

Registered number: 03963421
Charity number: 1080679

The Advocacy People

Trustees' report and financial statements

For the year ended 31 March 2025

The Advocacy People

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The Advocacy People

Reference and administrative details of the Charity, its Trustees and advisers For the year ended 31 March 2025

Trustees E R Nistor-Lustermans, Chair
N Tarbit
N Lennox-Chhugani
S Yang
A Solemani
I Bews, Hon. Treasurer
T O'Brien

Company registered number 03963421

Charity registered number 1080679

Registered office Rock House
49-51 Cambridge Road
Hastings
East Sussex
TN34 1DT

Company secretary M Hilton

Chief executive officer M Hilton

Independent auditors Kreston Reeves Audit LLP
Statutory Auditor
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Kent
CT1 2TU

Bankers The Co-operative Bank p.l.c
Head Office
P O Box 101
1 Balloon Street
Manchester
M60 4EP

Lloyds Bank
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London
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Solicitors Sherrards Solicitors
Grosvenor Hall
Bolnore Road
Haywards Heath
West Sussex
RH16 4BX

The Advocacy People

Trustees' report For the year ended 31 March 2025

The Trustees of The Advocacy People present their annual report for the year 1 April 2024 to 31 March 2025.

Our vision

The Advocacy People believe in a society where people feel in control of their lives and are confident to speak up, and where people who can't speak up for themselves have someone in their corner to speak for them.

It is our mission to:

- help anybody that needs independent support to speak up.
- deliver quality and innovation through our practice.
- improve people's lives individually and collectively through putting their case to policymakers.

Our Values

People are at the heart of what we do. Anyone can feel powerless and unable to speak up when faced with a difficult situation. Anyone should have access to an advocate.

People matter. In an equal society, decisions about people's lives must be made fairly, involving the person as far as possible.

People make the difference. If our staff are happy at work, they will be effective at work.

People should be heard at every level of policy and decision-making. We work hard to make this happen.

We are clear that our services – primarily of advocacy and Healthwatch - should be at the heart of how we think about public services. This is particularly true when those using services are in vulnerable situations.

It is also through these people-centred values that we can best harness the energy and ideas to be the best that we can be. We want to work with partners who bring expertise about specific things in specific areas; and we all need to work effectively together as colleagues.

We look to invest resources in monitoring and responding to key developments and initiatives in the external environment, particularly in the health and social care arena. We work to ensure that the views, concerns and experiences of the people we work with influence service policy, planning, and delivery through our local teams. Those that can flex and adapt will thrive; so, all our delivery models can and should evolve.

The Advocacy People work beyond our own direct delivery responsibilities to improve health and social services on both local and national levels through strong local relationships, effective collaborations, and appropriate contributions to wider debates. We will pursue this by seeking to improve the services we deliver and manage and by identifying opportunities for new and better services.

Scope of Operations

The Advocacy People operate mainly across the south of England.

The Advocacy People

Trustees' report (continued) **For the year ended 31 March 2025**

Structure, Governance and Management

The Advocacy People is a charitable company limited by guarantee, incorporated on 3 April 2000 and registered as a charity on 11 May 2000. It was established under a Memorandum of Association, which establishes its objects and powers and is governed under its articles of association which were last amended in 2023.

Responsibilities of the Board

The Trustees are responsible for ensuring the financial statements of the charity comply with the Charities Act 2011, the Companies Act 2006, its Memorandum and Articles of Association, and the Accounting and Reporting by Charities: Statement of Recommended Practice, which is applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS 102).

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 affairs of the charity and of the surplus or deficit 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.
- make judgements and estimates that are reasonable and prudent.
- comply with applicable accounting standards, 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 are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

Statements as to disclosure of information to auditors

So far as the Trustees are aware at the time the report is approved, there is no relevant audit information of which the charity auditors are unaware, and the Trustees have taken all steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Organisation Structure

The Board of Trustees governs the charity and meet regularly to manage and control the resources administered by the charity. The Board of Trustees now has seven members recruited from a diverse range of applicants. All trustees give their time freely and receive no remuneration.

The Senior Leadership Team comprises the Chief Executive, Chief Operating Officer, Business Development Director, Finance Director and HR Director. The Senior Leadership Team oversees day-to-day policy and decision making as well as implementation of the business plan. The Senior Leadership Team submit reports on the work of the organisation to the Board and attend relevant Board agenda items.

During the year, the Trustees met on four occasions in full Board meetings. The Board received and considered regular reports relating to the management, development and finances of the organisation, including challenging key performance indicators which allow the Board to track progress in delivering its strategic plan.

