

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

TRUSTEES' ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Kingston Burrowes Audit Ltd
Statutory Auditors
308 Ewell Road
Surbiton
Surrey
KT6 7AL

ISLAND ADVICE CENTRE
(A company limited by guarantee)

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**ISLAND ADVICE CENTRE
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TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and audited financial statements for the year ended 31 March 2024.

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	
Godline Pushparajan	
Stephanie Dickinson	
Hasan Chowdhury	(appointed on 23 August 2024)
Cathy Weir	(appointed on 20 September 2023)

Centre Manager

Sarah Sauvat

Registered Office and Principal Address

Island House
Roserton Street
London
E14 3PG

Auditor

Kingston Burrowes Audit Ltd
Statutory Auditors
308 Ewell Road
Surbiton
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**ISLAND ADVICE CENTRE
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TRUSTEES' ANNUAL REPORT

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OBJECTIVES AND ACTIVITIES

Main objective and mission

The Centre's main objectives, in accordance with its governing document, are:

- to provide by employing suitably qualified staff free housing, debt, welfare and generalist advice to poor persons resident in the Isle of Dogs or nearby areas
- to provide an accessible service in terms of location, disability and language
- to provide home visits to persons with disabilities.

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
1. Specialist casework: this includes:
 - a. Debt and Financial Capability advice funded by Local Community Fund Debt & Money management (LCF D&MM) and Thames Water Trust.
 - b. Welfare Benefits casework and appeals funded by Local Community Fund Welfare Rights Specialist work (LCF WR Specialist), London Legal Support Trust and City Bridge Trust.
 - c. Housing advice and casework funded by Trust for London.
 2. Advice volunteer training – includes our volunteer training project funded by LBTH, NVQ assessments carried out by qualified staffs and funded by a mix of grants from Canary Wharf Trust and fee payments by candidates/their employers, and training sessions and workshops delivered to other agencies funded by East End Community Foundation.

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FOR THE YEAR ENDED 31 MARCH 2024
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3. Generalist advice provision – delivered through drop in session, emails, telephone, and appointments and outreach at ELATT and GP surgeries funded by Local Community Fund (LCF) and Wakefield and Tetley
4. Peer Support and Coordination Work – this work consists of support for Tower Hamlets Community Advice Network and coordination of referrals funded by Child Society Coordinate Community Support.

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, English for Speakers of Other Languages (ESOL) classes, health related groups, solicitors, and / or other support.

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.

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 also increasing.

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FOR THE YEAR ENDED 31 MARCH 2024
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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 high costs of living, managing everyday bills have become difficult for many clients whose finances have been stretched to the limit. We have 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.

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. 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).

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TRUSTEES' ANNUAL REPORT

**FOR THE YEAR ENDED 31 MARCH 2024
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Through THCAN, Island Advice provides:

- 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

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.

Advice Work Training Workshops

Island Advice also delivers advice work training workshops relating to benefits appeals, housing issues, benefits overview, immigration, and employment.

City and Guilds NVQ in Advice & Guidance

Individuals also completed City & Guilds NVQ in Advice & Guidance level 3 or 4 during the year 2023/24 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 continued to deliver training Courses to cohorts of specialist/hybrid Advice-Social Prescribing Link Workers in the UK.

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.

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FOR THE YEAR ENDED 31 MARCH 2024
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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 2,200 clients and achieved over £1,750,000 in positive outcome.

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 National Lottery Community Fund, London Borough of Tower Hamlets Community Fund (LCF), Trust for London, London Legal Support Trust, East End Community Foundation; other funders included The Children's Society, Advice UK, and Wakefield and Tetley. At the end of the reporting period the organisation was operating at a deficit.

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 core costs for three months, equivalent to £101,500. 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 £102,261 (2023: £116,981).

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.

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TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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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.

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.

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FOR THE YEAR ENDED 31 MARCH 2024
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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 Kingston Burrowes 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 19th December 2024 and signed on its behalf, by



Katherine Wilson
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:

ISLAND ADVICE CENTRE (A company limited by guarantee)

FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Island Advice Centre (the 'charitable company') for the year ended 31 March 2024 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 2024, 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
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FOR THE YEAR ENDED 31 MARCH 2024

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 pages 7 and 8), 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 2024

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. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:

ISLAND ADVICE CENTRE
(A company limited by guarantee)

FOR THE YEAR ENDED 31 MARCH 2024

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.



