield Chambers
Michael Fealy QC, One Essex Court	David Reade QC, Littleton Chambers
David Forsdick QC, Landmark Chambers	David Renton, Garden Court Chambers
John Hendy QC, Old Square Chambers	Sally Robertson, Cloisters
Jack Holborn, 39 Essex Chambers	Niran de Silva, Littleton Chambers
Mark Humphreys, Littleton Chambers	Benjamin Tankel, 39 Essex Chambers
Tristan Jones, Blackstone Chambers	Tom Tabori, 39 Essex Chambers
James Laddie, Matrix Chambers	Sarah Wilkinson, Blackstone Chambers

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

Naomi Cunningham, Outer Temple
Anne Fairpo, Temple Tax Chambers
Mark Hindley
Manjit Kaur Gill
Timothy Pitt-Payne QC, 11KBW
Sally Robertson, Cloisters
Desmond Rutledge, Garden Court Chambers
Robin White, Old Square Chambers

Supporters (continued)

Other support (continued)

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.

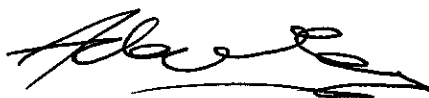
But our greatest help comes from our very own volunteer representatives, who are professional, dedicated and loyal and who put in thousands of hours on their clients' cases. We simply would not exist without them.

Staff

None of the fantastic work of the Unit could have happened without the excellent work of the staff. Our staff members during 2014-2015 were:

Interim CEO	Ann Lewis (February – May 2014) Lorna Reid (from December 2015)
CEO	Simon Lawson (May – October 2015)
Principal Legal Officers	Michael Reed Emma Baldwin (part-time from June 2014) Lorna Reed (part-time from June 2014)
Assistant Legal Officers	Adam Ross (September 2013 – August 2014) Ella Davis (September 2013 – September 2014) Hannah Wright (from September 2014)
Assistant Legal Officer & Self-referral Coordinator	Ella Davis (from October 2014)
Office Manager	Sharon Sneddon
Administrators	Lauren O'Driscoll (March – August 2014) Amy Riley (September 2014) Shirley Krodua (September 2014 – March 2015)
Accountant (part-time)	Bosede Babalola

Signed:



Adam Ross, Management Committee Chair

Date 26/1/16

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 2015. 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 16 and 17 of the attached financial statements and comply with the Unit's constitution, the law and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005).

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 that these tribunals deal with.

Although the decisions that 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 that most applicants do not understand the basic principles of the law relevant to their case and many would struggle to represent themselves.

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. 40 years on, FRU provides more than 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.

OBJECTIVES AND ACTIVITIES (continued)

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.

Financial performance

Incoming resources for the year were £391,738 (2014 – £454,596). Outgoing resources totalled £401,988 (2014 – £406,602). This results in net outgoing resources of £10,250 (2014 – incoming resources of £47,994).

Reserves policy

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.

The balance sheet shows total reserves of £243,696 (2014 – £253,946) of which £24,687 (2014 - £28,604) is restricted.

Unrestricted reserves are thus £219,009 (2014 - £225,342). 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, free reserves are £197,184 (2014 - £188,269); they are thus within the desired range of free reserves.

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 Chairman of the Bar Council. The appointment of a trustee by the Chairman 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.

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.

Trustees

The following trustees were in office at the date of approval of the financial statements and served throughout the year ended 31 March 2015, except where shown.

Trustee	Appointed/Resigned
Nigel Giffin QC (Joint senior trustee – to October 2015)	
Sean Jones QC (Joint senior trustee)	
Jennifer Eady QC	resigned October 2014
Fenella Morris QC	
Michael Fealy QC (Joint senior trustee – from October 2015)	

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 incoming resources and application of resources 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 Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ 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 are sufficient to show and explain the charity's transactions and 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, the Charities (Accounts and Reports) Regulations 2008 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 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:



Sean Jones QC
Joint Senior Trustees

Date: 26 JAN '16



Michael Fealy QC

26/1/16

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

We have audited the financial statements of the Free Representation Unit for the year ended 31 March 2015, which comprise the statement of financial activities, the balance sheet, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the trustees, as a body, in accordance with Section 144 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 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out in the Trustees' Report, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements and to identify any information which is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2015 and of its incoming resources and application of resources for the year then ended;

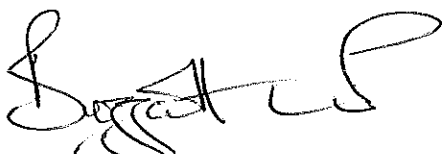
Opinion on the financial statements (continued)

- ◆ 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.

