

**ISLAND ADVICE CENTRE**  
**(A company limited by guarantee)**  
**(Registered No.: 03375266)**  
**(Charity No.: 1076857)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**MYRUS SMITH**  
**Chartered Accountants**  
  
**Norman House**  
**8 Burnell Road**  
**Sutton, Surrey**  
**SM1 4BW**

**ISLAND ADVICE CENTRE**  
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**ISLAND ADVICE CENTRE**  
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**TRUSTEES' ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2023**

The trustees present their report and financial statements for the year ended 31 March 2023.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Charity name and registration numbers**

Name: Island Advice Centre  
Company No: 03375266  
Charity No: 1076857

**Board of Trustees**

Katherine Wilson	Chair
Shabnam Sharmin	Treasurer
Steve Lake	
Chris Parsons	
Thomas Siggers	
Simon Lanaria	Resigned 17.11.22
Godline Pushparajan	
Stephanie Dickinson	

**Centre Manager**

Sarah Sauvat

**Registered Office and Principal Address**

Island House  
Roserton Street  
London  
E14 3PG

**Auditor**

Myrus Smith, Chartered Accountants and Statutory Auditors  
Norman House  
8 Burnell Road  
Sutton, Surrey  
SM1 4BW

**ISLAND ADVICE CENTRE**  
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**TRUSTEES' ANNUAL REPORT**

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## **OBJECTIVES AND ACTIVITIES**

### **Main objective and mission**

The main objective and mission of Island Advice Centre (Island Advice) is to provide free housing, debt, welfare, and generalist advice to poor persons resident in Tower Hamlets and nearby areas; to provide an accessible service in terms of location, disability, and language; and to provide home visits to persons with disabilities.

Advice is given by suitably qualified advisers who are paid and by volunteers who are attending the Volunteer Training Project.

### **Main activities**

To deliver its objective and mission, Island Advice offers one-off advice and information, casework including representation at court and tribunals, training and placements for advice volunteers, and peer support to other front-line advice agencies.

Services are provided through:

- Weekly drop in sessions
- Telephone advice service
- Housing and debt clinics by appointment
- Specialist advice and casework in welfare rights, housing & debt
- Disability benefits tribunal representation
- Outreach advice sessions at GP surgeries, East London Advanced Technology Training (ELATT), and Bromley by Bow Centre
- Development of capacity building, networking and information sharing, a referral-led network (THCAN)
- Advice work training and the accredited course Learning to Advise
- Administrative and advice volunteer opportunities
- NVQ Assessment in Advice & Guidance Level 3 & 4

## **OUR ADVICE AND CASEWORK**

The advisers at Island Advice aim to take a holistic approach to client issues and will make referrals to specialist advisers within Island Advice or to other agencies, where appropriate, to help the client fully resolve their problems. This may include digital inclusion, money management, ESOL classes, health related groups, solicitors, and / or other support.

During the year, the demands for the organisation's services related to welfare benefits (46%), housing (27%), debt (18%), financial capability (5%), and other generalist advice (4%).

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**TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2023  
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## **Welfare Benefits**

Our advisers deal with hundreds of enquiries a year including advice about entitlement to benefits, "better off calculations", incorrect decisions, reviews, mandatory reconsiderations, appeals and tribunal hearings. Our work mainly consists of increasing peoples' income through advice and support, by helping them to access their legal rights relating to their entitlement(s) and local support provision often involving disputing incorrect decisions, requiring complex casework and representation at tribunal hearings.

In 2022/23, Universal Credit (UC) remains the greatest type of enquiry, especially in regard to additional entitlement elements and the financial implications of missing out on any element which may become retrospectively due following reconsideration and appeals. Another UC area of high demand was related to inaccurate housing element calculations due to the breakdown of relationships and associated untidy tenancies.

