

CHARITY NO: SC017160

Legal Services Agency
Report & Financial Statements
For the year ended 31 March 2025

LEGAL SERVICES AGENCY

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

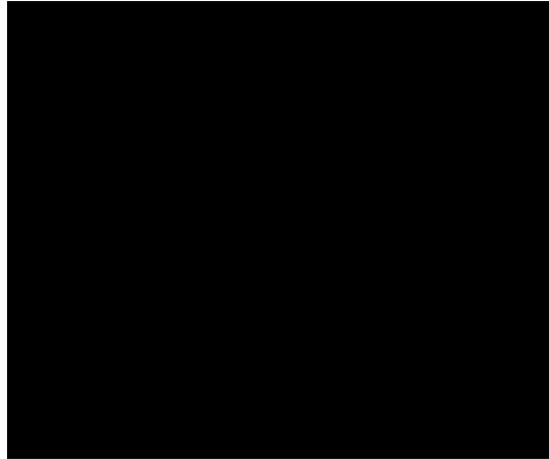
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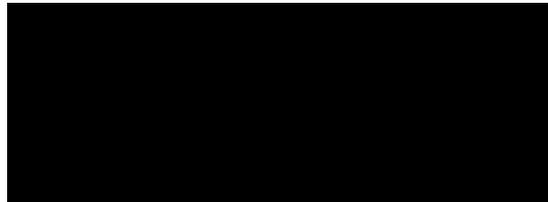
REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees



Secretary

Key Management Personnel



Principal Office

2nd Floor
Savoy House
140 Sauchiehall Street
Glasgow
G2 3DH

Charity Number

SC017160

Independent Auditors

Wbg (Audit) Limited
168 Bath Street
Glasgow
G2 4TP

Bankers

Royal Bank of Scotland
300 Bath Street
Glasgow
G2 4RS

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The Board of Directors submit their annual report and the audited financial statements for the year ended 31 March 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2019).

Overview and Objectives

Legal Services Agency (LSA) is a Scottish Charitable Incorporated Organisation (SCIO), following its conversion from a company limited by guarantee with charitable status. This change was part of a strategic review aimed at streamlining our governance and administration to better support our mission and operations and came into effect on 8th July 2025. **For the reporting period ending 31 March 2025, the organisation remained a company limited by guarantee and registered charity.**

Since its foundation in 1989, Legal Services Agency (LSA) has remained committed to social justice, advancing legal rights and tackling the root causes and consequences of poverty and systematic disadvantage. We do this by providing challenging inequitable practices and advocating for policy reform. Our work remains rooted in the belief that everyone should have access to legal knowledge and representation, regardless of their circumstances. We strive to advance human rights and equalities, with a particular focus on confronting the structural injustices that undermine access to justice and perpetuate inequality.

Our **vision**, as set out in the 2020–23 Strategic Plan, is of a fair society where legal knowledge and social justice is accessible to all, enabling people to reach their full potential. Our **mission** is to be a leading force tackling poverty and disadvantage through the delivery of high-quality legal advice and representation, information, and legal education.

Although the 2024-25 reporting period represents a transitional phase between strategic plans, we used this valuable time to reflect on our progress, engage meaningfully with our staff, Board of Directors, and stakeholders, and consider the evolving legal and social context in which we operate.

During the 2024-25 reporting period, this reflection reaffirmed the continued relevance of the strategic priorities set out in our 2020–23 Strategic Plan. Rather than stepping back, we remained focused on against the five strategic priorities from the plan —ensuring our work responds to the pressing legal needs of the communities we serve. These priorities continued to shape our operational planning and performance monitoring, supported by an annual implementation plan and evaluation framework.

During the same period, the Board and Senior Management Team also undertook a structured review to assess progress and define our future direction. This work informed the development of our new strategic plan, which was launched in April 2025 and will guide the organisation over the next three years.

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Our work for the reporting period continued to be grounded in the following core principles, as set out in our 2020-23 Strategic Plan:

- **Equality:** We address the impact of poverty, disadvantage, and discrimination.
- **Human Rights:** We advocate for human rights in pursuit of justice.
- **Empowerment:** We share legal knowledge and promote awareness of legal remedies within all communities.
- **Sustainability:** We work with communities to address environmental and systemic challenges.
- **Strategic Litigation:** We pursue test cases to influence policy and promote early intervention and prevention.

Building on these principles, the following **strategic objectives** and **activities** outline how we will deliver on our mission:

1. Addressing the effects of poverty, disadvantage and discrimination:

- Deliver this through provision of specialist legal advice to prevent homelessness and promote good housing conditions.
- Work with partners to ensure those entitled to social security benefits obtain their entitlements in challenging unfair decisions.
- Assist clients with rent and mortgage arrears and other associated debt working with partners as required.
- Address injustice in employment rights and pursuing criminal injuries compensation claims.

2. Promoting Human Rights and Equalities:

- Advise and represent clients in mental health matters, capacity and care related issues including financial guardianship and power of attorney.
- Advise individuals and families to access their statutory entitlements to health and social care.
- Advise asylum seekers and refugees in challenging discrimination in housing and other areas and secure resources to advising EU and migrant communities.

3. Strengthening Communities:

- Work with geographic and communities of interest to protect the rights on collective issues.
- Working with communities to address climate and other environmental challenges.
- Publicise and promote legal rights available to communities under the Community Empowerment Act and other legislation through seminar, publication and direct advice making our services accessible to communities.

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4. Providing high quality legal information and education:

- Provide accessible information and regular blogs on legal issues relevant to the areas of law referenced in our strategy.
- Continue our commitment to training social justice lawyers of the future through traineeships and related opportunities.
- Widen our public legal education and diversify mediums of seminar delivery to reach a wider audience.
- Strengthen our internal digital infrastructure to ensure we are efficient and effective, build our website, marketing and communications strategy and introduce new digital platforms to improve accessibility.

5. Influencing Policy and Practice:

- Collaborate with other agencies and academics to facilitate research and track emerging trends in social welfare law and unmet legal needs.
- Build on our track record to participate in campaigns designed to reform law affecting communities.
- Pursue new legal remedies undertaking test cases and enhance our ability to address systematic issues adversely affecting people.

Activities:

LSA employed 32 staff (all staff, whether part-time or otherwise, are counted as one) and benefited from skills of 13 volunteers to assist in the delivery of activities in the financial year ending 31st March 2025.

Staffing composition consisted of Chief Executive, eleven Solicitors, four Trainee Solicitors, two Paralegals, a Deputy Office Manager, seven Administrative Staff, one Cleaning Staff, a Seminar Manager and two staff in Finance and Accounts.

Staff are normally based in the following offices and resource permitting we have resumed outreach surgeries and home visits as required: -

- LSA's main office, Savoy House, Glasgow
- Inverclyde Housing Project, 9 Sir Michael Street, Greenock

Work is undertaken within the following departments:

Mental Health Department: The Mental Health Department provides advice and representation to individuals with mental ill health, their relatives and carers. It also offers specialist services for those requiring interveners, financial and welfare guardians, or support with child and family law matters and community care issues. Through its integrated model the Mental Health Service delivers a co-ordinated and consistent service across Glasgow and West, and Edinburgh and East.

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Housing and General Court Department: This department delivers a broad range of social welfare legal services, with particular expertise in housing law. Its work spans early intervention and homelessness prevention to defending evictions, repossessions, and addressing tenancy disrepair issues. We assist tenants in private or social accommodation, homeowners and people without or in unsuitable accommodation.

Employment Law Service: In response to community needs, the department re-established its employment law advice and representation service in 2022. We provide advice and representation on a range of employment law issues, including unfair dismissal, discrimination, unpaid wages, and redundancy. The service supports individuals facing workplace challenges, with a focus on those experiencing disadvantage or inequality. By offering early intervention and legal support, we aim to protect rights and promote fair treatment at work.

Disability and Social Justice Service: This service, which focuses on improving access to justice and upholding the rights of disabled people, operates across both the Mental Health and Housing departments. This reflects the cross-cutting nature of the enquiries it handles and the shared expertise required.

Inverclyde Housing Rights Project: Supported by Inverclyde Council, this project provides specialist housing advice, assistance, and representation to residents living and working in Inverclyde, delivered from our Greenock office. The service focuses on preventing evictions and homelessness, while also addressing wider housing issues such as disrepair, compensation, and the broader impacts of poverty.

Criminal Injuries Compensation Unit: LSA specialises in complex and contested criminal injuries compensation cases. The service includes advice and assistance with applications, reviews, and representation at appeal. Work is undertaken across all departments. To better manage resources, the focus this year has been on advising existing clients where a criminal injuries compensation claim has been identified as an ancillary issue.

Seminar Department delivering legal education: The Department delivers a wide range of legal education events, including seminars, webinars, and conferences. These events attract high-calibre speakers and support LSA's commitment to building capacity and raising awareness of emerging and evolving legal issues. The department also supports all legal teams by producing publications aimed at informing the public and partner organisations about key areas of law and legal rights. LSA is an accredited CPD (Continuous Professional Development) legal training provider by the Law Society of Scotland.

Administrative and Office operations: Our Administrative Team plays a central role in the organisation, acting as the first point of contact for individuals accessing our services. The team provides essential administrative support to the legal departments, ensuring the smooth delivery of services and the effective day-to-day running of operations.

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Finance and Accounting: The Finance Team plays a vital role in ensuring strong financial management and effective implementation of control measures across the organisation. In addition to managing day-to-day financial operations, the team provides regular management reports to the Senior Management Team, Finance Committee, and Board of Directors to support effective decision-making. The team also prepares financial reports for external funders, ensuring accountability in the use of resources. As part of our commitment to good governance, the Finance Team works closely with external auditors to support the delivery of an independent annual audit.

Networking and capacity building: In addition to our core services, networking and collaboration are fundamental to the work of all departments at LSA. By working in partnership with other organisations, we are able to build capacity, share expertise, and extend our collective reach, ensuring that more individuals receive holistic, person-centred support that leads to lasting positive change. These partnerships also provide valuable opportunities to learn from others, reflect on best practices, and adapt our approaches in response to emerging challenges and innovations across the sector.

LSA's directors, staff, and volunteers actively participate in a wide range of networks and working groups across the legal, public, and third sectors. These include:

- **Law Society of Scotland:** Equality and Diversity Committee, Access to Justice Committee, and Mental Health and Disability Sub-Committee;
- **Scottish Government:** Homelessness Prevention and Strategy Group;
- **Consumer Scotland:** Advisory Committee for Consumers in Vulnerable Circumstances;
- **Tribunals:** A member of our team also serves as a legal member of the Housing Chamber of the First-tier Tribunal;
- **Sector Leadership:** LSA holds the role of Company Secretary for the Scottish Association of Law Centres (SALC), Glasgow Advice and Information Network (GAIN), and the Scottish Legal Action Group (SCOLAG);
- **Housing and Equality Networks:** Participation in the Housing and Equality Act Legal Strategy Group and the Everyone Home Collective; and
- **UK-wide Collaboration:** LSA maintains strong links with law centres across England, Wales, and Northern Ireland, both directly and through the Law Centres Network (LCN).

In day-to-day practice, our staff work closely with a wide range of voluntary and statutory services, including advocacy services, disabled persons organisations and members of the Glasgow Advice and Information Network—comprising local law centres, Citizens Advice Bureaux, and money advice agencies. We also collaborate with university law clinics and members of the Faculty of Advocates to enhance the quality and reach of our services.

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Achievements and Performance:

Over the past year, communities have continued to face significant challenges, intensified by the ongoing social and economic impacts of the pandemic, global conflict, and the cost-of-living crisis. These pressures have disproportionately affected those already experiencing disadvantage. Many individuals have struggled with rising rent arrears, the threat of losing their homes, and the resulting toll on their mental health. These challenges are often compounded by inequality experienced by disabled people, barriers to employment, and limited access to legal support, issues that LSA continues to address through its specialist services and collaborative projects.