The Board has an Audit and Risk Management Sub-Committee which reviews financial matters in more detail. This Committee meets at least three times per year and its membership includes Trustees, the Chief Executive and the Finance Director.

Separately appointed advisory structures are in place for each of our Healthwatch, whose staff are managed by The Advocacy People under the auspices of the main Board of The Advocacy People.

The Advocacy People

Trustees' report (continued) For the year ended 31 March 2025

Recruitment and Appointment of the Board

The Trustees are the directors of the charity for the purposes of the Companies Act and are elected at the meeting of the Trustees at which the accounts of the Charity are adopted. Each Trustee shall retire from office at the third such meeting following the commencement of his or her term of office. All Trustees undergo a DBS check as part of the recruitment process and receive a Trustee handbook and Trustee Code of Practice outlining their role and responsibilities. As part of their induction, Trustees meet with the CEO and other relevant managers.

The names of the Trustees at the date the accounts were signed are set out on the schedule of reference and administrative details on page 1.

Risk Management and Audit

The major risks to which the charity could be exposed, as identified by the Board and the Audit and Risk Sub Committee, have been reviewed on an ongoing basis, and systems have been established to mitigate those risks.

The Senior Leadership Team regularly review and update the charity's risk register, and prioritise key risks on which to focus, and review and update identified risks and mitigations for their specific areas of responsibility. These risks include the ongoing commissioning environment which makes it challenging to develop innovative service models where costs are severely constrained; the need to ensure a balanced budget and support enhanced central services, and cyber security risks around the threat from phishing or other attacks on our ICT infrastructure.

The key risks facing the organisation are being mitigated by regular financial and performance reporting, which is reviewed by operational and senior management, as well as updates reported to each Board meeting.

Risk management practices are in place to manage risks around health and safety and human resource issues. Relevant operational procedures detailing expected practice for staff and managers, and policies and procedures have been kept under review during the year.

Compliance and quality assurance issues are reported to the local management teams who review specific areas of work, and then on to the Senior Leadership Team to maintain an overview. Reports summarising this work are also made to the Board.

The Advocacy People have insurance policies in place to satisfy contractual requirements and ensure the organisation is protected against unforeseen events, for example a person being injured at premises or a claim in relation to services provided by the charity.

Our people

The Advocacy People employed an average of 188 staff (142 full-time equivalent roles) over the past year, supported by approximately 150 dedicated volunteers, including Trustees and Healthwatch Advisory Board members. Under the leadership of Chief Executive Officer Matthew Hilton and a committed Senior Leadership Team, the organisation continues to deliver exceptional advocacy and Healthwatch services and strengthen its impact for the people we work with and communities.

The organisation is now embarked on change initiatives over the next few years which have and will continue to require investment during this period.

In 2024, work with NCVO explored ways of improving our approach within the Advocacy and volunteer space. Following this, we engaged in full consultation with staff and launched a change management initiative in July 2024, which completed in November 2024. The programme focused on strengthening communication and collaboration across teams, enhancing organisational efficiency and cross-working benefits through the introduction of new roles and realignment of other existing roles, including contract management, quality and compliance and a new Head of Operations.

Trustees' report (continued) **For the year ended 31 March 2025**

We can report the investment in these roles is starting to pay dividends through improved processes in our induction of new staff, and the opportunity for delivery of more in-house face-to-face and virtual training sessions, resulting in the upskilling of new and existing staff. We will be investing in the safety of our frontline staff via use of a personal safety application which provides 24/7 coverage for them and associated training.

The collaboration across these roles continues at a pace in helping us shape our succession planning and talent pipeline strategies to deliver against our performance criteria and ensure we have the right skills for the right roles on a consistent basis.

We continued in year to provide the Real Living Wage and associated increase in salaries of 5% and therefore have been able to raise the salaries of our staff earning the least amount by 5% because of our commitment to this scheme, in line with our values of putting people at the heart of what we do.

Our staff have a wide range of skills and experiences which they bring to their work. We continue to find that there is a need to keep up with constant change in the workforce and more use of new and emerging technology such as AI. Adjusting to these changes has identified that now more than ever, we need to have digital competency as a complementary skill with others in the modern workplace.

Volunteering and student placements

We continue to develop our volunteering offer and have this year, with the support of NCVO, reviewed where we are and what we could do better. Our Contracts and Partnerships manager oversees our offer and leads our cross-organisation Volunteer Focus Group which meets quarterly to share good practice.

A significant proportion of our volunteering activity take places within local Healthwatch where there are a variety of roles, including Advisory Group membership, community outreach, research, report writing and Enter and View visits.