We continued to see an increase in residents requiring help with applications for disability benefits, including Personal Independence Payment (PIP), Disability Living Allowance (DLA), Attendance Allowance (AA) and Limited Capability for Work assessments; often due to the current award becoming due for review. As award reviews have resumed, mandatory reconsideration and appeals demand has increased. The length of time between lodging appeals to 1st tier tribunal and hearing date has returned to pre pandemic time. Face to face hearings have now resumed; we currently support a minimum of 5/6 individuals at tribunal appeals per month on average.

## **Housing**

The housing crisis in London is becoming more and more evident each year, and as a result, the demand for housing advice continues to grow.

The poor living conditions within social housing have become more prevalent, and Island Advice had a considerable increase in requests from vulnerable clients suffering from these conditions. This was especially true for social tenants, who experienced issues due to overcrowding and/or medical conditions and disrepairs.

As more residents became eligible to claim Universal Credit, we found that its administration often puts renters in further hardship as the payments cycle leads to arrears, and the deduction for arrears is governed by Universal Credit. Furthermore, the assessments do not always consider previous court orders or do not honour payment orders. As noted previously, untidy tenancy issues especially in cases of relationship breakdowns or bereavement often lead to miscalculation in housing costs entitlement.

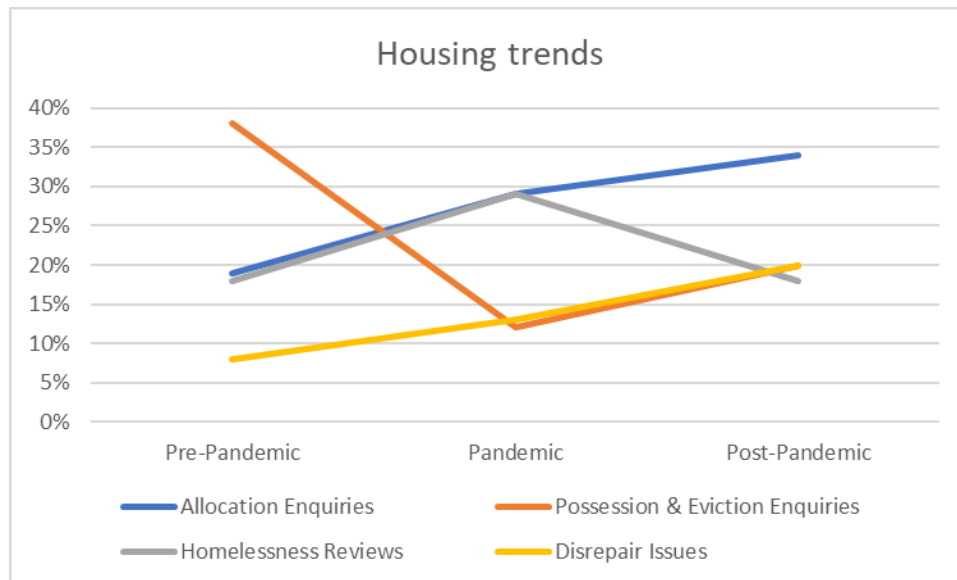
The cost-of-living crisis led to considerable rent increases in the private sector and increases in service charges in the social housing sector. No-fault evictions and repossession proceedings due to increasing levels of rent arrears are resuming and likely will exceed pre-pandemic level next year.

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**FOR THE YEAR ENDED 31 MARCH 2023**  
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The table below shows the recent trends in our housing work:



## **Debt**

Island Advice Centre is a licensed debt advice provider which provides specialist debt casework. Our experienced caseworker is CertMAP qualified and an approved intermediary for Debt Relief Order (DRO) applications.

Over the last year, we continued to offer advice in debt matters including rent arrears, council tax arrears, utility debts, benefits overpayments, and non-priority debts such as credit cards and loan.

Our debt advice approach is holistic, and our casework is extensive. We ensure we go beyond the presenting point and address all underlying issues including ensuring income maximization is considered and liability issues are explored.