Thanks to the continued support of our funders and the dedication of our staff and volunteers, LSA has remained resolute in its mission to uphold legal rights and empower individuals to make informed decisions during these difficult times. We have worked collaboratively with partners across the voluntary and statutory sectors to address the root causes of disadvantage and respond to adverse policy changes, ensuring that those most in need continue to receive vital legal support. Alongside direct support, we continue to use our insight and experience to influence policy and contribute to system-level change that promotes fairness, equality, and access to justice.

Year after year, we are supporting individuals facing increasingly complex legal challenges, often shaped by intersecting forms of disadvantage and vulnerability, across a range of court proceedings.



1,420 people turned to us for legal advice—many for the first time.



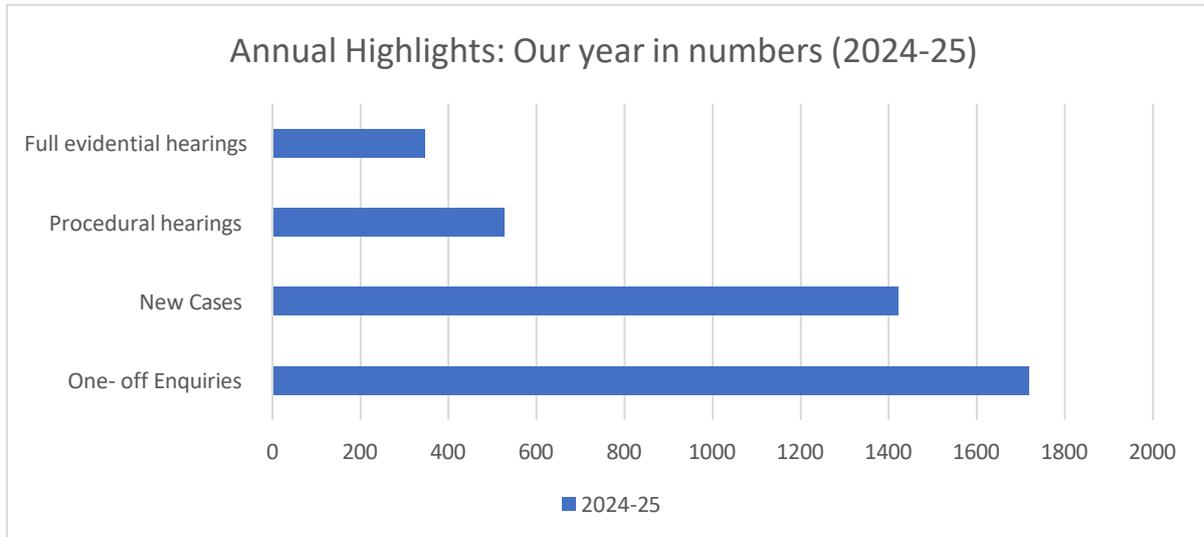
873 individuals represented in Court/Tribunal proceedings.



1,718 One-off enquiries, **33%** increase from the previous year
31,336 Telephone calls, a **19%** increase from the previous year

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025



The cost-of-living crisis continues to affect not only the individuals and communities we support, but also LSA as an organisation. Rising overheads and operational costs have placed increasing pressure on our resources, while core grant funding has largely remained static. This has made it challenging to adjust salaries in line with inflation. In response, we have taken creative steps to improve terms and conditions, including piloting a four-day working week and enhancing annual leave entitlements from the first day of service. The incoming staff team are now gaining valuable experience, supported by increased focus from the senior management team on development, training, and internal capacity building.

Despite these challenges, we are proud to report significant progress in our service delivery. In the past year, **1,718 one-off enquiries** were handled, a **33% increase**, highlighting the growing demand for accessible legal advice. These one-off inquiries provide opportunities to advise people and, when appropriate, empower them to make informed decisions and take actions themselves, or refer them to an appropriate source if the query falls outside our area of expertise.

We also responded to **31,336 telephone calls**, marking a **19% increase**, and 394 web chats, a 29% increase from the previous year. These figures reflect the increasing demand and complexity of issues facing individuals, as well as the importance of accessible, responsive legal support.

Our service delivery continues to be flexible and person-centred, offering face-to-face appointments, outreach and home visits, as well as telephone and video consultations. This approach has enabled us to reach **27 of Scotland's 32 local authorities**, ensuring that geography is not a barrier to accessing justice.

We have continued to embed a number of initiatives developed in recent years, focused on protecting employment rights, upholding the rights of disabled people, and preventing recurring cycles of homelessness and disadvantage, particularly for individuals with experience of the criminal justice system. These initiatives reflect our commitment to early intervention, collaboration, and long-term impact, and are now an integral part of our wider

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service delivery model. Each initiative is designed to work collaboratively and apply a preventative, early intervention approach to limit crises and reduce further hardship for the people we support.

Our approach to service provision is rooted in respect, dignity, and a deep understanding of the complex challenges individuals face. We take pride in delivering high-quality, person-centred and trauma-informed legal support that goes beyond addressing immediate legal issues. This means conducting holistic assessments, applying a multi-disciplinary approach, and connecting individuals to wider support services where needed. Our teams work proactively and persistently to empower people, supporting them not only to access justice but also to engage confidently with other systems and services to address the root causes of disadvantage.

Grounded in equalities and human rights law, our work spans areas such as housing, mental health, social welfare, and discrimination. This breadth of expertise enables us to develop robust legal remedies that respond effectively to the intersecting and often complex needs of those we support.

What sets LSA apart is our unique ability to integrate human rights and equality law into our subject matter expertise across housing, mental health, social welfare, discrimination, and employment. This intersectional approach enables us to develop robust legal strategies that not only address immediate legal issues but also challenge the structural inequalities that underpin them. By embedding a human rights approach and equalities principles into every aspect of our legal work, we ensure that individuals are supported with dignity, respect, and a deep understanding of the broader social context in which their legal challenges arise.

None of this would be possible without the dedication of our team. Their commitment has enabled us to continue delivering impactful services and advocating for those most affected by inequality and injustice.

The progress and activities accomplished against each strategic objective over the past year are as follows:

1. Addressing the effects of poverty, disadvantage and discrimination

Under this objective we:

- Prevented homelessness and improved housing rights;
- Challenged unlawful welfare benefit decisions by working in collaboration with our partners;
- Ensured people entitled to criminal injuries compensation scheme have legal advice and representation in relation to their claims for compensation; and
- Upheld employment rights and improved individuals financial circumstances.

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Prevent homelessness and improve housing rights: Building on last year's efforts, our work to prevent homelessness and uphold housing rights has continued with consistent demand and impact. The Housing and General Court Department handled 810 housing-related queries, reflecting a sustained pattern of need. The majority of these cases once again involved rent arrears, evictions and mortgage repossessions, followed by issues related to homelessness assistance, anti-social behaviour, and unsuitable accommodation.

Our Emergency Legal Help Desk services at Glasgow and Dumbarton Sheriff Courts have remained a vital frontline response, particularly as eviction proceedings continue at high levels. This year, we provided emergency legal advice and representation to 241 individuals, ensuring timely intervention at critical moments. This provision has consistently proven to be a essential safeguard against homelessness, delivering crucial legal intervention at the very edge of crisis, enabling individuals to remain in their homes when they are most at risk.

Our partnerships with Glasgow City Council and West Dunbartonshire Council, alongside regular updates via social media, have significantly enhanced our outreach to those facing court proceedings and at risk of losing their homes. Rent arrears remain alarmingly high, with the highest individual arrears reaching approximately £15,000 and the average nearing £4,000. In this context, legal representation is not just beneficial; it is crucial. It enables individuals to present appropriate defences and avoid entering the homelessness system, especially in light of the housing emergency declared by several local authorities.

In total, we managed £161,911 in non-housing debt and £459,832 in housing-related debt on behalf of clients—figures that highlight the scale of financial hardship many are facing. Notably, 76% of those we supported had an income of £20,000 or less, underscoring the deep-rooted disadvantage experienced by those at risk of losing their homes.

The collaboration with West Dunbartonshire Council continues to be a cornerstone of our model. Their Homelessness Prevention Team regularly refers individuals with at-risk tenancies to our emergency help desk, ensuring they receive timely legal advice and representation. We were encouraged by feedback from the Council, which recognised the significant impact of this partnership in preventing homelessness through legal intervention.

Understanding the underlying causes of rent arrears remains central to our approach. Communities continue to grapple with the cost of living crisis, compounded by low incomes, caring responsibilities, health conditions, job loss or insecure employment, and family changes such as bereavement or relationship breakdown. Our multi-disciplinary approach, working in collaboration with both statutory and voluntary partners, enables us to support individuals holistically, maximising their ability to sustain tenancies and mortgage payments and ultimately preventing homelessness.

In Inverclyde, our team has mirrored the approach taken in Glasgow, with a strong focus on eviction prevention. The most common issues here also include homelessness, dampness and disrepair, and mortgage repossession. Our ongoing collaboration with the Inverclyde Council Homelessness Team ensures that those at risk receive the advice and support they need to avoid homelessness.

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We are pleased to have made significant progress in early intervention and collaborative working, particularly in supporting individuals at risk of homelessness due to imprisonment and complex legal challenges.

Thanks to continued support from the St Martin-in-the-Fields Frontline Fund, we were able to expand our preventative and early intervention work aimed at breaking the recurring cycles of disadvantage and homelessness for individuals entering the prison system. Our service focuses on ensuring that those entering HMP Low Moss and HMP Greenock are informed of their housing rights and options, enabling them to take proactive steps regarding their tenancies. Additionally, we provide tailored advice to individuals due for liberation, helping them avoid homelessness and the associated risks of reoffending.

This work is underpinned by formal partnership agreements with both prisons, and the inclusion of service information in induction packs ensures widespread awareness among new entrants. Our collaboration with Link Centre staff and other support services has been particularly crucial, allowing us to deliver a joined-up approach that meets the complex needs of individuals at risk.

We continue to develop and strengthen our collaborations with Citizens Advice Bureau (CAB), providing second-tier legal support that enhances the capacity of frontline staff to manage complex legal issues.

- Renfrewshire CAB: Now in its third year, this partnership remains highly effective. We deliver three weekly advice clinics and offer legal representation in complex cases. The range of queries remains broad, covering housing and heritable rights, employment, consumer, and contract issues. This model allows both organisations to leverage their expertise, with LSA solicitors supporting Bureau staff to deepen their legal knowledge while handling contentious matters directly.
- Airdrie CAB: Established in November 2022, this collaboration has entered its second year with continued success. Through the North Lanarkshire Community Legal Service, a qualified solicitor is embedded within the service, working closely with lay representatives to provide legal representation at key stages of housing-related proceedings. The focus remains on homelessness prevention, and the integrated model has proven effective in delivering timely and expert support.
- Hamilton CAB: Launched in November 2023, this collaboration provides second-tier support to Hamilton CAB's team, increasing the team's capacity to undertake homelessness prevention work more effectively. Referrals for complex and contentious cases are made to our solicitors as resources allow, ensuring that individuals receive the appropriate level of legal intervention.

These partnerships reflect a shared commitment to addressing disadvantage, protecting rights, and maximising organisational resources to support as many people as possible. By working together, we are able to extend our reach, enhance service quality, and deliver impactful legal support where it is most needed.

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Challenging unfair welfare benefit decisions: Our ongoing partnership with Glasgow Advice and Information Network (GAIN) continues to deliver strong outcomes in challenging unfair welfare benefit decisions. Over the past year, we have collaborated to challenge 26 such decisions, maintaining a high success rate with over 95% of appeals resulting in overturned decisions. This has ensured that individuals receive the social security benefits they are rightfully entitled to, often making a critical difference to their financial stability and wellbeing.

In instances where appeals are unsuccessful, we ensure that individuals and partner organisations are informed of the next steps, including the possibility of seeking further legal advice to determine whether there has been an error in law or whether judicial review proceedings may be appropriate.

This work remains a vital part of our broader mission to protect rights, reduce inequality, and prevent homelessness, particularly for those most vulnerable to the impacts of unjust decisions within the welfare system.