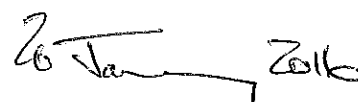
Matters on which we are required to report by exception

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

- ◆ the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the financial statements 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.



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 2015

	Notes	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Incoming resources					
Incoming resources from generated funds					
. Voluntary income	1	290,707	34,000	324,707	357,982
. Investment income		216	—	216	399
Incoming resources from charitable activities					
	2	66,815	—	66,815	96,215
Total incoming resources		357,738	34,000	391,738	454,596
Resources expended					
Cost of generating funds					
. Cost of generating voluntary income	3	20,244	318	20,562	22,887
Charitable activities					
. Legal representation to those in need	3	332,471	37,599	370,070	371,554
Governance costs	3	11,356	—	11,356	12,161
Total resources expended		364,071	37,917	401,988	406,602
Net (outgoing) incoming resources		(6,333)	(3,917)	(10,250)	47,994
Net movement in funds		(6,333)	(3,917)	(10,250)	47,994
Fund balances brought forward at 1 April 2014		225,342	28,604	253,946	205,952
Fund balances carried forward at 31 March 2015		219,009	24,687	243,696	253,946

There is no difference between the net movement in funds stated above, and the historical cost equivalent.

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

The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheet 31 March 2015

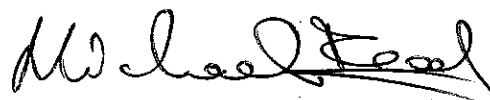
	Notes	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	5		39,780		61,380
Current assets					
Debtors		3,908		3,593	
Debtors (amounts falling due after more than one year)		12,240		12,240	
Prepayments and accrued income		55,734		68,587	
Cash at bank and in hand		167,913		146,875	
		<u>239,795</u>		<u>231,295</u>	
Creditors, accruals and deferred income	6	(35,879)		(38,729)	
Net current assets			203,916		192,566
Total net assets			<u>243,696</u>		<u>253,946</u>
Represented by:					
Funds and reserves					
Restricted funds	7		24,687		28,604
Unrestricted funds					
. Designated funds	8	21,825		37,073	
. General funds		197,184		188,269	
			<u>219,009</u>		<u>225,342</u>
			<u>243,696</u>		<u>253,946</u>

Approved by the trustees
and signed on their behalf by:



Sean Jones QC
Joint Senior Trustees

Date: 26 JAN 16



Michael Fealy QC

26/1/16

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the requirements of the Charities Act 2011. Applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these financial statements.

Income

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Incoming resources where the donor specifies that the amount is to be spent in a future period are treated as deferred income.

Assets and services donated to the charity are included in incoming resources and are capitalised where appropriate. Donated services are recognised in incoming resources in the year in which the service is provided. Gifts in kind and donated services are recognised at their estimated value to the charity.

Resources expended

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

The costs of generating funds comprise the cost of fundraising events and allocated office costs based on estimated usage of resources.

The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the trustees' report. Such costs include staff and office costs, based on estimated usage of resources.

Governance costs comprise expenditure on strategic management and compliance with constitutional and statutory requirements.

Costs that cannot be allocated directly are apportioned between costs of generating funds, costs of charitable activities and governance costs, based on an estimate of staff time spent throughout the year on each of these functions.

Cash flow

The accounts do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash Flow Statements'.

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

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.

Leasing

Rentals applicable to operating leases where substantially all of the benefits and risks remain with the lessor are charged on a straight line basis over the lease term. The benefit of a rent free period is amortised over the period from the commencement of the lease to the date of the next rent review.

1 Voluntary income

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Donation 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	44,644	—	44,644	60,518
. Freshfields Bruckhaus Deringer LLP	3,000	—	3,000	5,000
Employment Lawyers Association	20,000	—	20,000	20,000
London Legal Support Trust	20,678	—	20,678	29,804
Trust for London	—	34,000	34,000	34,000
Individuals' sponsored activities	11,741	—	11,741	18,168
Inns of Court & Bar Educational Trust	5,250	—	5,250	6,000
Clients	2,365	—	2,365	680
Income received under standing order from individuals and sets of chambers	17,758	—	17,758	19,388
Other	339	—	339	596
Total donations	287,575	34,000	321,575	355,954
Tax repayment under Gift Aid	3,132	—	3,132	2,028
	290,707	34,000	324,707	357,982