## **Financial Capability**

With the current benefit cuts and the high costs of living, managing everyday bills have become difficult for many clients whose finances have been stretched to the limit. With the help of the Thames Water Assistance Fund, Island Advice has continued to play a vital role in helping Thames Water customers who are struggling to pay their utility bills. We have also been able to assist clients to reduce their bills through financial capability intervention, and we have helped them access discounts and assistance funds.

Our most destitute clients have received emergency fuel and food vouchers and grants for essentials goods during period of crisis, alongside assistance with their welfare rights matters.

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**TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2023  
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The Thames Water project, integrated with our debt casework, has enabled many clients to obtain assistance with insolvency fees (for DRO or Bankruptcy) which they would otherwise not be able to pay.

## **OUR OUTREACH SERVICES**

### **Tower Hamlets Connect**

A consortium, led by Age UK, continued delivering advice services in GP surgeries. As partners of this consortium, we delivered advice sessions across six GP Surgeries.

City Square Medical Group	Monday (fortnightly), 9am to 12 noon
Spitalfields Practice	Every Monday, 1pm to 4pm
Chrisp Street Health Centre	Every Tuesday, 9am till 12 noon
The Barkantine Practice	Wednesdays (fortnightly), 9am to 12 noon
Island Health	Every Wednesday, 1pm till 4pm
Wapping Group Practice	Every Friday, 9am to 12 noon

These services help relieve pressures on GPs and other health professionals in busy health centres.

### **East London Advanced Technology Training (ELATT)**

Island Advice provides weekly term-time advice sessions to ELATT students during the academic year to help them resolve benefits, housing, debt, and other issues of concern. This relieves some pressure on students and supports them to complete their course of studies.

### **Tower Hamlets Community Advice Network (THCAN)**

Island Advice leads the Tower Hamlets Community Advice Network, which is a partnership of local advice centres that work together to ensure Tower Hamlets residents have access to free, high-quality advice and representation in social welfare law (welfare benefits, debt, housing, employment, immigration, etc).

Through THCAN, Island Advice provides:

- [www.thcan.org.uk](http://www.thcan.org.uk) website which has information on advice providers, factsheets, and local organization contact details
- a referrals portal
- peer support and file reviews
- welfare rights forums
- volunteer placements
- trainings and workshops
- City & Guilds NVQ's Level 3 & 4 in Advice & Guidance
- steering group meetings
- newsletters

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**TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2023  
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## **OUR TRAINING AND EDUCATION OFFER**

### **Volunteer Training Project and Learning to Advise Certificate**

Volunteers are one of Island Advice's most valuable assets; they help to deliver the much-needed advice services we provide.

Through our Volunteer Training Project, training and development opportunities are provided for volunteers and front-line workers in view of developing their skills and knowledge and completing the Learning to Advise Course alongside relevant work experience.

This enables many of our volunteers to move into employment. In the 2022 / 2023 cohort, 15 people completed and received their Learning to Advise certificate. These 15 were from various organisations, including Bromley by Bow Centre, Island Advice Centre (3), Island House, Limehouse Project (2), Poplar HARCA, Praxis (3), St Hildas, Tower Hamlets Carers Centre, and Tower Hamlets Homes (2).

### **Advice Work Training Workshops**

Island Advice also delivered 12 advice work training workshops relating to benefits appeals, housing issues, benefits overview, immigration, and employment. A total of 178 participants attended these sessions.

### **City and Guilds NVQ in Advice & Guidance**

A further 11 individuals completed City & Guilds NVQ in Advice & Guidance level 3 or 4 during the year 2022/23 while working in local advice centres including First Love Foundations, Bromley By Bow Centre, Account 3 and Island Advice Centre.

In Collaboration with Bromley Insights, Island Advice Centre delivered the first training course/cohort of specialist/hybrid Advice-Social Prescribing Link Workers in the UK.

