

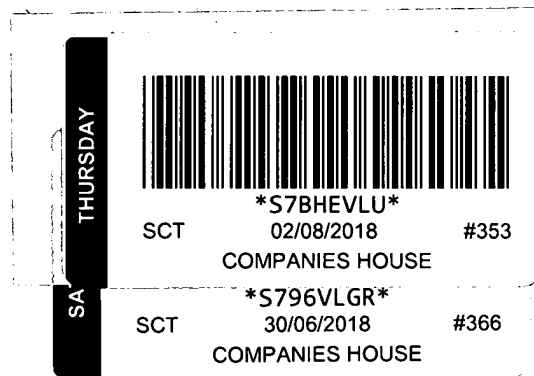
LawWorks Scotland
(a company limited by guarantee)

Directors' report and unaudited accounts

Registered number SC377949

Charity number SC041601

31 March 2017



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Legal and administrative information

Company name	LawWorks Scotland
Company registration number	SC377949
Scottish charity number	SC041601
Directors/Trustees	Andrew Alexander M Peter Anderson Bruce Beveridge Louise Carlin Gillian Carty Colin Hulme Fiona McAllister Jane McLeod Ian Moffett Paul Newdick Donald Nicholson Paul White
Company Secretary	AS Company Services Ltd
Registered Office	c/o Anderson Strathern LLP 1 Rutland Court Edinburgh EH3 8EY
Contact Address	c/o The Law Society of Scotland Atrium One 144 Morrison Street Edinburgh EH3 8EX
Contact Telephone	0131 525 8505
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Email	lawworksscotland@gmail.com
Independent Examiner	Claire L Probert 28 Waterfield Road, Edinburgh, EH10 6TG

Directors' report

1. LawWorks Scotland – Who are we?

LawWorks has existed since the early months of 2011 because of the commitment of some lawyers and other like minded people from a variety of different non-legal backgrounds who recognised that perhaps particularly in more financially troubled times, access to justice was getting more and more difficult for various sections of society. They saw also that not for profit/"charitable organisations" needed legal advice and assistance over a large range of issues when they had little funding to meet the cost of that on a commercial basis. So LawWorks connects lawyers firm, Universities and individuals willing to work for no pay, with organisations, and some individuals who need that advice and help. The relationship with Citizens Advice Bureaux is well established and valued.

The much larger sister organisation in England & Wales – LawWorks – has been a constant supporter and source of encouragement and even inspiration. But LawWorks Scotland has made excellent progress from 2011 until now as the earlier annual reports have demonstrated.

2. 2016/2017

The consolidation achieved during 2014/2015 has continued during the past 12 months 2015/2016. The Chair, Peter Anderson, has taken on Board responsibilities for finance with any day to day work being undertaken by the former finance manager of Simpson & Marwick, Neil Fleming. LawWorks Scotland again expresses very considerable gratitude to the Trustees and Directors for the time, energy and effort which they devote to the work and obligations which arise.

Membership remains stable. The existing work is maintained and the quality of involvement from lawyers delivering pro bono work is reported as high.

- Fundraising events have been both successful and fun – if at times sore on the legs – notably the Edinburgh and Glasgow Legal Walks – many thanks to all who got involved – and to their sponsors;
- The Aberdeen Law Clinic is also providing a highly satisfactory success;
- We have continued success and activity in the existing Clinics at Haddington, Musselburgh, Parkhead and West Lothian Citizens Advice Bureau;
- Continued support for pro bono advice clinics operated in conjunction with the Citizens' Advice Bureaux in Haddington, Musselburgh, Parkhead and West Lothian. Our members and their staff now provide (through Shepherd & Wedderburn, Burness Paull, RBS in-house team) clinics on a frequent basis and help support their clients in their local communities;
- Continued support for the Faculty of Advocates Free Legal Services Unit to ensure that clients taken on by the unit can access both the Faculty's advocacy skills and the solicitor's case preparation expertise;
- Raising the profile of pro bono across the legal profession on Scotland via SYLA/pro bono conference/articles.

