

# Free Legal Advice Centres Limited

Directors' report and  
financial statements

**Year ended 31 December 2012**

***Registered Number:* 49413**

# Free Legal Advice Centres Limited

*(Company limited by guarantee and not having share capital)*

## Financial statements

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# Free Legal Advice Centres Limited

*(Company limited by guarantee and not having share capital)*

## Directors and other information

<b>Directors</b>	Iseult O'Malley (resigned 08/05/2012) Don Crewe Peter Ward Roisin Webb Liam Thornton
<b>Secretary</b>	Catherine Hickey
<b>Bankers</b>	Ulster Bank Limited, 33 College Green, Dublin 2.
<b>Solicitors</b>	Mason Hayes & Curran, South Bank House, Barrow Street, Dublin 4.
<b>Auditor</b>	KPMG, Chartered Accountants, 1 Stokes Place, St. Stephen's Green, Dublin 2.
<b>Registered office</b>	13 Lower Dorset Street, Dublin 1.

# Free Legal Advice Centres Limited

*(Company limited by guarantee and not having share capital)*

## Directors' Report

The directors present their annual report and audited financial statements for the year ended 31 December 2012.

### **Principal activities and business review**

The company provides free legal advice through a network of part-time centres; operates a telephone information line and a strategic casework service. The company is dedicated to the realisation of equal access to justice for all.

It carries out research and publishes a newsletter, annual report and other publications. The company also organizes seminars and conferences on core areas of its work.

The performance of the company in the current year has been impacted by an increase in funding leading to an increase in income of 4.3% to €1,592,070. (2011: €1,662,817). This is in part due to the following; During the course of 2012, the company took on the administration of the new Childcare Law Reporting Project, an independent project run by Dr. Carol Coulter, for which €180,000 was received from the One Foundation.

Expenditure for 2012 decreased by 5.6% to €1,532,275 (2011: €1,622,568). In a challenging economic environment for the charity sector, the Directors are satisfied with the surplus of €123,762 (2011: €103,362).

The key risks and uncertainties facing the future development of the company include continued funding, in part from ex-gratia sources, and the retention of key staff. The Directors have developed a range of strategies to address these and other risks faced by the company.

### **Results**

The results for the year are set out on page 8.

### **Directors and secretary**

All directors retire from the board in accordance with the Articles of Association and, being eligible, offer themselves for re-election.

### **Health and safety of employees**

The well being of the company's employees is safeguarded through the strict adherence to health and safety standards. The company has taken the necessary action to ensure compliance with relevant Health and Safety legislation, including the adoption of a safety statement.

### **Post balance sheet events**

No significant events have occurred after the balance sheet date that would necessitate a revision to the figures or an additional explanatory note to the financial statements.

# Free Legal Advice Centres Limited

*(Company limited by guarantee and not having share capital)*

## Directors' Report *(continued)*

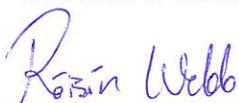
### Accounting records

The directors believe that they have complied with the requirements of Section 202 of the Companies Act, 1990 with regard to books of account by engaging accounting personnel with appropriate expertise and by engaging adequate resources to the finance function. The books of account of the company are maintained at the company's premises at 13 Lower Dorset Street, Dublin 1.

### Auditor

In accordance with Section 160(2) of the Companies Act, 1963, the Auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the board



Roisin Webb  
*Director*



Peter Ward  
*Director*

30<sup>th</sup> August 2013

# Free Legal Advice Centres Limited

*(Company limited by guarantee and not having share capital)*

## Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the company financial statements in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable law and the accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland.

The company's financial statements are required by law to give a true and fair view of the state of affairs of the company and of its profit or loss for that period.

In preparing each of the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Acts 1963 to 2012. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Acts 1963 to 2012.

On behalf of the board

  
Roisin Webb  
Director

  
Peter Ward  
Director

30<sup>th</sup> August 2013

## **Independent auditor's report to the members of Free Legal Advice Centres Limited**

We have audited the financial statements ("financial statements") of Free Legal Advice Centre for the year ended 31 December 2012 which comprise Income and Expenditure Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members, as a body, in accordance with section 193 of the Companies Act 1990. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 4 the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Ethical Standards for Auditors issued by the Auditing Practices Board.

### **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 company circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion:

- the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 31 December 2012 and of its surplus for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Acts 1963 to 2012.

Independent auditor's report to the members of Free Legal Advice Centres Limited  
(continued)

**Matters on which we are required to report by the Companies Acts 1963 to 2012**

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

The financial statements are in agreement with the books of account and, in our opinion, proper books of account have been kept by the company.