The hybrid social welfare advice–social prescribing link worker has been developed in a number of areas in England, including several London boroughs as a response to the need to provide social welfare advice to social prescribing clients in the face of a severe shortage of welfare advice on the high street. Beyond being a pragmatic response to unmet need, it is also seen by some as a more holistic and effective model, as it means that social prescribing patients with less complex welfare rights issues can be seen by one person, who provides both the normal link worker role support and generic social welfare advice on basic social welfare issues.

Island Advice Centre

- delivered the 19 Learning to Advise Accredited Courses to 15 Pan London Social prescribers,
- provided 6 Q&A remote sessions where social prescribers could ask questions about patients and when/where to refer, and
- Assessed 9 Social Prescribers-Link Workers for NVQ level 3 in City & Guilds Advice and Guidance.



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**TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2023  
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## **HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT**

The trustees, when exercising any powers or duties relating to how the organisation undertakes its work and spends the resources it raises always have due regard to the Charity Commission's public benefit guidance.

Our charitable activities focus on the provision of free advice and advocacy to residents of Tower Hamlets and surrounding areas. We incorporate the help of local volunteers both in our management committee and service delivery. Therefore, the public benefit is twofold:

- Firstly, by helping those in need to secure their statutory rights and entitlements and empowering them through awareness and support. Without this support many of our clients would suffer or continue to suffer various issues which are detrimental to their well-being and the well-being of those under their care.
- Secondly, through our volunteering opportunities, we up-skill residents and give them the experience and skills needed to enter the job market and participate in the local and wider economy. Many of our volunteers move on to paid employment both in the advice sector and in other areas.

## **ACHIEVEMENTS AND PERFORMANCE**

During the year, Island Advice assisted over 2,000 clients and achieved almost £2 million in positive outcomes for clients. The following tables show the details of this support.

<b>Welfare rights</b>	
Number of clients assisted	908
Appeals success rate	84.6%
Confirmed annual increase in income	£385,942
Confirmed backdated benefits gained	£38,841
Projected annual increase in income	£695,339
Projected annual Other Gain	£24,075
Total Financial Benefits	£1,144,197

<b>Housing</b>	
Number of clients assisted	662
Casework success rate	74%
Financial Outcome (benefits gain and compensation)	£144,615

<b>Debt</b>	
Number of clients assisted	472
Amount of income maximized	£56,091
Amount of debt written off	£279,541
Amount of debt managed	£230,656
Insolvency procedures carried out on behalf of clients	21 Breathing Space 11 Debt relief Order 2 Bankruptcies

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**TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2023  
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<b>Financial Capability</b>	
Number of clients assisted	251
Total debt written off	£15,576
Amount of bills reduced through income maximization	£22,975

<b>Generalist Advice Only</b>	
Number of clients assisted	147
Projected annual increase in income	£47,489

## **THE YEAR 2022 / 2023**

### **Returning to a New Normal Post Pandemic**

Since April 2022, Island Advice offered face-to-face appointments by default, but residents always have the choice to have telephone or digital consultation if this is their preference.

Training and workshop are now delivered via a mixture of face to face and digital means.

### **Cost of Living Crisis**

By October 2022 'cost of living' had become one of the most popular Google search terms in the UK – and affected us all.

Island Advice continued to be committed to support our residents during challenging times and to work to tackle the cost-of-living crisis for our clients. Unfortunately, poverty has been something our clients have always faced, but as more people face financial crisis, our support is even more crucial to assist them, particularly those that are the most vulnerable and destitute.

## **FINANCIAL REVIEW**

### **Principal Funding Sources**

Island Advice relies on charitable grants and statutory funding for its income. The organisation has an ongoing strategy of applying for any available grants targeted for the provision of social welfare law advice from large statutory funders as well as smaller trusts and foundations. The principal funding sources in this year were the London Borough of Tower Hamlets, Trust for London, Social Action for Health, The Children's Society, and City Bridge Trust; other funders included the London Legal Support Trust, Wakefield and Tetley, East End Community Foundation, Thames Water Trust, and Access to Justice. At the end of the reporting period the organisation was operating at a surplus.