Supporting victims through Criminal Injuries Compensation claims: We continued our work supporting individuals in navigating the Criminal Injuries Compensation Authority (CICA) scheme, assisting 14 people with their claims during the reporting period. This work remains essential, particularly as many applicants are unaware of the full scope of claims available, including those for mental injury, and past and future loss of earnings. These cases require not only subject matter expertise but also an empathetic and sensitive approach in managing the case to minimise the risk of re-traumatising the individual.

Our team's expert legal knowledge plays a critical role in ensuring that appropriate evidence is submitted—especially in cases involving disabling mental injury—and that all eligible heads of claim are considered. As a result, we secured compensation awards ranging from £1,000 to £150,000, with a total of £373,504 awarded across all processed claims. These outcomes reflect the importance of specialist legal support in ensuring victims of crime receive the full compensation they are entitled to, helping them move forward with greater financial and emotional stability.

Protecting Employment Rights and Promoting Fair Work: Now in its third and final year, our Employment Law Service, funded by the National Lottery Community Fund, has continued to deliver meaningful and measurable impact across Scotland. With a national reach and a focus on areas of high deprivation, young people, low-paid workers, and individuals at higher risk of discrimination, including those with protected characteristics, the service has provided vital support to those most in need.

Over the course of the project, we advised 212 individuals on 291 employment-related matters, helping to protect and improve their rights at work. The direct and measurable financial improvement for individuals we represented totals £1,235,102.16—a figure that significantly exceeds the funding awarded to us. This equates to a return of nearly £7 for every £1 of grant investment, demonstrating the exceptional value and impact of our work.

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It is important to note that the true financial impact is even greater, as this figure does not include cases where we provided second-tier support to partners who then helped their clients secure compensation, nor does it include cases involving reinstatement or re-engagement following termination, or where employment was retained due to our intervention. In several instances, for example, employers made reasonable adjustments following our legal advice, allowing clients to continue working successfully.

During this final year alone, we achieved financial improvements totalling £314,213, with awards ranging from £426.32 to £35,377 and an average award of £14,282. These outcomes reflect the tangible difference the service has made in people's lives, particularly in lower-value cases, which are often overlooked in private practice due to limited financial viability, yet are hugely significant to the individuals involved.

We supported clients through 22 Tribunal hearings, and in many cases were able to resolve matters before the hearing stage, sparing clients the stress of formal proceedings. In one such case, although the financial award was modest, the employer corrected a systemic issue, ensuring all staff received the living wage—an example of the wider strategic impact of our work. Beyond financial outcomes, the service has also delivered positive well-being results, including retention of employment, changes in role or hours, and improved working conditions. These outcomes have helped individuals regain stability, confidence, and dignity in the workplace.

The project has also invested in capacity building and knowledge sharing. A trainee solicitor has worked alongside the project solicitor, contributing to casework and building internal expertise. Seven volunteers supported the project, gaining valuable experience and contributing to its delivery. We delivered 19 training sessions and collaborated with 95 partner organisations, strengthening our reach and impact.

To empower individuals further, we published a practical guide on our website to help people understand their employment rights and available options when facing workplace issues. The guide also signposts to additional resources and organisations for further support. In addition, we published articles on the new Tipping legislation and the upcoming Employment Rights Bill, contributing to public awareness and informed discussion.

Specialist litigation experience: Our team continues to provide specialist litigation support through a combination of in-person and remote hearings across the Sheriff Court and Tribunal systems. Over the reporting period, we appeared in 526 procedural hearings and 347 full evidential hearings, covering a wide range of legal issues. This included hearings in Dumbarton Sheriff Court, as well as 7 judicial review cases challenging unfair decisions by local authorities in the processing of homelessness applications.

The impact of this work has been substantial. Through our representation, we have helped individuals retain their homes, prevent homelessness, improve housing conditions, and secure entitlement to social security benefits. We have also supported victims of violent crime in obtaining compensation and worked to raise awareness of and protect employment rights, resulting in improved financial circumstances, retention of employment, and positive changes to working conditions.

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In many employment cases, our intervention led to settlements, reinstatement, or adjustments that allowed individuals to remain in work, outcomes that not only improved financial stability but also contributed to clients' overall well-being.

Having a solicitor by their side ensures individuals are not left to navigate complex legal systems alone, helping to level the playing field against more powerful or better-resourced parties. Our legal expertise and familiarity with court processes are essential in ensuring that people's rights are upheld and that justice is accessible to all, regardless of their circumstances.

2. Promoting Human Rights and Equalities:

Under this objective we:

- Provided legal advice and representation to people affected by capacity issues
- Provided financial guardianship and power of attorney advice
- Provided specialised legal advice and improve legal rights of disabled people
- Provided legal advice to people with MS in collaboration with the MS Society

Mental Health Legal Services, Advancing Rights and Raising Awareness: The Mental Health Department continues to lead on delivering our strategic objective of providing specialist legal advice, assistance, and representation to individuals experiencing mental ill-health and capacity issues. The department's work is grounded in a commitment to preventing harm and abuse, challenging inequality, and improving access to justice and essential services. With a strong and growing reputation, the team has developed significant expertise in handling complex legal matters, particularly in relation to Guardianship applications, Financial Guardianship Court reports, and mental health detention representation. Referrals are received from a wide geographical area, including Glasgow, Edinburgh, and Dunbartonshire, and increasingly from advocacy services, reflecting the department's trusted role in this specialist field.

In addition to casework, the department has played an active role in public legal education and awareness-raising. Team members have been invited to speak at a range of events, including secondary schools, advocacy projects, and sessions with social workers and foster parents, as well as with the Ayrshire Independent Living Network. These engagements have helped to highlight the importance of Guardianship orders and the legal protections available to adults with incapacity. Through this work, the Mental Health Department continues to make a meaningful contribution to safeguarding rights, supporting vulnerable individuals, and promoting equality and inclusion across communities.

Representing Adults with Incapacity: The Mental Health Department continues to provide vital legal advice and representation to adults with incapacity, ensuring their rights are protected and their voices heard in legal processes. Over the reporting period, the team handled 300 new cases, in addition to managing ongoing matters from previous years.

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A significant part of the department's work involved 108 Financial Guardianship applications, helping to safeguard individuals from financial abuse and ensuring appropriate management of their affairs and executing 26 Power of Attorneys. The team also provided representation in 81 Mental Health Tribunal hearings, advocating for individuals subject to detention under mental health legislation, and appeared in 88 court hearings for Adults with Incapacity covering a range of matters related to incapacity. This work reflects the department's commitment to upholding the rights and dignity of some of the most vulnerable individuals in our communities, while continuing to build specialist expertise in this complex and sensitive area of law.

Power of Attorney: Continuing Early Intervention Through Collaborative Legal Support:

We continued to support Power of Attorney (POA) cases to conclusion that were initiated during the previous year, under the Legal Support Test-for-Change service. This work forms part of an important opportunity to test different models of legal delivery and early intervention, ensuring individuals receive timely legal advice and support before reaching crisis point. The continuation of this service has allowed us to build on the success of the pilot and maintain momentum in delivering proactive legal solutions for vulnerable individuals.

The POA service was originally delivered through a collaborative pilot project, funded by Glasgow Health and Social Care Partnership (GHSCP), in partnership with Alzheimer Scotland and community law centres. It was developed in response to findings that individuals were remaining in hospital unnecessarily due to a lack of capacity and absence of a Power of Attorney, preventing discharge despite no longer requiring medical care.

The project applied an early intervention approach, with referral routes established through Alzheimer Scotland link workers and old age psychiatry teams, enabling individuals diagnosed with dementia to access legal advice and assistance proactively. The service was delivered across Glasgow, with LSA covering the north of the city, and Govan Law Centre and Castlemilk Money and Advice Law Centre covering the south.

During the nine-month pilot, advice was provided to 214 individuals, with LSA supporting 125 cases. The evaluation found the service to be a seamless and positive experience, with the strong partnership model and referral pathways identified as key strengths. Feedback highlighted the team's ability to explain legal matters clearly and compassionately at a difficult time for families.

The service was also recognised for its cost-effectiveness, particularly when compared to the financial and emotional costs of delayed hospital discharge or the more complex Guardianship process. The evaluation recommended exploring ongoing funding and expansion to other areas, reinforcing the value of early legal intervention in health and social care.

Disability and Social Justice: Strengthening Rights Through Collaboration and Legal Action:

The Disability and Social Justice Project continues to make strong progress in its mission to improve the rights and access to justice for disabled people. Over the reporting period, we advised 229 individuals, addressing a wide range of legal issues including disability discrimination, housing and accessibility, education, and access to services and care.

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These cases often require time to investigate and progress, and we were pleased to reach settlements for two clients, securing financial compensation totalling £19,400, with awards ranging from £4,400 to £15,000.

We have continued to build meaningful relationships with Disabled Persons Organisations, which remain central to the project's success. Our monthly legal advice clinic with the Scottish Commission for Learning Disabilities (SCLD) has become a valued resource for their members and has led to further opportunities for collaboration. Through this partnership, we

were invited to join the Scottish Government's Gender-Based Violence and Learning Disabilities Steering Group, contributing to efforts to improve access to justice for women and girls with learning disabilities.

The project has also supported strategic legal interventions, including judicial review proceedings on grounds of disability discrimination in access to services and care. We continue to receive complex enquiries relating to higher education, housing allocation, and care packages, and our legal work is complemented by a growing network of partnerships. Engagement with partner organisations has opened up new opportunities to raise awareness of legal rights and influence policy developments, particularly around guardianship and education.

We were also pleased to continue our collaboration with the Scottish Ethnic Minority Deaf Charity (SEMDC), supporting their efforts to improve accessibility for their members. Our joint letter to the Driving and Vehicle Standards Agency (DVSA) highlighted the lack of provision for deaf relay interpreters and the barriers faced by minority ethnic deaf communities. In response, DVSA committed to improving website accessibility, reviewing interpreter reimbursement processes, and invited SEMDC to join a stakeholder group focused on accessibility improvements.

In addition to casework and strategic engagement, the project has focused on public legal education. We published a guide to disability discrimination complaints, including a template letter to help individuals take early steps before legal action. This resource was shared widely on social media and received positive feedback for its clarity and accessibility.

Through a combination of legal representation, strategic litigation, community engagement, and collaborative partnerships, the Disability and Social Justice Project continues to play a vital role in challenging inequality, empowering individuals, and promoting systemic change.

Legal Helpline for People with Multiple Sclerosis, Supporting Rights Through Specialist Advice: We are pleased to continue our partnership with the MS Society, delivering a dedicated legal helpline for people living with MS in Scotland. Operating twice a week, the helpline received 56 enquiries this year and provided nearly 90 acts of legal assistance. It offers individuals access to specialist advice on a range of issues including housing, employment, disability discrimination, power of attorney, and community care. Where appropriate, we also provide onward referrals to ensure individuals receive the most suitable support.

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While the helpline covers a diverse range of legal matters, we have observed a notable trend in employment-related queries, particularly around reasonable adjustments in the workplace. This reflects the ongoing challenges faced by people with MS in maintaining fair and accessible employment.

In addition to delivering advice, we have engaged with the MS Society Scotland team through their internal meetings to raise awareness of the legal support available and to strengthen collaboration across services. This has helped ensure that individuals seeking advice are directed to the right support at the right time.

This partnership continues to demonstrate the value of targeted legal services in improving access to justice and empowering people with long-term health conditions to understand and assert their rights.

3. Strengthening Communities:

Under this objective we:

- Ensured our service remains accessible to communities and considered avenues to widen our geographical coverage;
- Worked with geographical and communities of interest on collective issues including climate and environmental challenges; and
- Continued to strengthen partnerships to improve access to justice and empower communities.

Delivering an accessible service to those in need: We believe that strong communities are built on a clear understanding of rights and the ability to act on them. Yet, access to legal advice remains uneven across Scotland. In response, we've continued to expand our geographical reach and deepen partnerships that allow us to share insights, pool expertise, and collectively strengthen the position of the communities we support.

As part of our continued efforts to strengthen communities, we have focused on building and deepening partnerships that improve access to justice and empower individuals through inclusive, person-centred support. We have made significant progress in this area by developing strategic collaborations with a range of organisations that share our commitment to holistic service delivery. These collaborations enhance our ability to respond more effectively to the diverse needs of the communities we serve. Together, these partnerships demonstrate our strategic commitment to providing integrated and empowering services that foster more resilient and equitable communities.