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

2 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Training of potential volunteers	53,935	—	53,935	78,440
Subscriptions from referral agencies	8,480	—	8,480	13,375
Payments by Law Schools ('FRU option')	4,400	—	4,400	4,400
	66,815	—	66,815	96,215

Notes to the financial statements 31 March 2015

3 Resources expended

	Generating voluntary income		Legal representation				Governance		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	2015	2014
Fundraising costs	2,227	—	—	—	—	—	2,227	—	2,227	4,335
Staff costs										
Wages and salaries	9,642	—	179,347	23,766	3,857	—	192,846	23,766	216,612	207,878
Social security costs	836	—	15,557	2,165	335	—	16,728	2,165	18,893	20,280
Recruitment costs	68	—	1,286	—	29	—	1,383	—	1,383	4,630
	10,546	—	196,190	25,931	4,221	—	210,957	25,931	236,888	232,788
General expenditure										
Depreciation	763	318	14,485	6,034	—	—	15,248	6,352	21,600	21,577
Loss on disposal	—	—	—	—	—	—	—	—	—	1,179
Premises	3,774	—	70,836	860	—	—	74,610	860	75,470	78,952
Office running	1,952	—	34,002	3,084	—	—	35,954	3,084	39,038	41,249
Library	614	—	10,692	970	—	—	11,306	970	12,276	9,756
Other	368	—	6,266	720	—	—	6,634	720	7,354	8,781
	7,471	318	136,281	11,668	—	—	143,752	11,986	155,738	161,494
Auditor's remuneration										
Current year Audit fee	—	—	—	—	7,200	—	7,200	—	7,200	7,085
Prior year Audit fee	—	—	—	—	(65)	—	(65)	—	(65)	900
	—	—	—	—	7,135	—	7,135	—	7,135	7,985
Total	20,244	318	332,471	37,599	11,356	—	364,071	37,917	401,988	406,602

No employee earned £60,000 or more (including benefits) during the current or previous year. The average number of employees was 8 (2014 – 8). No trustee received any remuneration or expenses in respect of their services as a trustee during the year (2014 - £nil). No trustee had any beneficial interest in any contract with the charity during the year.

4 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.

5 Tangible fixed assets

	Leasehold improve- ments £	Computer equipment and software £	Office equipment £	Total £
Cost				
At 1 April 2014 and 31 March 2015	28,168	47,607	37,523	113,298
Depreciation				
At 1 April 2014	11,268	25,063	15,587	51,918
Charge for the year	5,634	10,515	5,451	21,600
At 31 March 2015	16,902	35,578	21,038	73,518
Net book values				
At 31 March 2015	11,266	12,029	16,485	39,780
At 31 March 2014	16,900	22,544	21,936	61,380

6 Creditors, accruals and deferred income

	2015 Total funds £	2014 Total funds £
Other creditors	3,569	2,440
Accruals	32,230	30,542
Deferred income	80	5,747
	35,879	38,729

7 Restricted funds

	At 1 April 2014 £	Incoming resources £	Resources expended £	At 31 March 2015 £
Trust for London	4,297	34,000	(31,565)	6,732
Office move	24,307	—	(6,352)	17,955
	28,604	34,000	(37,917)	24,687

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

8 Designated funds

	At 1 April 2014 £	Incoming resources £	Resources released £	At 31 March 2015 £
Fixed asset fund	37,073	—	(15,248)	21,825

The fixed asset fund represents the net book value of the charity's unrestricted fixed assets as at 31 March 2015 and has been created to reflect the trustees' belief that these assets are not readily expendable by the charity.

9 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Fund balances at 31 March 2015 are represented by:				
Fixed assets	21,825	17,955	39,780	61,380
Current assets	233,063	6,732	239,795	231,295
Creditors, accruals and deferred income	(35,879)	—	(35,879)	(38,729)
Total	219,009	24,687	243,696	253,946

10 Commitments

Lease commitments – operating leases

At 31 March 2015, the charity had annual commitments under non-cancellable operating leases as follows.

	2015 £	2014 £
Operating leases which expire:		
. Before one year	—	639
. Within one to five years	57,588	57,412

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.

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11 King's Bench Walk	11 South Square
20 Essex Street	24 Old Buildings
Four New Square	5 Raymond Buildings
Blackstone Chambers	Brick Court Chambers
Devereux Chambers	Employment Lawyers Association
Fountain Court Chambers	Freshfields Bruckhaus Deringer
Garden Court Chambers	Hardwicke Chambers (Pupillage Handbook entry donation)
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London Legal Support Trust	Quadrant Chambers
One Essex Court	The Eric Sparkes Charitable Donation Trust
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