### **Reserves policy**

Trustees have established that in order to fulfil their responsibilities to staff and to minimise the risk of any breach of statute or organisational duty the organisation should hold sufficient funds in reserve to meet the full running costs for three months. Reserves will be built up from unrestricted funds and the level of reserves will be reviewed annually by the Board.

The total unrestricted funds at the year end were £116,981 (2022 : £118,731).

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**TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2023  
/contd....

**Investment policy**

Any surplus funds will be held in low risk, secure investments such as the charities deposit fund run by CCLA Investment Management Ltd. Additionally the organisation uses an interest-bearing current account in order to maximise the value of any cash held.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Directors of the company are also the Trustees of the charity. The charity's governing document is a memorandum and articles of association dated 23rd May 1997 and updated on 29th June 1999.

Island Advice Centre is a registered charity and a company limited by guarantee.

**Trustee appointment and training**

Trustees are elected at the organisation's AGM. In addition, the board may, at its discretion, make appointments to the Board between AGMs. The Board endeavours to ensure that its membership covers a wide range of experience and skills and that the backgrounds of the members of the Board reflect a balance that is appropriate to the charity's mission and activities. New trustees are provided with appropriate information and access to relevant training.

**Organisational structure**

Operational management of the organisation is delegated to the Centre Manager who takes overall responsibility for the day to day running of the organisation, planning and strategy, and implementing the directions of the Board. The Centre Manager is part of a senior management team that includes the volunteer co-ordinator and housing, debt and welfare benefits advice supervisors.

**Involvement of volunteers**

The board of trustees are volunteers drawn from the local community, the business sector, other voluntary sector organisations and ex- advice staff and volunteers. The organisation also uses local community volunteers and law students to assist in the delivery of advice services and to carry out administrative support.

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**TRUSTEES' ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2023**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also directors of Island Advice Centre for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's 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.

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

**AUDITOR**

A resolution proposing the re-appointment of Myrus Smith as auditor to the company will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on  
behalf, by

30/1/24

and signed on its



Stephanie Dickinson  
Trustee

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:

## **ISLAND ADVICE CENTRE (A company limited by guarantee)**

FOR THE YEAR ENDED 31 MARCH 2023

### **Opinion**

We have audited the financial statements of Island Advice Centre (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet and 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 the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, 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 Companies Act 2006.

### **Basis for opinion**

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 charitable company 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 opinion.

### **Conclusions relating to going concern**

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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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 trustees' annual report, 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:

### **ISLAND ADVICE CENTRE (A company limited by guarantee)**

FOR THE YEAR ENDED 31 MARCH 2023

In connection with our audit of the financial statements, 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 have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement (set out on page 10), the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:

### **ISLAND ADVICE CENTRE (A company limited by guarantee)**

FOR THE YEAR ENDED 31 MARCH 2023

#### **Auditor's responsibilities for the audit of the financial statements**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:

**ISLAND ADVICE CENTRE**  
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FOR THE YEAR ENDED 31 MARCH 2023

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Jones FCA (Senior Statutory Auditor)  
For and on behalf of Myrus Smith  
Chartered Accountants and Statutory Auditors  
Norman House  
8 Burnell Road  
Sutton, Surrey  
SM1 4BW

2024



**ISLAND ADVICE CENTRE**  
**(A company limited by guarantee)**

STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<b>Income from:</b>					
Donations and legacies	2	-	-	-	10,188
Charitable activities	3	93,333	315,232	408,565	356,456
Investments	4	768	-	768	18
<b>Total</b>		<u>94,101</u>	<u>315,232</u>	<u>409,333</u>	<u>366,662</u>
<b>Expenditure on:</b>					
Charitable activities	5	<u>86,957</u>	<u>308,202</u>	<u>395,159</u>	<u>373,433</u>
<b>Total</b>		<u>86,957</u>	<u>308,202</u>	<u>395,159</u>	<u>373,433</u>
<b>Net income/(expenditure)</b>	8	7,144	7,030	14,174	(6,771)
Transfers between funds	14	<u>(8,894)</u>	<u>8,894</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>	14	<u>(1,750)</u>	<u>15,924</u>	<u>14,174</u>	<u>(6,771)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward	14	<u>118,731</u>	<u>6,040</u>	<u>124,771</u>	<u>131,542</u>
<b>Total funds carried forward</b>	14	<u>£116,981</u>	<u>£21,964</u>	<u>£138,945</u>	<u>£124,771</u>

All income and expenditure derive from continuing activities.