Amid growing challenges, this mission has never been more urgent. Thanks to funding across our employment, disability, and social justice projects that enable us to serve clients throughout Scotland, as well as the collaborations highlighted earlier, we now support clients in 27 of Scotland's 32 local authority areas. Lessons learned during the pandemic have helped us maintain accessibility through flexible, multi-channel service delivery.

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Our work with voluntary sector partners remains central. We continue to collaborate with experts in housing, equality, human rights, and asylum law, ensuring our services are informed, responsive, and far-reaching.

We are proud to continue our partnership with Shelter and the Scottish Refugee Council through the Fairway Scotland programme, which provides second-tier housing law advice to people with no recourse to public funds. Monthly clinics have now been established, and we are working with Shelter to develop a strategic approach to protecting the housing rights of asylum seekers.

Recognising the increasing risk of homelessness among asylum-seeking communities, we delivered training to the Scottish Refugee Council's destitution team—combining our expertise to better protect those in the most precarious circumstances.

Championing Access and Partnership Across the Advice Sector: Our strategic engagement through GAIN (Glasgow Advice and Information Network) and SALC (Scottish Association of Law Centres) continues to be a cornerstone of our work. As the secretariat for both networks, we play a key coordination role in facilitating monthly meetings that bring together stakeholders to address systemic issues. This year, with LSA acting as secretariat, attendees at SALC meetings have included the Law Society of Scotland Policy Team, the Scottish Government Access to Justice Directorate, the Scottish Legal Aid Board and Law Centres Network, the umbrella body of law centres in England and Wales. SALC has submitted briefings to the Scottish Government and SLAB calling for an urgent review of Advice and Assistance financial eligibility limits and we attended on behalf of SALC to give evidence to the Scottish Parliament on legal aid and grant funding reform. We expressed concerns about the significant impact that the uncertainty surrounding this funding has on organisations and, more importantly, on individuals. We are pleased to report progress on SALC's first dedicated website, an important tool that consolidates information about Scotland's law centres in one central, accessible location, further strengthening our coordination and visibility across the sector.

GAIN has continued to meet monthly, with LSA playing a key coordination role and holding the secretariat. Through this work, we have supported GAIN members in engaging closely with Glasgow City Council's Financial Inclusion team to consider the redesign of the city's financial inclusion strategy. This collaborative effort reflects a "no wrong door" approach—ensuring that legal advice and support are embedded within wider systems of assistance, and that individuals can access the holistic help they need, regardless of where they first seek support.

4. Providing high-quality legal information and education:

Under this objective we:

- Continued to delivery legal education on a wide range of topics to build cross-sectoral knowledge and capacity: and
- Published blog posts to raise awareness of legal issues and legal rights.

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Delivering high-quality training: LSA has continued to lead as a key provider of affordable legal education in Scotland, supporting the sector through high-quality training that enhances knowledge, skills, and access to justice. Over the past year, we delivered 51 events to a total of 1,331 delegates, maintaining strong engagement across the legal and wider advice sectors. Our ability to attract knowledgeable and experienced speakers has been instrumental in the success of our training programme, and we gratefully acknowledge and thank them for their invaluable contributions. Their expertise enriches our events and ensures that the content remains relevant, practical, and impactful for all participants.

While we were pleased to resume in-person events, we also retained a strong programme of online webinars in response to delegate feedback. The flexibility of the online format enabled us to reach participants from across Scotland and attract expert speakers from across the UK, reducing travel-related barriers and broadening access to learning.

Our webinars ranged from short, focused sessions to larger conferences featuring expert panels. Recordings were made available to accommodate the demanding schedules of legal professionals, particularly those affected by court commitments.

Recognising the high-pressure environments in which many professionals operate—particularly those supporting people in crisis and vulnerable individuals—we delivered a series of wellbeing-focused sessions. These sessions addressed the ongoing impact of the pandemic, which continues to cast a long shadow over the sector, as well as the added strain of current cost-of-living challenges. By prioritising the mental health and resilience of those working on the frontlines of access to justice, we aim to support a more sustainable and compassionate response to the complex needs of the communities they serve.

We were proud to host a diverse range of expert speakers, including academics, members of the Judiciary and Bar, practising solicitors, and medical professionals. Our weekly conference publicity reaches over **14,000 contacts** via email and social media, ensuring wide visibility and engagement.

Highlights from the last year include the following events:

██████████, with 47 years of legal practice, delivered a trio of insightful webinars:

- **Power of Attorney Update:** Covering recent legal developments and best practices in drafting and implementing powers of attorney in Scotland, this webinar focused on protecting vulnerable adults and ensuring compliance. It welcomed 79 delegates.
- **Trusts and Succession (Scotland) Act 2024:** Offering a concise overview of key reforms in trust administration, trustee duties, and succession rules, this session drew 50 delegates.
- **Adults with Incapacity Law (AWI) Recent Developments: Where Next?** This comprehensive in-person conference focused on recent reforms and future directions in the Adults with Incapacity (Scotland) Act. A distinguished panel—including ██████████ and chaired by our Senior Solicitor, ██████████—shared practical and scholarly insights. The conference was attended by 51 delegates.

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Human Rights and Legislative Reform

- **The Human Rights Bill for Scotland - New Routes to Remedy:** Delivered in collaboration with Amnesty International, this webinar facilitated discussion around the Scottish Government's consultation on the Human Rights Bill. It attracted 44 delegates, highlighting the importance of flexible delivery formats.

Debt Law Updates

- **Bankruptcy, Diligence, and Other Debt Law Updates:** Presented by [REDACTED], this webinar covered recent and upcoming changes in Scottish debt law, including the Mental Health Moratorium and new bank disclosure duties. It attracted 42 delegates.

Risk and Compliance

- **Risk Management sponsored by Lockton:** We were delighted and grateful to Lockton's continued support in sponsoring a free Risk Management webinar which attracted 100 bookings and was fully booked within a day of advertising.

Internally, we remain committed to staff development. All staff and volunteers have full access to our legal education programme, and the cross-departmental input continues to shape content by identifying emerging legal issues. Over the past year, staff participated in 65 training sessions and volunteers in 16 sessions.

Raising awareness: In support of our strategic objective to provide high-quality legal information and education, LSA has continued to produce timely, accessible content that reflects both frontline legal experience and key developments in law and policy. Alongside our events programme, we have maintained a strong focus on written publications and digital content, using our website and social media channels to inform practitioners, stakeholders, and the wider public.

Over the past year, we published a wide range of blogs, legal updates, and advocacy pieces. These included responses to significant consultations and legislative developments—such as the proposed reintroduction of Employment Tribunal fees, and welcomed progressive changes, including the Employment Rights Bill and new tipping legislation. Our blog section is regularly updated with contributions from staff and volunteers, helping to raise awareness of emerging legal and social justice issues.

Our publications also amplified advocacy and awareness on critical issues. Highlights included a staff perspective on why #LegalAidMatters, our submission to the Scottish Covid-19 Inquiry, and engagement with the Children's Commissioner on the incorporation of the UNCRC. We shared sector insights and frontline reflections, such as findings from the St-Martin-in-the-Fields Charity's Frontline Worker Survey, our Housing and General Court Team early intervention approach at the National Homelessness Conference, and the Everyone Home Collective's warning on the human rights risks of rough sleeping.

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Among the range of publications produced this year, two stand out for their particular impact in advancing legal awareness and individual empowerment. The Disability and Social Justice Project (DSJ) published several articles focused on raising awareness of equality rights. A key output was a practical guide designed to empower individuals experiencing disability discrimination, offering clear steps that can be taken prior to legal action. This included a template letter to support people in raising a formal complaint—an important tool for those seeking to assert their rights with confidence and clarity.

Reflecting on the succession of the guides published by the DSJ project, we also published a comprehensive employment rights guide on our website to assist individuals facing challenges in the workplace. This guide outlines the various options available to workers, directing them to additional resources and organisations for tailored support. By providing accessible, plain-language information, this publication aims to help individuals make informed decisions to protect their employment rights and seek fair outcomes.

These tools reflect our commitment to ensuring that people, particularly those who may face systemic barriers, have the knowledge and confidence to assert their rights effectively.

Supporting the Future Legal Talent: As part of our commitment to developing the next generation of social justice solicitors, we continue to invest in high-quality training and meaningful experience for our trainees. Over the past year, four trainee solicitors have been supported across our Housing and General Court and Mental Health departments. Two of our trainees qualified and accepted positions as solicitors within LSA, while three second-year trainees were admitted to the Solicitors Roll and gained valuable advocacy experience by appearing in court. We are proud that many of our former trainees have gone on to build impactful careers across the legal profession, including appointments to Sheriff positions—reflecting the strength of our training environment and the depth of our commitment to shaping future leaders in access to justice.

We were pleased to welcome fourteen volunteers and host student placements from Edinburgh Napier and Strathclyde University, providing valuable hands-on experience in a busy social justice legal environment. These placements offered law students and aspiring legal professionals the opportunity to apply their learning in practice, develop key skills, and gain insight into the realities of access to justice work. Volunteers also supported our legal education seminars, gaining important research, communication, and analysis skills—valuable and transferable across many areas of legal practice. During Volunteer Week, several participants shared personal reflections on the practical skills they developed and the sense of purpose they found in contributing to meaningful change. We are grateful for their enthusiasm, dedication, and the important support they provided to our work throughout the year.

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5. Influencing Policy and Practice:

Under this objective we:

- Worked in collaboration with partners to raise issues adversely impacting communities
- Highlighted matters or trends we identified through our casework and responded to consultations relevant to our areas of expertise

Strengthening collaboration: LSA has continued to work collaboratively with partners, stakeholders, and government to raise awareness of issues adversely impacting communities and to highlight emerging trends from our frontline experience.

We remain active members of the Scottish Government's Homeless Prevention Strategy Group (HPSG), co-chaired by the Housing Minister and COSLA's Community Wellbeing Spokesperson.

Our active participation in the Everyone Home Collective, a network of over 40 organisations, has enabled us to contribute to joint advocacy efforts, including signing a briefing coordinated by Crisis ahead of the Housing Bill Stage One debate and offering insight into proposed Stage Two amendments. We also signed an open letter led by Homeless Link, calling on the UK Government to address migrant homelessness, demonstrating the power of collective action.

We contributed to Consumer Scotland's research on redress in the private rented sector and were consulted by Sussex University for research on legal aid and access to justice. We also joined over 40 voluntary sector organisations in signing a letter to the UK Government, co-signed by the First Minister and COSLA, highlighting the impact of increased Employer National Insurance contributions on public and voluntary services.

Sharing our expertise: Our team was invited to contribute frontline insights and policy perspectives at several influential forums, including:

- The St Martin's Charity Annual Frontline Network Conference, where we presented on access to legal advice.
- The Scottish Covid-19 Inquiry Roundtable, focusing on homelessness and justice.
- The University of Glasgow's "Law as a Service" event, sharing reflections on pro bono legal work.

Throughout the year, LSA actively contributed to a range of consultations and parliamentary processes, bringing a frontline and rights-based perspective to issues affecting access to justice.

We submitted a joint response with the Scottish Association of Law Centres (SALC) to the Scottish Government's consultation on civil court fees, followed by oral evidence to the Equalities, Human Rights and Civil Justice (EHRCJ) Committee. Representing SALC, we advocated for the removal of fees in discrimination and human rights cases, highlighted the disproportionate impact on disabled people, and addressed the compounded barriers created by intersectionality. We also called for a full Equality Impact Assessment to be undertaken.

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We submitted both a joint response with SALC and an individual LSA response to the Social Justice and Social Security Committee's consultation on third-sector funding principles. In doing so, we emphasised the need for sustainable funding models that recognise the essential role of legal advice services in preventing crisis and promoting social justice. We welcomed the Committee's focus on funding and raised concerns about the instability of current arrangements—particularly the direct impact on individuals at risk of homelessness, at a time when several local authorities have declared housing emergencies.