Kevin Fisher BA FCA CTA (Senior Statutory Auditor)
For and on behalf of Kingston Burrowes Audit Ltd
Statutory Auditors
308 Ewell Road
Surbiton
Surrey
KT6 7AL

19th December 2024

ISLAND ADVICE CENTRE
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(Company No: 03375266)

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	£	2024	£	2023	£
FIXED ASSETS						
Tangible assets	11			-		-
CURRENT ASSETS						
Debtors	12	26,074		63,667		
Cash at bank and in hand		132,002		126,580		
		<u>158,076</u>		<u>190,247</u>		
LIABILITIES						
Creditors						
Amounts falling due within one year	13	33,800		51,302		
NET CURRENT ASSETS				<u>124,276</u>		<u>138,945</u>
NET ASSETS	15			<u>£124,276</u>		<u>£138,945</u>
FUNDS						
Restricted	14		22,015		21,964	
Unrestricted	14		102,261		116,981	
TOTAL FUNDS	14		<u>£124,276</u>		<u>£138,945</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 19th December 2024 and signed on its behalf by:



Katherine Wilson
Chair

The notes form part of the financial statements.

ISLAND ADVICE CENTRE
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STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Income from:					
Donations and legacies	2	-	-	-	-
Charitable activities	3	75,861	353,315	429,176	408,565
Investments	4	2,141	-	2,141	768
Total		<u>78,002</u>	<u>353,315</u>	<u>431,317</u>	<u>409,333</u>
Expenditure on:					
Charitable activities	5	92,722	353,264	445,986	395,159
Total		<u>92,722</u>	<u>353,264</u>	<u>445,986</u>	<u>395,159</u>
Net income/(expenditure)	8	(14,720)	51	(14,669)	14,174
Transfers between funds	14	-	-	-	-
Net movement in funds	14	(14,720)	51	(14,669)	14,174
Reconciliation of funds:					
Total funds brought forward	14	116,981	21,964	138,945	124,771
Total funds carried forward	14	<u>£102,261</u>	<u>£22,015</u>	<u>£124,276</u>	<u>£138,945</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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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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 United Kingdom 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.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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4. INVESTMENT INCOME	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
Bank interest	<u>£2,141</u>	<u>£Nil</u>	<u>£2,141</u>	<u>£768</u>

All of the £768 recognised in 2023 was unrestricted funds.

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES	Direct Costs £	Support Costs £	Total 2024 £	Total 2023 £
Staff costs	280,047	55,580	335,627	320,594
Direct project costs	36,198	-	36,198	7,805
NVQ assessment and materials	8,697	-	8,697	7,139
Premises costs	1,458	24,386	25,844	21,583
Payroll services	480	155	635	450
Volunteers' expenses	215	441	656	449
Professional fees	-	10,603	10,603	6,633
Subscriptions and insurance	-	6,416	6,416	5,757
Stationery, postage, and copier	-	5,354	5,354	4,278
Telephone and internet	-	4,804	4,804	4,093
Bookkeeping and finance	-	3,000	3,000	3,702
Training and recruitment	-	1,209	1,209	2,536
Sundry expenses	-	1,202	1,202	686
Travel costs	-	380	380	37
Publications	-	250	250	422
Computer expenses	-	-	-	4,798
Governance cost (note 7)	-	5,111	5,111	4,197
	<u>£327,095</u>	<u>£118,891</u>	<u>£445,986</u>	<u>£395,159</u>

Of the £395,159 expenditure recognised in 2023, £86,957 was charged to unrestricted funds and £308,202 was charged to restricted funds.

6. EXPENDITURE ON CHARITABLE ACTIVITIES	Direct Costs £	Support Costs £	Total 2024 £	Total 2023 £
Specialist casework	109,531	25,817	135,348	146,553
Advice volunteer training	47,936	13,447	61,383	88,969
Generalist advice provision	169,628	79,627	249,255	159,637
	<u>£327,095</u>	<u>£118,891</u>	<u>£445,986</u>	<u>£395,159</u>

ISLAND ADVICE CENTRE
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024
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7. GOVERNANCE COSTS	2024 £	2023 £
Staff costs	2,611	2,397
Auditor's remuneration	2,500	1,800
	<u>£5,111</u>	<u>£4,197</u>
8. NET INCOME/(EXPENDITURE)	2024	2023
The net income/(expenditure) for the year is stated after charging:		
Auditor's remuneration	£2,500	£1,800
Operating lease rentals	<u>£17,564</u>	<u>£15,625</u>
9. STAFF COSTS	2024 £	2023 £
Wages and salaries	290,599	279,492
Social security	22,667	22,911
Pension costs	22,895	20,588
	<u>£336,161</u>	<u>£322,991</u>
	2024 No.	2023 No.
Average number of full-time equivalent employees	<u>9</u>	<u>9</u>
	2024 No.	2023 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 £52,223 (2023: £47,934). Under FRS 102, employee benefits includes gross salary, employer's NIC and employer's pension contributions.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024
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10. TRUSTEES' REMUNERATION AND EXPENSES

The Trustees received no remuneration during the financial year 2024 or 2023.