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

The notes form part of the financial statements.

**ISLAND ADVICE CENTRE**  
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**(Company No: 03375266)**

**BALANCE SHEET**

AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets	11	-	-
<b>CURRENT ASSETS</b>			
Debtors	12	63,667	44,774
Cash at bank and in hand		126,580	120,851
		<u>190,247</u>	<u>165,625</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	<u>51,302</u>	<u>40,854</u>
<b>NET CURRENT ASSETS</b>		<u>138,945</u>	<u>124,771</u>
<b>NET ASSETS</b>	15	<u><u>£138,945</u></u>	<u><u>£124,771</u></u>
<b>FUNDS</b>			
Restricted	14	21,964	6,040
Unrestricted	14	<u>116,981</u>	<u>118,731</u>
	14	<u><u>£138,945</u></u>	<u><u>£124,771</u></u>

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The financial statements were approved by the Board of Trustees on 30/1/24 and signed on its behalf by:



Stephanie Dickinson  
Trustee

The notes form part of the financial statements.

**ISLAND ADVICE CENTRE**  
**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

**1. ACCOUNTING POLICIES**

**General information and basis of accounting**

Island Advice Centre is a registered charity (no. 1076857) and a private company (no. 03375266) limited by guarantee, registered in England and Wales. Each member is liable to contribute an amount not exceeding £1 in the event of the charitable company being wound up. The registered office is given in the Trustees' Annual Report on page 1.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis and under the historical cost convention. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

**Incoming resources**

Items of income are recognised in the financial statements when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Where grants are awarded over a specified or implied timeframe, the income is recognised evenly over the grant period. A contingent asset is disclosed for the unrecognised amount of multi-year grants.

**Resources expended**

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably.

Expenditure is allocated to each activity where the costs relate directly to that activity. Support costs, including governance costs, that do not relate directly to any activity are apportioned to each activity on the basis of staff time.



**ISLAND ADVICE CENTRE**  
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023  
/contd...

4. INVESTMENT INCOME	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
Bank interest	£768	£Nil	£768	£18

All of the £18 recognised in 2022 was unrestricted funds.

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES	Direct Costs £	Support Costs £	Total 2023 £	Total 2022 £
Staff costs	267,935	52,659	320,594	307,424
Direct project costs	7,805	-	7,805	6,981
Subscriptions and insurance	-	5,757	5,757	1,998
Stationery and postage	-	4,278	4,278	5,289
Payroll services	-	450	450	665
Premises costs	-	21,583	21,583	19,803
Publications	-	422	422	-
Computer expenses	-	4,798	4,798	-
Volunteers' expenses	449	-	449	315
Staff and volunteer training and recruitment	-	2,536	2,536	5,527
Sundry expenses	-	686	686	20
Telephone and internet	-	4,093	4,093	9,021
Travelling costs	-	37	37	-
Professional fees	-	6,633	6,633	6,288
Bookkeeping and Finance	-	3,702	3,702	-
NVQ assessors fees	7,139	-	7,139	5,758
Governance costs (note 7)	-	4,197	4,197	4,344
	<u>£283,328</u>	<u>£111,831</u>	<u>£395,159</u>	<u>£373,433</u>

Of the £373,433 expenditure recognised in 2022, £65,298 was charged to unrestricted funds and £308,135 was charged to restricted funds.