Further formal submissions included:

- A response to the Scottish Government's Equality and Human Rights Mainstreaming Strategy, informed by our Disability and Social Justice Project.
- A submission to the Scottish Parliament's consultation on financial considerations when leaving an abusive relationship, drawing on our experience supporting women facing eviction due to financial abuse.

We were honoured that our Housing and General Court Team was selected to present at Scotland's National Conference on Homelessness, hosted by Homeless Network Scotland, as part of the "Inspirations from the Frontline" session.

We are also developing new partnerships with academic institutions:

- We are collaborating with Strathclyde University's Professional Practice Network on a Master's-level research project focused on housing law.
- In collaboration with the University of Glasgow's GO Justice Centre, we are exploring opportunities for students to receive training in homelessness and legal aid, followed by placements in law centres.

These collaborations not only support research and innovation but also help shape future legal practice rooted in social justice.

Organisational Development and Internal Improvements

The past year has been a period of significant internal development at LSA, as we continued to balance service delivery with strategic improvements to our operations and staff support.

During this period of internal development, we dedicated time to creating our new three-year Strategic Plan (2025-2028). Our Strategic Plan has been developed following consultation with our wide range of stakeholders, our team, and the Board of Directors. Our future priorities, outlined in the plan, are influenced by emerging legal needs, the external policy landscape, and the growing socio-economic challenges facing individuals and communities. This strategy will direct us as we evolve to meet the growing and changing needs of the communities we serve, while staying rooted in our core values of social justice and empowerment. Looking ahead, our focus will be on consolidating our existing services, expanding our reach, deepening our impact, and ensuring that those facing disadvantage can access the expert legal support they deserve. With this in mind, our vision and mission will continue to guide us as we work towards a fairer, more just society.

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We are grateful to the Cranfield Trust for their pro bono consultancy support, which assisted us in gathering and analysing feedback from stakeholders, staff, and the Board, as well as facilitating the strategic development session that informed the creation of our Strategic Plan.

We made strong progress in optimising our organisational framework and monitoring mechanisms, evaluating how best to deploy our limited resources in response to increasing demand. This included a review of administrative and paralegal support structures, resulting in enhanced development opportunities for staff and more effective support for solicitors—allowing them to focus their time and expertise where it is most impactful.

In recognition of the importance of staff well-being and flexibility, the Board approved a pilot of a four-day working week, reducing contracted hours from 35 to 32 per week with no change in salary. This initiative reflects our commitment to sustainable working practices and staff retention. The Board also endorsed a discretionary hybrid working policy, following a successful trial period, balancing the need for a consistent front-facing service with the benefits of flexible working arrangements. These have been well received by staff, and staff retention has improved since these developments were introduced.

We continued to refine our case management system and digital infrastructure, improving the efficiency of data recording and analysis to support service delivery and strategic planning. Building on the work of previous years, our monitoring framework continues to evolve as a dynamic learning and development tool, and we have already identified areas for improvement and to help us track progress over time. As another example, the use of webchat, which has been a recent development, saw a 29% increase in the last year which demonstrates how we have continued to look at ways to extend our reach to clients current and future.

These developments reflect our ongoing commitment to continuous improvement, ensuring that LSA remains responsive, resilient, and focused on delivering high-quality legal services.

Governance and Legal Structure: Over the past year, LSA's Board of Directors has continued to progress work on transitioning to a Scottish Charitable Incorporated Organisation (SCIO), with a focus on streamlining governance while maintaining strong community engagement.

Following an initial proposal to convert to a **two-tier SCIO**, shared with members at LSA's AGM on 18 January 2023, the Board invited full Members to consider joining. However, no applications have been received in recent years. The Board recognises the competing demands on Members' time and the impact this has had on participation in governance roles.

In response to these ongoing challenges, and taking a pragmatic approach, the Board considered a Single Tier SCIO model to be the most effective way forward. This structure will simplify our legal framework while ensuring LSA remains community-led and responsive to the legal needs of the people we serve. To complement this transition, we will develop a comprehensive engagement strategy to ensure that community voices and contributions remain central to our development.

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Building on the consultation with members reported in last year's annual review, a working group of Board Directors undertook significant work to develop a draft SCIO constitution, evolving from our existing memorandum and articles of association. This new version reflects our commitment to transparency, accountability, and inclusive governance.

Office Premises and Workplace Environment: A major development for LSA last year was the successful relocation of our Glasgow office. The decision to move was driven by the increasing unsuitability of our previous premises, including a projected £10,000 rise in maintenance costs and ongoing uncertainty around future expenses. Accessibility and proximity to public transport were key considerations, ensuring the new location would remain central and easily reachable for both Glasgow residents and those travelling from further afield.

Our new premises in the city centre offer full disability access and a more modern, collaborative working environment. We're pleased to report that staff have settled in well and are enjoying the new working environment. The open-plan layout, while a shift from our previous setup, has fostered greater collaboration and shared learning across teams, enhancing both morale and productivity.

The initial costs of the move were over £50,000, and were mostly covered through a loan from Social Investment Scotland (SIS), alongside a contribution from reserves. We continue to keep SIS informed and maintain our loan repayments in line with agreed terms.

Greenock Office: While we successfully relocated our Glasgow office last year, our Greenock office has continued to face significant challenges due to ongoing water ingress. Despite contractors attending the premises on multiple occasions, the source of the issue has proven difficult to identify, resulting in prolonged disruption, particularly to our meeting room, which has remained out of use due to damage.

As the premises are held under a full repair and maintenance lease, these issues have posed considerable operational difficulties. However, we are grateful to Inverclyde Council's Homeless Team for their support in helping us secure an alternative location for client meetings, ensuring continuity of service. We also appreciate the assistance of Inverclyde Council's Surveying Team, who have undertaken further investigations to help identify the source of the water ingress and enable corrective action.

While some progress has been made, the situation remains unresolved, and we are now actively considering longer-term options for the Greenock office. We extend our sincere thanks to our staff for their patience, adaptability, and continued commitment to clients throughout this period of disruption.

Financial review

Throughout the financial year, LSA remained solvent, ensuring sufficient assets to meet all known liabilities. This stability reflects prudent financial management in the face of ongoing challenges, including reduced fee income and wider economic pressures. We continue to closely monitor our reserve position to ensure we remain financially resilient and able to meet our obligations.

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Our internal financial processes remain robust. Management accounts are reconciled monthly, and externally audited accounting certificates are submitted biannually to the Law Society of Scotland, consistently with no corrections required.

The annual accounts reflect the full scope of the charity's activities, including the estimated value of Work in Progress (WIP), cases that are ongoing but not yet billed. We continue to make progress in improving how WIP is recorded and reported through our case management system. Significant progress has been made this year, although we also recognise that further refinement is needed. We have been working with the developers to consider addressing system limitations and are ensuring staff have the necessary internal and external training and support to embed consistent practices.

The Senior Management Team, Budget Review Group, and Finance and Risk Committee remain focused on continuous improvement in this area, recognising its importance for financial planning, transparency, and long-term resilience. This remains a standing agenda item at the Finance and Risk Committee, ensuring regular oversight and accountability in monitoring financial performance and reserve levels.

Headline financial review for the financial year ending 31st March 2025 is noted as follows:

- Income for the year was £1,286,713
- Expenditure for the year was £1,372,461
- Net movement for the year was a deficit of £85,748

LSA continues to operate in a financially challenging environment. While the organisation remained solvent throughout the year, with sufficient assets to meet liabilities as they fell due, the financial pressures persist.

The underlying causes of the deficit remain consistent: static or reduced core grant funding, rising operational costs, and lower earned income from fees, which have failed to keep up with inflation and costs. Notably, our main grant from Glasgow City Council was significantly reduced following the introduction of the Glasgow Communities Fund in 2020. This resulted in a 51% decrease in annual funding, down to approximately £176,955 in 2023–24, representing an annual loss of £181,000 compared to previous levels. These reductions are further exacerbated by increased demand for services and rising costs during the pandemic and the cost-of-living crisis.

Other local authority grants, such as those from Inverclyde Council, have remained static for several years. Additionally, the Scottish Government's Making Advice Work (MAW) funding—previously renewed annually in partnership with Inverclyde Council—ended in March 2023, resulting in a further loss of income of £31,764.

At the same time, the cost of living continues to rise, while core grants and legal aid rates remain static. Much of the work we undertake involves intensive support for vulnerable individuals—work that is not always covered or fully reimbursed through legal aid. This creates a growing gap between the cost of delivering services and the income available to support them.

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While we have secured additional project-specific funding, these grants do not offset the shortfalls in core funding. As a result, the Board of Directors have been unable to implement cost-of-living salary increases in line with inflation, contributing to staff turnover, particularly among qualified solicitors moving to higher-paid roles in the public and third sectors. Nevertheless, the Board of Directors implemented a 3% cost-of-living salary increase in October 2024 and introduced a pilot 4-day working week, reducing contracted hours from 35 to 32 with no reduction in pay. These initiatives have been well-received with positive feedback from staff.

Despite facing recruitment challenges, we were pleased to retain two of our trainees as qualified solicitors. Our new trainees and additional administrative staff are settling in well as they build their experience. This adds new perspectives and energy to the team, while also requiring a commitment to induction and development from senior staff.

We continue to seek efficiencies and reduce overheads where possible in our general running costs. The move to our new Glasgow office has also helped reduce premises costs. Alongside cost management, we are actively pursuing new funding opportunities and working to maximise earned income.

Work in Progress (WIP) remains a key area of focus and is assessed as £308,771. Following a 17% increase in the financial year ending 31st March 2023, we saw a decline of 13% in the financial year 31st March 2024 and a further 7% decrease in the current financial year. This trend reflects the impact of staff turnover and varying levels of experience, as we were impacted by the significant levels of staff turnover across the legal profession. However, we continue to invest effort into achieving financial and staffing stabilisation, with new staff gaining confidence and recognising the non-financial benefits provided in the last year. We continue to monitor progress and are optimistic that improvements already seen in some areas are extended right across the organisation.

The Board of Directors carefully monitors financial projections for the year ahead to ensure the continued delivery of LSA's core activities. Given the ongoing financial pressures, the Board continues to maintain close oversight of the organisation's financial position to ensure that obligations are met and that emerging risks are addressed promptly.

Reserves

The Board of Directors has previously agreed that LSA should aim to hold unrestricted reserves equivalent to three months' running costs. This provides a financial buffer against unexpected operational challenges and supports the organisation's ability to meet client-related outlays, such as fees for expert reports or court costs, which are often reimbursed only after significant delays.

As of 31 March 2025, the level of general reserves stood at £445,413, which is above the target threshold of approximately £360,000. However, it is important to note that this figure does not represent the charity's free cash reserves. A portion of these funds is held in a designated, interest-earning deposit account, with a balance of £136,327 at year-end. Funds were drawn down from unrestricted reserves to manage cash flow due to a combination of lower than expected fee income and delays in confirmed grant funding. We continue to identify new sources of funding and review our processes to enable us to replenish these reserves.

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While there has been no significant change in the reserves policy this year, the Board remains mindful that, despite the current reserve level, the financial environment continues to be challenging. Maintaining adequate reserves to meet liabilities and support operational continuity will continue to be closely monitored as part of the organisation's financial oversight.

Funding

LSA's work in 2024–25 continued to be supported by a range of valued funders, including: AB Charitable Trust, Glasgow City Council, Inverclyde Council, National Lottery Community Fund, Scottish Government Third Sector Homelessness Fund, Scottish Government Equalities and Human Rights Fund, St Martin-in-the-Fields Charity Frontline Fund, The Robertson Trust, the MS Society, and a collaboration of sub-grants from Renfrewshire CAB, Airdrie CAB, Hamilton CAB, and the Scottish Refugee Council.

In addition to grant funding, the organisation earned fees through casework funded by the Scottish Legal Aid Board (SLAB). While fee income continues to recover following the pandemic, it remains an important but variable source of income. All fees received are allocated to the relevant departments in which the work was undertaken. We also generate income through our seminar and legal education programme, though this has declined in recent years due to shifts in how professionals access CPD—particularly with the rise of free and on-demand online training.