3. 2017/2018

There is an immediate issue to resolve uncertainty between LawWorks Scotland and LawWorks operating in England & Wales as to allocation of contributions received from law firms in these separate jurisdictions. At present, LawWorks England & Wales retains the full benefit of those contributions and LawWorks Scotland is seeking a contribution.

The current objective of LawWorks Scotland is to employ a Development Director in order to expand the awareness of potential clients, law firms and lawyers about the need for the services. from LawWorks Scotland.

- We do need to achieve more support from law firms. These have been turbulent times and there is the obvious tension between the providing of free legal advice and the restrictions and limitations imposed by Government on legal aid funded work. We are managing those tensions and hope to see much increased commitment from law firms of all sizes during the next period.
- We are reconsidering the levels of financial commitment that subscription will involve.
- We are continuing our involvement with Scottish Government and its encouragement of the non-commercial/non-publicly funded activities notably "Making Justice Work Project 3 – part of the Enabling Access to Justice Project". And of course we work very closely with the Law Society of Scotland and pay tribute to the active support of the President, Christine McLintock, and the Chief Executive, Lorna Jack.

4. Case Study: Lawworks Scotland/CAB East Lothian

Background

A CAB client sought advice in relation to their factoring company. A new factor had recently been appointed, and changed the Insurance provider for the properties in a development. The owners in the development were asked to contribute equally to the premium. The client believed the premiums were extremely high, and refused to pay. The factors stated that this put the client in breach of their title deeds. The factors threatened court action if the client continued to refuse to pay.

Legal Issues

The client wanted to know:

- (i) If there was any legal right to opt out of the factor's Insurance policy (and to insure their property individually); and
- (ii) Whether the premium should be adjusted according to the size of each property/whether the property was listed.

Advice

The client attended a diagnostic session with LawWorks volunteer solicitors. The solicitors examined the title deeds for the client's property, and confirmed that these provide for the factors to put a block Insurance policy in place. The options for challenging the appointment of the factors were also discussed. The next step identified for the client at this session was to discuss their concerns with the other residents. This was with the aim of reaching a consensus position for future discussion with the factors.

Outcome

The factors raised a court action against the client in respect of unpaid fees. Following on from the LawWorks volunteers' advice, CAB provided ongoing advice and support to the client in relation to defence of this claim.

The disputed issues included (i) whether the factors had been validly appointed and (ii) whether the obligation to pay insurance premiums was to be shared equally by the residents.

Immediately before the court action went to proof, the factors abandoned the action. The factors agreed that the client could be removed from the block policy.

5. The Challenge

"Do well, but remember to do good" – advice offered to newly qualified lawyers in the United States. But what does it mean? The American Bar Association defines "good" as doing 50 hours of pro bono work a year. Some US firms say 140 hours. The Law Society of Scotland, wisely in our view, does not attempt to define what this means nor does the Law Society of England & Wales. The Lord Chancellor (albeit with a jurisdiction south of the border) wants to make a basic minimum of pro bono work compulsory as the price to be paid by the profession for being allowed to work in and around the justice system.

The challenges are obvious for all lawyers to see that they cannot ignore areas of unmet legal need and that they can and should be involved – and they may well be surprised at the benefits which follow.

The objects of LawWorks Scotland:-

- (a) To promote access to justice and the proper administration of the Law by the provision of pro bono legal services;
- (b) To advance citizenship by encouraging, supporting and advising lawyers and their staff to undertake voluntary work in the administration of the law, education, social services, community work and other voluntary activities for the benefit of the community; and
- (c) To advance the education and training of lawyers and their staff undertaking or intending to undertake pro bono legal services.



MR PETER ANDERSON

CHAIR LAWWORKS SCOTLAND

20/6/2018

Independent examiner's report to the Directors of LawWorks Scotland

I report on the accounts of LawWorks Scotland for the year to 31 March 2017, that are set out on pages 6 to 9.