6. EXPENDITURE ON CHARITABLE ACTIVITIES	Direct Costs £	Support Costs £	Total 2023 £	Total 2022 £
Specialist casework	102,057	44,496	146,553	157,253
Advice volunteer training	67,761	21,208	88,969	75,803
Generalist advice provision	113,510	46,127	159,637	140,377
	<u>£283,328</u>	<u>£111,831</u>	<u>£395,159</u>	<u>£373,433</u>

**ISLAND ADVICE CENTRE**  
**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023  
/contd...

<b>7. GOVERNANCE COSTS</b>	2023 £	2022 £
Staff costs	2,397	2,204
Auditor's remuneration	1,800	2,140
	<u>£4,197</u>	<u>£4,344</u>
<b>8. NET INCOME/(EXPENDITURE)</b>	2023	2022
The net expenditure for the year is stated after charging:		
Auditor's remuneration	£1,800	£2,140
Operating lease rentals	<u>£15,625</u>	<u>£14,620</u>
<b>9. STAFF COSTS</b>	2023 £	2022 £
Wages and salaries	279,492	269,957
Social security	22,911	19,335
Pension costs	20,588	20,336
	<u>£322,991</u>	<u>£309,628</u>
	2023 No.	2022 No.
Average number of full-time equivalent employees	<u>9</u>	<u>9</u>
	2023 No.	2022 No.
Average monthly number of employees	<u>10</u>	<u>10</u>

No employee received total employee benefits (excluding employer pension costs) amounting to more than £60,000 in either year.

Total employee benefits received by Key Management amounted to £47,934 (2022 : £44,084). Under FRS 102, employee benefits includes gross salary, employer's NIC and employer's pension contributions.

**ISLAND ADVICE CENTRE**  
**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023  
/contd...

**10. TRUSTEES' REMUNERATION AND EXPENSES**

The Trustees received no remuneration or reimbursed expenses in 2023 or 2022.

There were no related party transactions in either year other than those disclosed in Note 9.

**11. TANGIBLE FIXED ASSETS**

Computer  
equipment  
£

**Cost**

As at 1 April 2022 and at 31 March 2023

7,612

**Depreciation**

As at 1 April 2022 and at 31 March 2023

7,612

**Net book value**

As at 31 March 2023

£Nil

As at 31 March 2022

£Nil

**12. DEBTORS**

2023

2022

Prepayments and accrued income

£63,667

£44,774

**13. CREDITORS – Amounts falling due within one year**

2023

2022

£

£

Accruals and deferred income

43,665

32,322

Social security and other taxes

137

8,532

Other creditors

7,500

-

£51,302

£40,854

**DEFERRED INCOME ANALYSIS**

2023

2022

£

£

As at 1 April

23,750

-

Additions during the year

35,389

23,750

Amounts released to income from previous year

(23,750)

-

As at 31 March

£35,389

£23,750

Deferred income of £35,389 (2022 : £23,750) included above relates to grant income received during the year but relating to future accounting periods.

**ISLAND ADVICE CENTRE**  
**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023  
/contd...

**14. MOVEMENT IN FUNDS**

<b>2023</b>	Brought forward £	Income £	Expenditure £	Transfers between funds £	Carried forward £
<b>Restricted Funds</b>					
Specialist Casework					
LCF – D&MM	621	9,434	9,434	-	621
LCF – WR Specialist	831	9,434	9,434	-	831
City Bridge Trust - Welfare	680	25,600	25,600	-	680
Trust for London - Housing	2,008	40,500	40,500	-	2,008
Thames Water Trust Fund – Water Debt	1,770	20,056	20,056	-	1,770
East End Community Foundation – UC Project	-	23,606	16,576		7,030
London Legal Support Trust	-	24,953	24,953	-	-
Advice Volunteer Training					
The Church of England Children's Society	130	26,419	26,419	-	130
London Borough of Tower Hamlets - VP	-	50,000	50,000	-	-
Generalist Advice Provision					
LCF – Lap 8	8,817	75,480	75,480	-	8,817
Wakefiled	77	9,750	9,750	-	77
London Legal Support Trust	(8,744)	-	-	8,744	-
Other	(150)	-	-	150	-
<b>Total Restricted Funds</b>	<b>6,040</b>	<b>315,232</b>	<b>308,202</b>	<b>8,894</b>	<b>21,964</b>
<b>Unrestricted Funds</b>					
General	118,731	94,101	86,957	(8,894)	116,981
<b>TOTAL FUNDS</b>	<b>£124,771</b>	<b>£409,333</b>	<b>£395,159</b>	<b>£Nil</b>	<b>£138,945</b>

