

# Free Legal Advice Centres Limited

Directors' report and  
financial statements

**Year ended 31 December 2013**

*Registered Number:*     **49413**

# Free Legal Advice Centres Limited

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

## Financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2 - 3
Statement of directors' responsibilities	4
Independent auditor's report	5 - 6
Statement of accounting policies	7
Income and expenditure account	8
Balance sheet	9
Notes to the financial statements	10 - 12

# Free Legal Advice Centres Limited

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

## Directors and other information

### **Directors**

Joanne Hyde (Appointed 12 January 2013)  
Don Crewe  
Peter Ward  
Roisin Webb  
Liam Thornton

### **Secretary**

Catherine Hickey

### **Bankers**

Ulster Bank Limited  
33 College Green  
Dublin 2

### **Solicitors**

Mason Hayes & Curran  
South Bank House  
Barrow Street  
Dublin 4

### **Auditor**

KPMG  
Chartered Accountants  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

### **Registered office**

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 2013.

### **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 also focuses its work on four core areas, civil legal aid, social welfare law, debt law and consumer credit law. It carries out research and publishes a newsletter, annual report and other publications. The company also holds seminars and conferences and runs the Public Interest Law Alliance (PILA). The company exists to promote equal access to justice for all.

Since November 2012, FLAC has provided administrative support to the Childcare Law Reporting Project and has also provided administrative support to the Law Centre for Children and Young People since March 2013.

The performance of the company in the current year has been impacted by an increase in funding leading to an increase in income of 47% to €2,337,058 (2012: €1,592,070). The increase is due to additional funding received from Atlantic Philanthropies in 2013, and also the recognition of revenue from the Childcare Law Reporting Project and the Law Centre for Children and Young People which had previously been deferred in 2012.

Expenditure for 2013 decreased by 5% to €1,455,157 (2012: €1,532,275). In a challenging economic environment for the charity sector, the Directors are satisfied with the surplus of €951,804 (2012: €123,762).

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)*

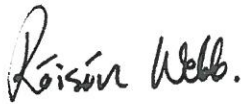
### **Accounting records**

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> July 2014

# 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.

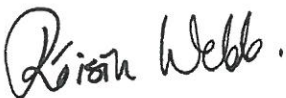
In preparing each of the financial statements, the directors are required to:

- 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 2013. 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 2013.

On behalf of the board



Roisin Webb  
*Director*



Peter Ward  
*Director*

30<sup>th</sup> July 2014



**KPMG**  
**Audit**  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
Ireland

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

We have audited the financial statements of Free Legal Advice Centres Limited for the year ended 31 December 2013 which comprise the 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 2013 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 2013.



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 2013**

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 2013 which require us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.

Caroline Flynn  
for and on behalf of  
KPMG

Chartered Accountants, Statutory Audit Firm  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

7 August 2014



# Free Legal Advice Centres Limited

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

## Statement of accounting policies

*For the year ended 31 December 2013*

### **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:

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

(Company limited by guarantee and not having share capital)

## Income and expenditure account

For the year ended 31 December 2013

	Note	2013 €	2012 €
<b>Operating income</b>		<b>2,337,058</b>	1,592,070
Operating expenses		<b>(1,455,157)</b>	(1,532,275)
<b>Surplus for the financial year before interest</b>		<b>881,901</b>	59,795
Interest receivable		<b>69,903</b>	63,967
<b>Surplus for the financial year</b>	7	<b>951,804</b>	123,762

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

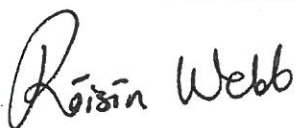
# Free Legal Advice Centres Limited

(Company limited by guarantee and not having share capital)

Balance sheet  
At 31 December 2013

	Note	2013 €	2012 €
<b>Fixed assets</b>			
Tangible assets	4	550,219	570,243
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	5	30,114	38,298
Cash at bank and in hand		4,346,419	3,161,159
		<hr/>	<hr/>
		4,376,533	3,199,457
<b>Creditors: amounts falling due within one year</b>	6	(545,392)	(340,144)
		<hr/>	<hr/>
<b>Net current assets</b>		3,831,141	2,859,313
		<hr/>	<hr/>
<b>Net assets</b>		4,381,360	3,429,556
		<hr/> <hr/>	<hr/> <hr/>
<i>Represented by:</i>			
<b>Income and expenditure account</b>	7	4,381,360	3,429,556
		<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 2013. There are 73 members, the liability of each being not more than €1.27.