We extend our sincere thanks to all our funders for their continued confidence and support. In particular, we are grateful to the AB Charitable Trust, National Lottery Community Fund, The Robertson Trust, and St Martin-in-the-Fields Charity Frontline Fund for recognising the pressures of inflation and awarding cost-of-living uplifts to help sustain our services during this period of increased need.

Going Concern:

The Board of Directors has reviewed the organisation's cash flow forecast for the next 12 months and acknowledges the continued financial pressures facing the organisation. Anticipated funding for the current financial year has not materialised as expected, and projected income has also been lower than forecast, reflecting wider sector challenges. In addition, the rising cost of living has increased the cost-of-service delivery, further impacting financial sustainability. This position is compounded by the organisation's reliance on static and annual renewal of grant funding, which limits flexibility in responding to financial pressures. In response, the Board is actively reviewing costs, implementing measures to reduce expenditure, and considering a staffing restructure. At the same time, efforts are being intensified to diversify funding streams and explore additional income-generating activities.

While these actions provide some reassurance, the Board recognises that material uncertainties remain regarding the organisation's ability to maintain its financial position. Noting those uncertainties but based on current plans and ongoing monitoring of financial performance, the Directors consider it appropriate to adopt the going concern basis of accounting. The organisation's financial position and cash flow will continue to be closely monitored to ensure that liabilities can be met as they fall due. Further steps will be taken as required to safeguard the organisation's financial sustainability.

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Structure, governance and management

Structure: Over the financial year this report covers, LSA was a charitable company limited by guarantee, incorporated on 22 March 1990 and registered as a charity (SC017160) on 2 July 1990. Prior to incorporation, it operated as an unincorporated association from 7 November 1989. The charity was established under a Memorandum of Association, which set out its objects and powers, and is governed by its Articles of Association. While the original object was to supply legal advice, representation, and legal education, amendments over the years have expanded this to include the advancement of human rights and equalities and permitted the employment of a Limited Liability Partnership (LLP) to deliver legal services.

Brown & Co. Legal LLP, the firm of solicitors employed by LSA, operates independently in terms of professional judgment, with no Board involvement in individual cases. Brown & Co. Legal LLP does not have an independent financial existence, and all fees or money obtained from the work of the firm's solicitors belong to LSA. The registered office of Brown & Co. Legal LLP was updated in January 2024 to reflect the move to Savoy House, 140 Sauchiehall Street, Glasgow.

Over the period concerned, LSA remained a membership organisation, with full members drawn from community, charitable, and voluntary organisations across Scotland. Full members voted at the AGM and were entitled to stand for election to the Board, while associate membership was open to individuals and organisations without voting rights.

As outlined earlier in this report, during the financial reporting period, the Board continued to progress plans to convert LSA to a Scottish Charitable Incorporated Organisation (SCIO). Following consultation with members and reflection on governance challenges, the Board agreed that a Single Tier SCIO model would be the most effective structure moving forward. This approach aims to simplify governance while maintaining LSA's commitment to community leadership and engagement.

The aims and objectives of the organisation remained unchanged, with a continued focus on empowering communities and promoting social justice. Community engagement remained central to LSA's development, shaping its direction and helping to build a wider network of supporters.

A working group of Board Directors has developed a draft SCIO constitution with legal advice from Burness Paull solicitors, building on the existing memorandum and articles. This draft was approved by the Board and was shared with members at the AGM in May 2025 for consideration and was passed unanimously. The Board remains committed to ensuring that the transition is transparent, inclusive, and aligned with LSA's values and strategic aims, whilst ensuring seamless change for clients.

Governance: LSA's governance structure continues to provide a strong foundation for the organisation's strategic direction and accountability. We are committed to ensuring that its leadership reflects the organisation's values of accountability, integrity, inclusiveness and connectedness, supporting transparent decision making and meaningful community engagement.

Under the governance structure in force for the period of reporting, full members elected the Board of Directors, with one-third retiring annually and eligible for re-election under the terms

LEGAL SERVICES AGENCY TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

of the Articles of Association. The Board could also co-opt up to five additional individuals, with appointments reviewed annually and approved by members at the AGM every three years. Glasgow City Council was also invited to nominate a co-opted representative.

The Board is responsible for setting the strategic direction of the organisation, approving the annual budget, monitoring performance, and overseeing key areas including employment, equalities, health and safety, and governance. The Convenor, Vice-Convenor, and Treasurer are elected annually from among the Board members.

The Board acknowledges the valuable experience and strategic guidance provided by all trustees over a number of years in shaping LSA's direction and governance. We extend our sincere thanks to those who have stepped down during the year for their commitment and contribution. During the year, the Board undertook a skills assessment and initiated recruitment to strengthen collective expertise. We are pleased to report strong interest from prospective trustees bringing complementary skills in areas such as academia, governance, risk management, transformational change, and marketing and communications. We look forward to welcoming new appointments in January 2026, ensuring continued robust governance and effective oversight.

New Directors are supported through a comprehensive induction programme and resource pack, which includes information on LSA's services, governance processes, and the Articles of Association. All Board members have access to LSA's general training programme, which includes content relevant to good governance.

The Board meets six times per year, guided by an annual forward plan that ensures key governance and strategic priorities are addressed. A delegated authority framework outlines decisions reserved for the Board and those delegated to Committees or staff. This framework, along with Committee's terms of reference and the forward plan, is reviewed annually.

The Executive Committee (comprising the Convenor, three Directors, and the Chief Executive Officer) meets in the months between Board meetings and as needed. It provides detailed oversight of strategic planning, funding, HR, and governance matters.

The Finance and Risk Committee, chaired by the Treasurer, also meets between Board meetings. It includes the Convenor, two other Directors, the Chief Executive, Finance Manager, and Cashroom Partner. The Committee oversees financial reporting, risk management, and the annual audit, receiving detailed reports on financial performance and the organisation's risk register.

At each Board meeting, members receive management accounts, reports from the Chief Executive and Finance Manager, and updates and recommendations from both Committees. Safeguarding is a standing item in the Chief Executive's report to the Board.

All funds, fees, and legal aid income generated by LSA's employed solicitors, operating under Brown & Co. Legal LLP, remain the property of LSA, which retains full and unencumbered title to these funds.

Management: LSA's day-to-day operations are led by the Chief Executive, supported by a Senior Management Team comprising eight staff, including Partner Solicitors, Heads of Departments, and the Senior Solicitor. This team ensures the effective delivery of services, operational planning, and implementation of strategic priorities.

LEGAL SERVICES AGENCY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Risk management: The Board of Directors, with the support of senior staff, has embedded a structured and proactive approach to risk management within the organisation's management practices. A range of control measures are in place as part of day-to-day operations, overseen by the Chief Executive and the Senior Management Team.

The Risk Register is formally approved by the Board of Directors on an annual basis. In line with LSA's commitment to continuous improvement, the Senior Management Team undertakes a review of the Risk Register every two months. A summary report is then prepared for the Finance and Risk Committee and the Board of Directors, who review and approve the risk assessment on a quarterly basis.

This regular cycle ensures that risk management remains responsive, resilient, and aligned with the organisation's strategic objectives, recognising that certain mitigations require continued monitoring and refinement.

Quality Assurance: LSA is committed to delivering high-quality legal and advice services, underpinned by a strong quality assurance framework. This framework includes both internal systems and external accreditation processes designed to ensure consistency, accountability, and continuous improvement across all areas of practice.

LSA and Brown & Co. Legal LLP operates within two key external quality regimes:

- The Law Society of Scotland/Scottish Legal Aid Board Peer Review system, which assesses the quality of legal aid services.
- The Scottish National Standards for Information and Advice Providers (SNSIAP) are managed by the Scottish Legal Aid Board for the Scottish Government. Accreditation involves a two-step process: a peer review of casework and an operational audit. LSA has Type I accreditation for Welfare Benefits and Money/Debt advice, and Types I, II, and III for Housing law. An external audit in late 2022 confirmed successful reaccreditation for three more years, until January 2026.

Internally, we maintain a monthly peer review system to monitor casework quality and identify areas for improvement. These reviews are reported quarterly to the Senior Management Team, supporting a culture of learning and continuous development. Where concerns or complaints arise, they are addressed constructively and contribute to ongoing service improvements.

In the past year, LSA successfully completed a scheduled Peer Review by the Law Society of Scotland. This review, which takes place every six years for legal firms providing civil legal aid, involved the assessment of 100 case files selected from across the organisation. The review focused on the quality of legal advice, adherence to best practice, and compliance with legal aid procedures. We are pleased to report that the review was passed successfully, with the files assessed as high quality—demonstrating the professionalism and expertise of our legal teams. This result also reflects the strong coordination and commitment of staff across the organisation in preparing for and supporting the review process.

Compliance and Risk Controls: LSA holds all relevant insurances, including buildings, contents, employer's liability, and Directors' indemnity insurance. Brown & Co. Legal LLP also

LEGAL SERVICES AGENCY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

maintains all insurances required by the Law Society of Scotland, including Professional Indemnity Insurance, Fidelity Insurance, and membership of the Legal Defence Union, which provides professional representation in the event of complaints made against solicitors regarding the legal advice they provide.

As part of regulatory compliance, client funds held by Brown & Co. Legal LLP are audited annually, and Law Society Accounts Certificates are submitted twice yearly to the Law Society of Scotland. These certificates are also externally audited prior to submission, reinforcing the transparency and robustness of our financial processes.

LSA continues to strengthen its employment and HR practices through a proactive partnership with WorkNest, which provides expert external advice and support. This arrangement has enabled the organisation to update several HR policies and establish a structured annual review cycle, ensuring alignment with current legislation and good practice. In addition, where WorkNest's advice is followed, LSA benefits from insurance cover that meets all costs and awards in the event of an employment tribunal—providing further assurance and protection for the organisation.

The Directors are responsible for overseeing the charity's internal financial controls, working alongside Brown & Co. Legal LLP to meet the Law Society's requirements. These controls are designed to provide reasonable assurance that risks are identified and addressed effectively, and that client funds are managed with the highest level of integrity and compliance.

LSA maintains a strong internal control framework to ensure effective financial management, strategic alignment, and operational accountability. These controls are regularly reviewed and refined to support transparency and informed decision-making across the organisation.

Key internal controls include:

- Three-year strategic plan guiding long-term organisational priorities.
- Annual budget approved by the Board to support financial planning.
- Fortnightly Senior Management Team meetings, with a standing agenda covering:
 - Financial updates
 - Detailed review of cashflow, work in progress, and outlay recovery
 - Progress against budget
 - Departmental updates
- Weekly cashflow monitoring and supporting narrative analysis, enhancing responsiveness to financial trends.
- Monthly financial reviews involving the finance team, office bearers, and senior staff, covering:
 - Financial results and budget variances
 - Key performance indicators (financial and non-financial)
- Board-level oversight, with regular review of financial performance at each Board meeting and interim scrutiny by the Finance and Risk Committee.

LEGAL SERVICES AGENCY TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Looking Ahead: Priorities for the Year Ahead

Following the successful launch of our new 3-year Strategic Plan in April 2025 and the celebration of 35 years of LSA's work, we now turn our focus to delivering on our new strategic objectives. These milestones reflect our enduring commitment to challenging inequality, defending legal rights, and driving systemic change.

We extend our heartfelt thanks to our staff and volunteers for their dedication and resilience, and to our partners and funders for their continued collaboration and support. The progress we've made over the past year, outlined throughout this review, has only been possible through their collective efforts. Together, we are building a stronger, more just future.