Each of the above funds is described in the Trustees' Annual Report.



**ISLAND ADVICE CENTRE**  
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023  
/contd...

**14. MOVEMENT IN FUNDS/contd...**

Comparative information for the net movement in funds in the previous year is as follows:

<b>2022</b>	Brought forward £	Income £	Expenditure £	Transfers between funds £	Carried forward £
<b>Restricted Funds</b>					
Specialist Casework					
LCF – D&MM	-	20,600	19,979	-	621
LCF – WR Specialists	-	22,248	21,417	-	831
City Bridge Trust - Welfare	506	50,500	50,326	-	680
Trust for London - Housing	3,905	42,500	44,397	-	2,008
Thames Water Trust Fund – Water Debt	848	20,056	19,134	-	1,770
East End Community Foundation – UC Project	-	2,000	2,000	-	-
Advice Volunteer Training The Church of England Children's Society	2,100	10,244	12,214	-	130
London Borough of Tower Hamlets - VP	-	50,000	50,000	-	-
Generalist Advice Provision					
LCF – Lap 8	4,152	51,500	46,835	-	8,817
Wakefiled	-	27,750	27,673	-	77
LCR	14,160	-	14,160	-	-
London Legal Support Trust	(10,000)	-	-	1,256	(8,744)
Other	(150)	-	-	-	(150)
<b>Total Restricted Funds</b>	<b>15,521</b>	<b>297,398</b>	<b>308,135</b>	<b>1,256</b>	<b>6,040</b>
<b>Unrestricted Funds</b>					
General	116,021	69,264	65,298	(1,256)	118,731
<b>TOTAL FUNDS</b>	<b>£131,542</b>	<b>£366,662</b>	<b>£373,433</b>	<b>£Nil</b>	<b>£124,771</b>

**ISLAND ADVICE CENTRE**  
**(A company limited by guarantee)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023  
/contd...

<b>15. ANALYSIS OF NET ASSETS BETWEEN FUNDS</b>	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
<b>2023</b>			
Current assets	132,894	57,353	190,247
Current liabilities	(15,913)	(35,389)	(51,302)
	<u>132,894</u>	<u>57,353</u>	<u>190,247</u>
As at 31 March 2023	<u>£116,981</u>	<u>£21,964</u>	<u>£138,945</u>

Comparative information for the analysis of net assets between funds in the previous year is as follows:

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
<b>2022</b>			
Current assets	135,835	29,790	165,625
Current liabilities	(17,104)	(23,750)	(40,854)
	<u>135,835</u>	<u>29,790</u>	<u>165,625</u>
As at 31 March 2022	<u>£118,731</u>	<u>£6,040</u>	<u>£124,771</u>

**16. TAXATION**

As a registered charity, Island Advice Centre is exempt from taxation under Part 11 of the Corporation Tax Act 2010 and Section 256 of the Taxation of Chargeable Gains Act 1992.

**17. COMMITMENTS**

The total minimum lease payments due under non-cancellable operating leases are as follows:

	2023 £	2022 £
Within one year	7,970	7,970
Within two and five years	1,571	3,142
	<u>£9,541</u>	<u>£11,112</u>

**18. CONTINGENT ASSETS**

The charity has been awarded several multi-year grants with performance-related conditions or specified/implied timeframes which preclude recognition of the full amount. At 31 March 2023 the charity had contingent assets of £333,391 (2022 : £169,946)