### 2 Surplus for the financial year

	2013 €	2012 €
Stated after charging / (crediting):		
Depreciation	20,024	22,730
Auditor's remuneration	-	696
Directors' emoluments	-	-
Rentals payable under operating leases	29,747	32,948
Government grants	(192,200)	(198,000)
Bank interest receivable	(69,903)	(63,967)
	<u>                    </u>	<u>                    </u>

### 3 Employees

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

	2013 No	2012 No
Administration	15	15
	<u>                    </u>	<u>                    </u>

The aggregate payroll cost of these employees was as follows:

	2013 €	2012 €
Wages and salaries	716,220	774,341
Social welfare costs	65,413	78,338
PRSA/Pension contributions	72,558	138,236
	<u>                    </u>	<u>                    </u>
	<u>854,191</u>	<u>990,915</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	115,616	43,050	857,658
Additions in year	-	-	-	-
<b>At end of year</b>	<b>698,992</b>	<b>115,616</b>	<b>43,050</b>	<b>857,658</b>
<i>Depreciation</i>				
At beginning of year	139,800	109,278	38,337	287,415
Charge for the year	13,980	2,624	3,420	20,024
<b>At end of year</b>	<b>153,780</b>	<b>111,902</b>	<b>41,757</b>	<b>307,439</b>
<i>Net book value</i>				
<b>At 31 December 2013</b>	<b>545,212</b>	<b>3,714</b>	<b>1,293</b>	<b>550,219</b>
At 31 December 2012	559,192	6,338	4,713	570,243

## 5 Debtors

	2013 €	2012 €
Prepayments and other debtors	30,114	38,298

All amounts fall due within one year.

## 6 Creditors: amounts falling due within one year

	2013 €	2012 €
Trade creditors	9,526	-
PAYE/PRSI	26,509	2
Accruals and deferred income	509,357	340,142
	<b>545,392</b>	<b>340,144</b>

# Free Legal Advice Centres Limited

(Company limited by guarantee and not having share capital)

Notes (continued)

## 7 Income and expenditure account

	2013 €	2012 €
Retained surplus at beginning of year	3,429,556	3,305,794
Surplus for the financial year	951,804	123,762
	<hr/>	<hr/>
	<b>4,381,360</b>	<b>3,429,556</b>
	<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> July 2014.

# Free Legal Advice Centres Limited

(Company limited by guarantee and not having share capital)

## Appendix

	2013 €	2012 €
<b>Income</b>		
Bar Council and Law Society members contributions	149,795	156,889
Donations	7,315	6,347
Department of Justice and Equality grant	98,000	98,000
Department of Environment, Community and Local Government	94,200	100,000
Citizens Information Board grant	90,000	90,000
MABS Technical Support	18,112	11,367
FAS	59,373	81,966
Atlantic Philanthropies	450,000	500,000
Atlantic Philanthropies (PILA)	655,000	300,000
Law Centre for Children and Young People	230,000	-
Training fees	4,628	5,468
Legal costs refund	50	90,018
Community Foundation	8,000	5,389
Iris O'Brien Foundation	-	55,000
J.P. McManus Foundation	5,000	-
Pobal EWM	35,000	37,158
Ireland Funds	5,000	8,000
Reimbursements	1,504	19,332
Small grant income	12,565	-
Childcare law reporting project	410,308	25,692
Fundraising	2,665	1,643
Discount allowed	-	(199)
Royalties received	543	-
	<hr/> 2,337,058	<hr/> 1,592,070
<b>Expenses</b>		
Salaries	854,191	990,915
Postage and stationery	13,494	12,692
Publications	28,659	30,955
Light and heat	11,681	11,593
Telephone	12,423	13,879
Insurance	13,348	14,178
Repairs and renewals	7,074	5,764
Audit and accountancy	10,996	4,775
Travel	11,839	15,236
Depreciation	20,024	22,730
Training	15,602	40,122
Legal costs and outlay	487	54,921
Document Storage	2,072	1,678
Cleaning	8,813	7,158
Seminars/conferences	4,002	11,463
Donations	554	2,149
Software	4,780	22,688
IT support	6,975	-
Staff recruitment	2,508	2,681
Computer hardware	3,652	2,708
Website development	8,808	47,876
Research/campaigns	4,211	15,611
Thank you to volunteers	4,594	11,236
Grants (PILA)	28,800	75,100
Evaluation	6,103	18,198
Dave Ellis Memorial Lecture	6,355	6,450
Debt campaign	1,423	13,934
Printing – Info Leaflets	635	615
Rent and rates	29,747	32,948
Childcare Law Reporting Project	213,747	-
Law Centre for Children and Young	97,179	-
Clinic Legal Education	3,336	-
Miscellaneous	17,045	42,022
	<hr/> 1,455,157	<hr/> 1,532,275