In our opinion the information given in the directors' report is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2012 which require us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.



Emer McGrath  
for and on behalf of  
**KPMG**  
Chartered Accountants, Statutory Audit Firm  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

30 August 2013



# Free Legal Advice Centres Limited

*(Company limited by guarantee and not having share capital)*

## Statement of accounting policies

*For the year ended 31 December 2012*

### **Basis of preparation**

The financial statements are prepared in accordance with Generally Accepted Accounting Practice in Ireland under the historical cost accounting convention, and comply with financial reporting standards of the Financial Reporting Council as promulgated by the Institute of Chartered Accountants in Ireland.

### **Cash flow statement**

The company meets the size criteria for a small company set by the Companies (Amendment) Act 1986 and has therefore availed of the exemption allowed by FRS1: Cash flow statements, not to prepare a cash flow statement.

### **Income**

Income consists of third party donations, government grants and interest income received. Income is credited to the income and expenditure account in the year received.

### **Government grants**

Government grants in respect of the funding of the company's operations are credited to the income and expenditure account in the year of receipt.

### **Taxation**

The company is exempt from taxation.

### **Depreciation**

The cost of fixed assets are written off by equal instalments over their expected useful lives as follows:

Land and buildings	50 years
Computer equipment	4 years
Telephones and other equipment	4 years

### **Pensions**

The company makes defined contributions to employee retirement plans. The cost of contributing to these plans is charged to the profit and loss account as incurred.

# Free Legal Advice Centres Limited

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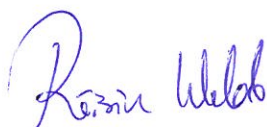
## Income and expenditure account

For the year ended 31 December 2012

	Note	2012 €	2011 €
<b>Operating income – continuing operations</b>		<b>1,592,070</b>	1,662,817
Operating expenses		(1,532,275)	(1,622,568)
		<hr/>	<hr/>
<b>Surplus for the financial year before interest – continuing operations</b>		<b>59,795</b>	40,249
Interest receivable		63,967	63,383
		<hr/>	<hr/>
<b>Surplus for the financial year</b>	7	<b>123,762</b>	103,632
		<hr/> <hr/>	<hr/> <hr/>

The company had no recognised gains or losses in the financial year or the preceding financial year other than those dealt with in the income and expenditure account.

On behalf of the board



Roisin Webb  
Director



Peter Ward  
Director

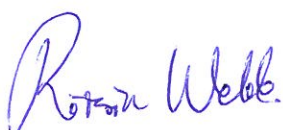
# Free Legal Advice Centres Limited

(Company limited by guarantee and not having share capital)

Balance sheet  
At 31 December 2012

	Note	2012 €	2011 €
<b>Fixed assets</b>			
Tangible assets	4	570,243	590,711
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	5	38,298	33,214
Cash at bank and in hand		3,161,159	2,733,406
		<hr/>	<hr/>
		3,199,457	2,766,620
<b>Creditors: amounts falling due within one year</b>	6	(340,144)	(51,537)
		<hr/>	<hr/>
<b>Net current assets</b>		2,859,313	2,715,083
		<hr/>	<hr/>
<b>Net assets</b>		3,429,556	3,305,794
		<hr/> <hr/>	<hr/> <hr/>
<b>Represented by:</b>			
<b>Income and expenditure account</b>	7	3,429,556	3,305,794
		<hr/> <hr/>	<hr/> <hr/>

On behalf of the board



Roisin Webb  
Director



Peter Ward  
Director

# Free Legal Advice Centres Limited

(Company limited by guarantee and not having share capital)

## Notes

forming part of the financial statements

### 1 Guarantee company status

Free Legal Advice Centres Limited is a company limited by guarantee not having a share capital. It is incorporated under the Companies Acts 1963 to 2012. There are 73 members, the liability of each being not more than €1.27.

### 2 Surplus for the financial year

	2012 €	2011 €
Stated after charging / (crediting):		
Depreciation	22,730	25,555
Auditors' remuneration	696	696
Directors' emoluments	-	-
Rentals payable under operating leases	32,948	33,535
Government grants	(198,000)	(202,264)
Bank interest receivable	(63,967)	(63,383)
	<u>                    </u>	<u>                    </u>

### 3 Employees

The average weekly number of employees, excluding temporary hires, during the year was as follows:

	2012 No.	2011 No.
Administration	15	14
	<u>                    </u>	<u>                    </u>

The aggregate payroll cost of these employees was as follows:

	2012 €	2011 €
Wages and salaries	774,341	723,954
Social welfare costs	78,338	95,455
PRSA/Pension contributions	138,236	122,013
	<u>                    </u>	<u>                    </u>
	<u>990,915</u>	<u>941,422</u>

# Free Legal Advice Centres Limited

(Company limited by guarantee and not having share capital)

Notes (continued)

## 4 Tangible fixed assets

	Land and buildings €	Computer equipment €	Telephone and other equipment €	Total €
<i>Cost</i>				
At beginning of year	698,992	114,154	42,250	904,731
Additions in year	-	1,462	800	2,262
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At end of year</b>	<b>698,992</b>	<b>115,616</b>	<b>43,050</b>	<b>857,658</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At beginning of year	125,820	103,948	34,918	314,020
Charge for the year	139,980	5,330	3,420	22,730
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At end of year</b>	<b>139,800</b>	<b>109,278</b>	<b>38,338</b>	<b>287,416</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
<b>At 31 December 2012</b>	<b>559,192</b>	<b>6,338</b>	<b>4,712</b>	<b>570,242</b>
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2011	573,172	10,206	7,333	590,711
	<hr/>	<hr/>	<hr/>	<hr/>

## 5 Debtors

	2012 €	2011 €
Prepayments and accrued income	38,298	33,214
	<hr/>	<hr/>

All amounts fall due within one year.

## 6 Creditors: amounts falling due within one year

	2012 €	2011 €
PAYE	2	2
Accruals and deferred income	340,142	51,535
	<hr/>	<hr/>
	<b>340,144</b>	<b>51,537</b>
	<hr/>	<hr/>

# Free Legal Advice Centres Limited

(Company limited by guarantee and not having share capital)

Notes (continued)

## 7 Income and expenditure account

	2012 €	2011 €
Retained surplus at beginning of year	3,305,794	3,202,162
Surplus for the financial year	123,762	103,632
	<hr/>	<hr/>
	3,429,556	3,305,794
	<hr/> <hr/>	<hr/> <hr/>

## 8 Related party transactions

There have been no transactions with related parties during the year which would require disclosure under FRS 8 "Related Party Disclosures".

## 9 Approval of financial statements

The financial statements were approved by the directors on 30<sup>th</sup> August 2013.

# Free Legal Advice Centres Limited

(Company limited by guarantee and not having share capital)

## Appendix

	2012 €	2011 €
<b>Income</b>		
Bar Council and Law Society members contributions	156,889	143,500
Donations	6,347	18,064
Department of Justice and Equality grant	98,000	98,000
Department of Environment, Community and Local Government	100,000	104,264
Citizens Information Board grant	90,000	90,000
MABS Technical Support	11,367	11,313
FAS	81,966	83,139
Atlantic Philanthropies	300,000	300,000
Atlantic Philanthropies (PILA)	500,000	330,000
Training fees	5,468	4,652
Client outlay	90,018	389,266
Tax insurance claim refund	-	4,034
Social Welfare benefit reimbursement	-	3,168
Community Foundation	5,389	-
Iris O'Brien Foundation	55,000	-
J.P. McManus Foundation	-	5,000
Pobal EWM	37,158	56,873
Ireland Funds	8,000	10,000
Reimbursements	19,332	1,557
Small grant income	-	9,987
Childcare law reporting project	25,692	-
Fundraising	1,643	-
Discount allowed	(199)	-
	<u>1,592,070</u>	<u>1,662,817</u>
<b>Expenses</b>		
Salaries	990,915	941,422
Postage and stationery	12,692	18,833
Publications	30,955	17,104
Light and heat	11,593	9,681
Telephone	13,879	14,874
Franking machine	-	604
Insurance	14,178	14,932
Repairs and renewals	5,764	5,809
Audit and accountancy	4,775	696
Travel	15,236	10,901
Depreciation	22,730	25,555
Training	40,122	48,211
Legal costs and outlay	54,921	226,519
Document Storage	1,678	1,547
Cleaning	7,158	14,506
Seminars/conferences	11,463	1,887
Donations	2,149	700
Software	22,688	12,817
Staff recruitment	2,681	7,803
Computer hardware	2,708	3,638
Website development	47,876	40,451
Research/campaigns	15,611	-
Thank you to volunteers	11,236	11,936
Grants (PILA)	75,100	75,000
Evaluation	18,198	24,655
Communications	-	7,206
Dave Ellis Memorial Lecture	6,450	6,528
Debt campaign	13,934	889
Printing – Info Leaflets	615	2,967
Rent and rates	32,948	34,057
PILA related expenditure	23,898	32,140
Miscellaneous	18,124	8,701
	<u>1,532,275</u>	<u>1,622,568</u>