Respective responsibilities of Directors and Independent Examiner

The charity's Directors (who are also Trustees of the company for the purposes of charity law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility :

- to examine the accounts under section 145 of the 2011 Act.
- to follow the procedures laid down in the general directions given by the commission under section 145(5)(b) of the 2011 Act
- to state whether particular matters have come to my attention

Basis of Independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) that gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Claire Prigent CA

20/6/2018

Statement of financial activities (Incorporation Income and expenditure account)
For the year ended 31 March 2017

	Notes	2017	2016
Incoming resources			
Incoming resources from generated funds			
Voluntary income	3	<u>2,165</u>	<u>1,790</u>
Total Incoming resources		<u>2,165</u>	<u>1,790</u>
<u>Resources expended</u>			
Charitable activities	4	2,714	1,328
Governance costs	5	-	-
Total resources expended		<u>2,714</u>	<u>1,328</u>
Net movement in funds		<u>(549)</u>	<u>462</u>

All funds are held on an unrestrictive basis

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing operations.

The notes on page 8 & 9 form part of these accounts.

Balance Sheet

As at 31st March 2017

	2017	2016
Current Assets		
Cash at bank and on hand	15,453	15,427
Debtors	<u>2,165</u>	<u>1,790</u>
Total Assets	<u>17,618</u>	<u>17,217</u>
Creditors	<u>950</u>	<u>-</u>
Total Liabilities	<u>950</u>	<u>-</u>
Net Assets	<u>16,668</u>	<u>17,217</u>
Funds		
Unrestrictive fund brought forward	17,217	16,755
Surplus/loss during year	<u>(549)</u>	<u>462</u>
Total Funds	<u>16,668</u>	<u>17,217</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and within the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 for the period ended 31 March 2017. No member of the company has deposited a notice pursuant to section 476 requiring an audit of these accounts.

The directors acknowledge their responsibilities for ;

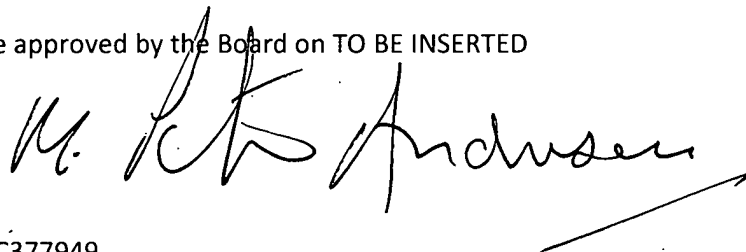
- ensuring that the company keeps accounting records which comply with section 386 of the Companies Act 2006; and
- preparing accounts which give a true and fair view of the state of affairs of the company at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirement of section 396 of the Companies Act 2006, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These accounts were approved by the Board on TO BE INSERTED

M Peter Anderson

Director

Company Number SC377949



Notes to the accounts

1. Accounting policies

a. Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice; Accounting and Reporting by Charities (SORP 2005). The accounts are prepared on an accrual basis.

b. Incoming resources

Any incoming resources are included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donated services are valued/based on actual hours donated at the chargeable rate.

c. Resources expended

All expenditure is included on an accrual basis and is recognised when there is a legal or constructive obligation to pay for the expenditure. All support costs have been reallocated to the sole principal activity. The irrecoverable VAT is included with the item of expense to which it relates.

d. Governance costs

Governance costs comprise all costs meeting public accountability of the charity and its compliance with regulation and good practice.

e. Funds

Unrestricted funds are available for use at the discretion of the Directors in furtherance of the general objectives of the charity and which have not been designated for any other purposes.

2. Other disclosures

None of the directors (or any person connected with them) received any remuneration or reimbursement of expenses during the period. Indemnity Insurance was in place for the benefit of directors during the year.

There were no employees during the period.

Notes to the accounts (continued)

3. Donations, membership and subscriptions

	2017	2016
Donations	2,165	1,790
	<u>2,165</u>	<u>1,790</u>

4. Charitable expenditure

Professional Indemnity Insurance	684	1,178
Website redesign charge	1,530	
Accounts Charge	200	
Sundry - Late Filing charge	<u>300</u>	<u>150</u>
	<u>2,714</u>	<u>1,328</u>

5. Governance costs

Independent examiner's fee	Nil	Nil
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6. Ultimate controlling party

The company is controlled by the Board who are the directors

7. Related parties

There were no costs or donations made during the current year.