Our key activities for the year ahead include:

- **Delivering Strategic Objectives:** Implementing our operational plan in line with strategic priorities, ensuring resources are directed where they have the greatest impact.
- **Strengthening Partnerships:** Continuing to work with existing partners and exploring new collaborations to expand geographical reach and build sector capacity. We will also continue to provide second-tier advice, supporting other organisations to strengthen their knowledge, effectiveness, and overall capacity.
- **Premises Development:** With our Glasgow premises now well established and functioning effectively, our focus will turn to reviewing our Greenock office space to better support service delivery, accessibility, and staff well-being.
- **Sustaining and Evolving Impactful Projects:** We will seek continuity funding for proven initiatives, such as our employment project, while also exploring opportunities for new test-for-change models that focus on early intervention, address unmet legal needs, and challenge systemic barriers to justice. These efforts will be informed by our frontline experience and aim to create lasting, structural change.
- **Strategic Litigation:** Advancing our work in strategic action, using cross-departmental expertise, equalities-based approaches to challenge systemic barriers through litigation.
- **Policy Influence:** Responding to consultations, contributing evidence and insight to policy development processes, and amplifying the voices of those with lived experience supported by collaborative approaches with partner organisations and community groups.
- **Legal Aid and Access to Justice:** Engaging in national discussions on the future of legal aid to ensure that access to justice is protected and strengthened.
- **Public Legal Education and Sector Capacity:** Strengthening public legal education to build legal awareness and empower communities, while enhancing the capacity of the advice and legal sector through targeted training, knowledge sharing, and collaboration.
- **Pathways into Social Justice:** Investing in traineeships and expanding volunteer opportunities to foster early interest in social justice and support the development of future social justice solicitors, advisors, and policy advocates.
- **SCIO Conversion:** Following member approval at the May 2025 AGM, our application to OSCR has been successfully submitted and accepted. We will now take forward the

LEGAL SERVICES AGENCY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

necessary steps to update our governance structure and ensure all transitional requirements are completed promptly and effectively.

- **Digital and Data Development:** Building on our digital infrastructure to improve efficiency, support data-driven decision-making, and enhance service delivery.
- **Staff Development and Retention:** Continuing to invest in our team through improved terms, flexible working models, and professional development opportunities.
- **Financial Sustainability:** Reviewing service models, identifying efficiencies, and diversifying income streams to ensure long-term stability.

We look forward to working closely with our partners and stakeholders to deliver on these priorities and to sharing the progress and learning that emerge throughout the year.

Statement of the responsibilities of the Trustees

The charity Trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the trustees to prepare financial statements 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 financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charities website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

LEGAL SERVICES AGENCY

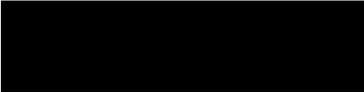
TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Trustees' statement on audit enquiries

In so far as the Trustees are aware:

- there is no relevant audit information of which the charities auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the Board of Trustees:



Trustee

Date: 16th December 2025

**LEGAL SERVICES AGENCY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS
FOR THE YEAR ENDED 31 MARCH 2025**

Qualified Opinion

We have audited the financial statements of Legal Services Agency (the 'charity') for the year ended 31st March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for Qualified Opinion

Due to the nature of the charity's accounting records, we were unable to obtain sufficient appropriate audit evidence in relation to the following:

- The valuation of work in progress in respect of legal aid funded services, having a value of £308,771 in the year to 31st March 2025 and £331,320 in the year to 31st March 2024 respectively.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**LEGAL SERVICES AGENCY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS
FOR THE YEAR ENDED 31 MARCH 2025**

Material uncertainty relating to going concern

We draw your attention to note 1 (a) in the financial statements, accounting policy in relation to going concern which indicated that the charity's budgeted income has not materialised as forecasted and costs have increased. These events and conditions indicate that there is a material uncertainty that may cast significant doubt over the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

Other information

The other information comprises the information included in the Report & Financial Statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We draw your attention to the Financial review within the Trustee's Report that discuss the WIP values.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In respect of the limitation on our work relating to the valuation of work in progress described in the basis for qualified opinion section:

- We have not obtained all the information and explanations that we considered necessary for the purpose of the audit; and
- We were unable to determine whether adequate accounting records had been maintained.

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**LEGAL SERVICES AGENCY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS FOR THE
YEAR ENDED 31 MARCH 2025**

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement on page 34, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Extent to which the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

This included obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The primary responsibility however for the prevention and detection of fraud rests with those charged with governance of the entity.

**LEGAL SERVICES AGENCY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS FOR THE
YEAR ENDED 31 MARCH 2025**

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- the nature of the charity, the environment in which it operates and the control procedures implemented by the trustees; and
- our enquiries of the trustees about their identification and assessment of the risks of irregularities.

Based on our understanding of the charity and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charity's operations; and
- The charity's memorandum & articles;

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Management bias in accounting estimates
- Posting inappropriate journal entries.

Audit response to the risks identified;

Our procedures to respond to the risks identified included the following;

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of trustees concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; evaluating rationale of any significant transactions that are unusual or outside the normal course of business.

We tested journals in the following areas:

- a) Bank
- b) Income and expenditure
- c) Accruals and deferred income
- d) Prepayments and accrued income
- e) Fixed asset additions, disposals, and depreciation

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

**LEGAL SERVICES AGENCY
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS FOR THE
YEAR ENDED 31 MARCH 2025**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/library/standards-codes-policy/audit-assurance-and-ethics/auditors-responsibilities-for-the-audit/>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance Regulation 10 of the the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Wbg (Audit) Limited, (Statutory Auditor)

Wbg (Audit) Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Date: 16th December 2025

168 Bath Street
Glasgow
G2 4TP

LEGAL SERVICES AGENCY
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2025
(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Income and endowments from:							
Donations and legacies	5	148,815	664,009	812,824	189,873	715,213	905,086
Charitable activities	6	466,367	-	466,367	500,585	-	500,585
Investments	7	7,522	-	7,522	7,827	-	7,827
Total Income		622,704	664,009	1,286,713	698,285	715,213	1,413,498
Expenditure on:							
Charitable activities	8	751,870	620,591	1,372,461	783,029	680,954	1,463,983
Total Expenditure		751,870	620,591	1,372,461	783,029	680,954	1,463,983
Net (expenditure)/income for the year		(129,166)	43,418	(85,748)	(84,744)	34,259	(50,485)
Transfers between funds		-	-	-	-	-	-
Net movement in funds		(129,166)	43,418	(85,748)	(84,744)	34,259	(50,485)
Funds reconciliation							
Total Funds brought forward	21	633,314	43,992	677,306	718,058	9,733	727,791
Total Funds carried forward	21	504,148	87,410	591,558	633,314	43,992	677,306

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

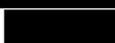
LEGAL SERVICES AGENCY

BALANCE SHEET AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets:			
Tangible assets`	13	58,735	66,142
Intangible assets	14	-	-
Total fixed assets		<u>58,735</u>	<u>66,142</u>
Current assets:			
Work in progress	15	308,771	331,320
Debtors	16	301,456	373,078
Clients' funds	17	2,553,422	2,753,752
Cash at bank and in hand	24	222,111	377,182
Total current assets		<u>3,385,760</u>	<u>3,835,332</u>
Liabilities:			
Creditors falling due within one year	18	(2,809,228)	(3,177,095)
Net current assets		<u>576,532</u>	<u>658,237</u>
Non current liabilities:			
Creditors falling due after one year	20	(43,709)	(47,073)
Net assets		<u>591,558</u>	<u>677,306</u>
The funds of the charity:			
Unrestricted funds	21	504,148	633,314
Restricted funds	21	87,410	43,992
Total Funds		<u>591,558</u>	<u>677,306</u>

Approved by the trustees on 16th December 2025 and signed on their behalf by:



Name: 

LEGAL SERVICES AGENCY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 31 MARCH 2025

	Note	2025	2024
		£	£
Cash flows from operating activities:			
Net cash (used in) operating activities	23	(149,042)	(25,723)
Cash flows from investing activities:			
Interest received		7,522	7,827
Interest paid		(9,786)	(5,187)
Purchase of tangible fixed assets		(998)	(34,958)
Provided by/(used in) investing activities		2,157	(32,318)
Cash flows from financing activities:			
Loans repaid		(3,162)	-
Loans received		-	50,000
Net cash (used in) / provided by financing activities		(3,162)	50,000
Change in cash and cash equivalents in the year		(155,466)	(8,041)
Cash and cash equivalent brought forward	24	373,465	381,506
Cash and cash equivalents carried forward	24	217,999	373,465

Analysis of net debt	1 April 2024	Cash Flow	31 March 2025
	£	£	£
Cash at bank and in hand	377,182	(155,071)	222,111
Bank overdrafts	(3,717)	(395)	(4,112)
Borrowings:			
Loans due within one year	(2,927)	(202)	(3,129)
Loans due after one year	(47,073)	3,364	(43,709)
	323,465	(152,304)	171,161

Analysis of net debt	1 April 2023	Cash Flow	31 March 2024
	£	£	£
Cash at bank and in hand	381,506	(4,324)	377,182
Bank overdrafts	-	(3,717)	(3,717)
Borrowings:			
Loans due within one year	-	(2,927)	(2,927)
Loans due after one year	-	(47,073)	(47,073)
	381,506	(58,041)	323,465

LEGAL SERVICES AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity are defined by FRS 102.

The financial statements are presented in Sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Material uncertainty relating to going concern

In preparation of these financial statements the Trustees recognise that given the assumptions involved in the budgeted projections of the charity, as at the date of signing these financial statements a material uncertainty exists that may cast doubt on the charitable company's ability to continue as a going concern.

In preparation of these financial statements the Board of Directors has reviewed the organisation's cash flow forecast for the next 12 months and acknowledges the continued financial pressures facing the organisation. Anticipated funding for the current financial year has not materialised as expected, and projected income has also been lower than forecast, reflecting wider sector challenges. In addition, the rising cost of living has increased the cost-of-service delivery, further impacting financial sustainability. This position is compounded by the organisation's reliance on static and annual renewal of grant funding, which limits flexibility in responding to financial pressures. In response, the Board is actively reviewing costs, implementing measures to reduce expenditure, and considering a staffing restructure. At the same time, efforts are being intensified to diversify funding streams and explore additional income-generating activities.

While these actions provide some reassurance, the Board recognises that material uncertainties remain regarding the organisation's ability to maintain its financial position. Noting those uncertainties but based on current plans and ongoing monitoring of financial performance, the Directors consider it appropriate to adopt the going concern basis of accounting. The organisation's financial position and cash flow will continue to be closely monitored to ensure that liabilities can be met as they fall due. Further steps will be taken as required to safeguard the organisation's financial sustainability.

(b) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

LEGAL SERVICES AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting Policies (continued)

Further details of each fund are disclosed in note 21.

(c) Income recognition

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Fees charged are recognised when the service is provided and an invoice is issued to a client. See note (h) for details of the treatment of work in progress elements of fees.

Seminar income is recognised once the charity becomes entitled to the income, once the event has taken place and the services have been delivered.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Income received in advance of the provision of a specified service deferred until the criteria for income recognition are met.

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below.

Expenditure on charitable activities includes direct costs of activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against charitable activities.

LEGAL SERVICES AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting Policies (continued)

(e) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and consultancy fees for advice on charity structure.

(f) Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation is charged as follows:

	Basis
Fixtures and fittings	15% reducing balance
Computer equipment	25% straight line
Leasehold Improvements	Life of lease (10 years)

(g) Intangible asset and amortisation

Website costs are capitalised and amortised over a useful life of 3 years.

(h) Work in progress

Work in progress is valued on the basis of time recorded and/or scale charges as defined by the Legal Aid authorities, and the carrying value of the asset is recognised in net income/(expenditure) for the year.

(i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

(m) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

LEGAL SERVICES AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

2. Judgements and key sources of estimation uncertainty (continued)

(n) Taxation

The charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

(o) Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2. Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A key judgement exercised by Trustees during the reporting period is the provision for under recovery of Work in Progress. This estimate is based on the historical knowledge and experience of the key management personnel.

Further judgements made by Trustees included in the accounts are:

Depreciation of fixed assets

Fixed assets are depreciated over the useful life of the assets. The useful life of fixed assets are based on the knowledge of senior management, with reference to the expected life cycle of the assets.

Bad Debt Provision

Trade debtors are reviewed by appropriately experienced senior management on a case by case basis with the balance outstanding and aging of the debtor taken into consideration

3. Legal status of the Charity

Legal Services Agency is registered as a Scottish Charitable Incorporated Organisation (SCIO) with the Office of the Scottish Charity Regulator. The charity converted to an SCIO on 8th July 2025.