One of the trustees (2023: Nil) was reimbursed for travel expense of £73 (2023: £Nil) during the financial year.

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 2023 and at 31 March 2024

7,612

Disposals

(7,612)

—

Depreciation

As at 1 April 2023 and at 31 March 2024

7,612

Disposals

(7,612)

—

Net book value

As at 31 March 2024

£Nil

As at 31 March 2023

£Nil

12. DEBTORS

2024

2023

Prepayments and accrued income

£26,074

£63,667

13. CREDITORS – Amounts falling due within one year

2024

2023

£

£

Trade creditors

16,660

—

Accruals and deferred income

10,690

43,665

Social security and other taxes

5,700

137

Other creditors

750

7,500

£33,800

£51,302

ISLAND ADVICE CENTRE
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024
/contd...

	2024	2023
	£	£
Balance brought forward	35,389	23,750
Additions during the financial year	5,000	35,389
Amounts released to income from previous year	(35,389)	(23,750)
	<u>£5,000</u>	<u>£35,389</u>
Balance carried forward	<u>£5,000</u>	<u>£35,389</u>

Deferred income of £5,000 (2023: £35,389) included above relates to grant income received during the financial year but relating to future accounting periods.

14. MOVEMENT IN FUNDS

2024	Brought forward £	Income £	Expenditure £	Transfers between funds £	Carried forward £
Restricted Funds					
Specialist Casework					
LCF – D&MM	621	-	-	-	621
LCF – Welfare Rightst	831	-	-	-	831
City Bridge Trust - Welfare	680	-	-	(680)	-
Trust for London - Housing	2,008	41,500	(43,458)	680	730
Thames Water Trust – Water Debt	1,770	-	-	(1,770)	-
East End Community Foundation	7,030	25,000	(23,678)	-	8,352
Lottery Funding	-	91,009	(91,890)	1,770	889
Advice Volunteer Training					
Church of England's Children Society	130	20,419	(20,549)	-	-
London Borough of Tower Hamlets	-	29,167	(29,167)	-	-
Generalist Advice Provision					
LCF	8,817	85,239	(93,464)	-	592
Wakefield and Tetley	77	14,970	(15,047)	-	-
London Legal Support Trust	-	31,011	(31,011)	-	-
Advice UK	-	15,000	(5,000)	-	10,000
Total Restricted Funds	<u>21,964</u>	<u>353,315</u>	<u>(353,264)</u>	<u>-</u>	<u>22,015</u>
Unrestricted Funds					
General	<u>116,981</u>	<u>78,002</u>	<u>(92,722)</u>	<u>-</u>	<u>102,261</u>
TOTAL FUNDS	<u>£138,945</u>	<u>£431,317</u>	<u>£ (445,986)</u>	<u>£Nil</u>	<u>£124,276</u>

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 2024
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14. MOVEMENT IN FUNDS/contd...

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

2023	Brought forward £	Income £	Expenditure £	Transfers between funds £	Carried forward £
Restricted Funds					
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	-
Total Restricted Funds	6,040	315,232	(308,202)	8,894	21,964
Unrestricted Funds					
General	118,731	94,101	(86,957)	(8,894)	116,981
TOTAL FUNDS	£124,771	£409,333	£ (395,159)	£Nil	£138,945

ISLAND ADVICE CENTRE
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024
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**15. ANALYSIS OF NET ASSETS
BETWEEN FUNDS**

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
2024			
Current assets	114,052	44,024	158,076
Current liabilities	(11,791)	(22,009)	(33,800)
As at 31 March 2024	<u>£102,261</u>	<u>£22,015</u>	<u>£124,276</u>

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

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

	2024 £	2023 £
Within one year	7,970	7,970
Within two and five years	-	1,571
	<u>£7,970</u>	<u>£9,541</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. As at 31 March 2024 the charity had contingent assets of £546,571 (2023: £333,391).