LEGAL SERVICES AGENCY**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025****4. Related party transactions and trustees' expenses and remuneration**

There is no Trustees' remuneration to note during the year ended 31 March 2025.

No trustee nor any person connected with them received any remuneration during the year.

Expenses paid to the trustees in the year totalled Nil (2024: Nil).

5. Income from donations and legacies

	2025	2024
	£	£
Donations	18	276
Membership subscriptions	658	1,450
Grants	812,148	903,360
	<u>812,824</u>	<u>905,086</u>

6. Income from charitable activities

	2025	2024
	£	£
Provision of Legal Aid & Training	466,367	500,585
	<u>466,367</u>	<u>500,585</u>

7. Investment income

	2025	2024
	£	£
Interest on cash deposits	<u>7,522</u>	<u>7,827</u>
	<u>7,522</u>	<u>7,827</u>

8. Analysis of expenditure on charitable activities

	Provision of Legal Aid & Training £	2025 Total £
Staff Costs	1,025,566	1,025,566
Premises costs	107,576	107,576
Running costs	193,063	193,063
Motor & travel costs	1,193	1,193
Legal & professional fees	11,452	11,452
Interest & finance charges	9,786	9,786
Depreciation	8,405	8,405
Governance costs (note 9)	15,420	15,420
	<u>1,372,461</u>	<u>1,372,461</u>

LEGAL SERVICES AGENCY**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025****8. Analysis of expenditure on charitable activities (continued)**

	Provision of Legal Aid & Training £	2024 Total £
Staff Costs	1,020,655	1,020,665
Premises costs	142,763	142,763
Running costs	259,456	259,456
Motor & travel costs	1,892	1,892
Legal & professional fees	12,644	12,644
Interest & finance charges	5,187	5,187
Practicing certificate fees	3,280	3,280
Depreciation	6,531	6,531
Governance costs (note 9)	11,565	11,565
	<u>1,463,983</u>	<u>1,463,983</u>

9. Governance costs

	2025 £	2024 £
Auditors remuneration – external audit	15,420	11,565
	<u>15,420</u>	<u>11,565</u>

Governance costs are allocated wholly to expenditure on charitable activities.

10. Analysis of staff costs and remuneration of key management personnel

	2025 £	2024 £
Wages costs	889,876	879,186
Social security costs	80,922	83,553
Pension costs	50,918	51,691
Total staff costs	<u>1,021,716</u>	<u>1,014,430</u>

	2025 No.	2024 No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	<u>30</u>	<u>31</u>

The number of employees whose emoluments exceeded £60,000 were:

	2025	2024
£70,000 - £79,999	<u>1</u>	<u>1</u>

	2025 £	2024 £
Key management personnel remuneration	<u>309,894</u>	<u>292,977</u>

LEGAL SERVICES AGENCY**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025****11. Net expenditure for the year**

	2025	2024
This is stated after charging:		
	£	£
Depreciation charges	8,405	6,531
Auditor's remuneration:		
Auditors remuneration – audit	15,420	11,565
Auditors remuneration – Law Society work	3,280	3,280
Interest payable	9,786	5,902
Rent payable under operating leases	<u>48,038</u>	<u>68,455</u>

12. Government Grants

	2025	2024
	£	£
Inverclyde Council – Housing Rights	55,000	55,000
Scottish Government – In Court Advice Desk	108,526	108,526
Glasgow City Council – Glasgow Communities Fund	176,955	177,552
Scottish Government – Paisley CAB	19,212	19,212
Scottish Government – Equality Human Rights Fund	137,157	137,157
Scottish Government – Power of Attorney	-	94,173
Scottish Government – Wellbeing Fund	-	10,000
The Big Lottery Fund	60,000	-
Scottish Government – In Court Advice Desk including Dumbarton	<u>108,526</u>	<u>-</u>
Total	<u>744,376</u>	<u>601,620</u>

At the year end there were no unfulfilled conditions or contingencies related to these grants (2024: None).

13. Tangible Fixed Assets

	Computer Equipment £	Leasehold Improvements £	Furniture & Fittings £	Total £
Cost or valuation				
At 1 April 2024	15,191	34,958	261,621	311,770
Additions	-	998	-	998
Disposals	-	-	(229,563)	(229,563)
At 31 March 2025	<u>15,191</u>	<u>35,956</u>	<u>32,058</u>	<u>83,205</u>
Depreciation				
At 1 April 2024	15,191	874	229,563	245,628
Charge for the year	-	3,596	4,809	8,405
On disposals	-	-	(229,563)	(229,563)
At 31 March 2025	<u>15,191</u>	<u>4,470</u>	<u>4,809</u>	<u>24,470</u>
Net book value				
At 31 March 2025	<u>-</u>	<u>31,486</u>	<u>27,249</u>	<u>58,735</u>
At 1 April 2024	<u>-</u>	<u>34,084</u>	<u>32,058</u>	<u>66,142</u>

At 31 March 2025, all fixed assets were used for charitable purposes.

LEGAL SERVICES AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

14. Intangible Assets

	Website £	Total £
Cost or valuation		
At 1 April 2024 and 31 March 2025	11,400	11,400
Amoritisation		
At 1 April 2024 and 31 March 2025	11,400	11,400
Net book value		
At 1 April 2024 and 31 March 2025	-	-

15. Work in Progress

	2025 £	2024 £
Work in Progress	308,771	331,320
	<u>308,771</u>	<u>331,320</u>

16. Debtors

	2025 £	2024 £
Trade debtors	123,342	130,503
Prepayments & Accrued Income	44,536	31,756
Other debtors	133,578	210,819
	<u>301,456</u>	<u>373,078</u>

17. Client's funds

	2025 £	2024 £
Client Funds	2,553,422	2,753,752
	<u>2,553,422</u>	<u>2,753,752</u>

LEGAL SERVICES AGENCY**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025****18. Creditors: amounts falling due within one year**

	2025	2024
	£	£
Bank overdraft	4,112	3,717
Client funds	2,682,999	2,962,676
Trade creditors	18,963	18,390
Accruals	39,616	57,017
Deferred income (note 19)	18,004	97,262
Tax & social security	42,405	35,106
Loan	3,129	2,927
	<u>2,809,228</u>	<u>3,177,095</u>

19. Deferred Income

	2025	2024
	£	£
Balance as at 1 st April	97,262	140,597
Released during year	(97,262)	(140,597)
Deferred during year	18,004	97,262
Balance as at 31 st March	<u>18,004</u>	<u>97,262</u>

Deferred income comprises funding received in advance for projects in the 25/26 year.

20. Creditors: amounts falling due after one year

	2025	2024
	£	£
Due between one and two years:		
Loan	11,960	14,937
	<u>11,960</u>	<u>14,937</u>
Due between two and five years:		
Loan	31,749	32,136
	<u>31,749</u>	<u>32,136</u>

The loan is repayable over a 10 year period by monthly instalments as set out by the loan agreement. Interest is charged on the loan at a rate of 12% per annum.

The long-term loans are secured by fixed and floating charges over the charity's assets.

LEGAL SERVICES AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

21. Analysis of charitable funds

Analysis of Fund movements 2025	Balance b/fwd £	Income £	Expenditure £	Transfers £	Funds c/fwd £
Unrestricted funds					
Fixed Asset Fund	66,142	-	8,405	998	58,735
Total designated funds	66,142	-	8,405	998	58,735
General funds	567,172	622,704	743,465	(998)	445,413
Total unrestricted funds	633,314	622,704	751,870	-	504,148
Restricted funds					
Inverclyde Project	-	55,000	55,000	-	-
Housing & General Court Team	-	300,810	300,810	-	-
Equality & Human Rights Project	29,592	137,157	135,352	-	31,397
Employment Law	2,476	63,832	66,308	-	-
Frontline	11,924	107,210	63,121	-	56,013
Total restricted funds	43,992	664,009	620,591	-	87,410
TOTAL FUNDS	677,306	1,286,713	1,372,461	-	591,558

Analysis of Fund movements 2024	Balance b/fwd £	Income £	Expenditure £	Transfers £	Funds c/fwd £
Unrestricted funds					
Fixed Asset Fund	37,715	-	(6,531)	34,958	66,142
Total designated funds	37,715	-	(6,531)	34,958	66,142
General funds	680,343	698,285	(776,498)	(34,958)	567,172
Total unrestricted funds	718,058	698,285	(783,029)	-	633,314
Restricted funds					
Inverclyde Project	-	55,000	(55,000)	-	-
Housing & General Court Team	-	306,083	(306,083)	-	-
Mental Health Financial Guardianship (Lothian)	-	51,781	(51,781)	-	-
Equality & Human Rights Project	2,157	137,157	(109,722)	-	29,592
Employment Law	7,576	68,000	(73,100)	-	2,476
Frontline	-	97,192	(85,268)	-	11,924
Total restricted funds	9,733	715,213	(680,954)	-	43,992
TOTAL FUNDS	727,791	1,413,498	(1,463,983)	-	677,306

The Trustees have created the following designated funds:

Fixed Asset Fund – this represents funds tied up in fixed assets owned by the charity.

LEGAL SERVICES AGENCY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

21. Analysis of charitable funds (continued)

Restricted funds comprise;

Inverclyde Project: The provision of housing and advice services including the prevention of eviction.

Housing & General Court Team: Tackling inequality and disadvantage in housing and welfare including homelessness and support of vulnerable individuals and those in need.

Mental Health Financial Guardianship: Financial guardians assisting in the management of finances and assets for clients.

Equality & Human Rights Project: Tackling inequality and disadvantage in housing and welfare including homelessness and support of vulnerable individuals and those in need.

Employment Law: Developing and delivering an employment rights support service that will provide direct support to affected individuals, whilst also developing a more robust community of practice nationally.

Frontline: For use on St Martin's Charity Frontline Fund service delivery activities only as laid out, empowering people experiencing homelessness to secure and keep a safe place to live.

22. Net assets over funds

	Unrestricted Funds £	Restricted Funds £	Total 2025 £
Fixed assets	58,735	-	58,735
Work in Progress	308,771	-	308,771
Debtors	301,456	-	301,456
Cash	2,688,123	87,410	2,775,533
Creditors < 1yr	(2,852,937)	-	(2,852,937)
	<u>504,148</u>	<u>87,410</u>	<u>591,558</u>

LEGAL SERVICES AGENCY**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025****22. Net assets over funds (continued)**

	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Fixed assets	66,142	-	66,142
Work in Progress	331,320	-	331,320
Debtors	373,078	-	373,078
Cash	3,086,942	43,992	3,130,934
Creditors < 1yr	(3,224,168)	-	(3,224,168)
	<u>633,314</u>	<u>43,992</u>	<u>677,306</u>

23. Reconciliation of net income to net cash flow from operating activities

	2025 £	2024 £
Net expenditure for the year (as per the Statement of Financial Activities)	(85,748)	(50,485)
Adjustments for:		
Interest payable	9,786	5,187
Other Financing Income	(7,522)	(7,827)
Depreciation of tangible assets	8,405	6,531
Decrease in work in progress	22,549	49,270
Decrease/(Increase) in debtors	71,622	(65,116)
Decrease in funds held for clients	200,330	178,516
(Decrease) in creditors	<u>(368,464)</u>	<u>(141,799)</u>
Net cash (used in) Operating Activities	<u>(149,042)</u>	<u>(25,723)</u>

24. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	222,111	377,182
Bank overdrafts	<u>(4,112)</u>	<u>(3,717)</u>
	<u>217,999</u>	<u>373,465</u>

LEGAL SERVICES AGENCY**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025****25. Operating Lease Commitments**

At the reporting date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Property		Other	
	2025	2024	2025	2024
	£	£	£	£
Under 1 year	37,130	37,130	13,511	17,807
Between 2 and 5 years	89,640	119,520	12,512	17,012
Lease which expires in greater than 5 years	141,930	149,400	3,042	-
	<u>268,700</u>	<u>306,050</u>	<u>29,065</u>	<u>34,819</u>