We continue to offer placements to social work student placements with our local advocacy teams and have built excellent relationships with a number of universities. As well as contributing to the delivery of services, students tell us they leave us with greater understanding of the advocacy remit, including the key legislation in which we operate and power of independent advocacy. They are sharing this with their peers - those who will likely be the referrers of the future.

Remuneration policy for senior staff

Any organisational uplift in salaries is agreed annually by the Board for all staff and this includes the CEO and Senior Leadership Team.

The pay of the senior staff has been set at a specific scale or at a fixed sum benchmarked against similar organisations, allowing for size, income and affordability. Any other substantial changes to remuneration within the Senior Leadership are agreed to by the Chief Executive Officer (CEO), whose own remuneration remains at the discretion of members of the Board.

The Advocacy People

Trustees' report (continued) For the year ended 31 March 2025

Objectives and activities

Objectives

The objectives of the charity are expressed in the governing document as follows: "to relieve persons who are in need by reason of their age, youth, disability, ill-health or social or economic circumstances primarily through the provision of effective advocacy services in the United Kingdom".

Activities in support of our objectives

Independent Advocacy ensures people's voices are heard when decisions are being made about their lives. Mostly concerned with health and social care decisions, our advocates support people to:

- understand information
- express their needs, views, and wishes
- secure their rights
- represent their interests
- obtain the care and support they need.

Advocates support people to speak up for themselves and speak up for them when they can't. Advocates work in partnership with the people they support in accordance with the advocacy principles of:

- Clarity of purpose
- Independence
- Confidentiality and consent
- Person led
- Empowerment
- Equality and diversity
- Accessibility
- Accountability
- Safeguarding
- Supporting Advocates.

The Advocacy People provide the following advocacy and related services:

- **One to one statutory advocacy**
 - Independent Health Complaints Advocacy
 - Independent Mental Capacity Advocacy, including Deprivation of Liberty Safeguards
 - Independent Mental Health Advocacy
 - Relevant Person's Paid Representative
 - Independent Care Act Advocacy
 - Children's Advocacy
- **One to one non-statutory advocacy**
 - Community mental health advocacy
 - General advocacy, including social care complaints and parents with learning disabilities going through child protection processes
 - Community DoLS 1.2 representative

We hold the Advocacy Quality Performance Mark (QPM) which will next be renewed in May 2026.

- **Advocacy groups** and Learning Disability Partnership Boards
- **Independent Visiting**
- **Litigation Friend**

The Advocacy People

Trustees' report (continued) For the year ended 31 March 2025

We are also the host for **7 local Healthwatch**, the local health and social care champion. Local Healthwatch gather feedback from people who use health and social care services. Feedback is used to better understand the challenges facing health and social care and make sure people's voices are heard when decisions are being made about services. They have the power to visit health and social care settings to ask about user experience and to speak to users and make recommendations for improvements. Healthwatch also help local people get information and advice they need to make informed decisions about the support they deserve. Local Healthwatch are delivered to the Healthwatch Quality Framework.

Working in partnership with other organisations

The Advocacy People's partnership strategy is predicated on supporting the sustainability of the advocacy and wider voluntary sector. Local specialist providers help extend the reach of services into under-represented communities.

The people we work with

The Advocacy People work with people from all communities and backgrounds, many of whom are experiencing or at risk of health inequalities and/or may find themselves in a vulnerable situation.

Whilst most of our work is with adults, we have services for children and young people, including independent visiting.

How our activities deliver public benefit

The Trustees consider that they have complied with their duty under the Charities Act 2011 to have regard to the public benefit guidance issued by the Charity Commission.

- People benefit from our services in a number of ways, including to:
 - have someone in their corner to support them to speak up or to speak for them if they cannot.
- understand their rights
- be heard and have their view, wishes and feelings taken into account when decisions are being made about them
- feel more empowered and in control of their lives, as individuals and collectively
- influence decision-makers in the design and delivery of health and social care services
- raise awareness about issues that may be overlooked or misunderstood.
- drive systemic change rather than just addressing symptoms of a problem.

Who used and benefited from our services?

Advocacy and related services

During the year we received 14,628 referrals for our services (excluding Healthwatch) and handled a further 5,388 enquiries and signposting requests.

Approximately 30% of these contacts were from people who wanted a service themselves and 60% from Local Authorities and NHS organisations. The remaining 10% were largely other voluntary organisations, including other advocacy providers.

89% of people received advocacy support and who responded to our advocacy satisfaction survey, said they would recommend The Advocacy People.

100% of professionals who responded to our satisfaction survey said the advocate engaged appropriately and effectively with the person for whom they made the referral.

Trustees' report (continued) For the year ended 31 March 2025

Healthwatch

For information about Healthwatch activities and impact, links to their Annual Reports for the year 1 April 2024 – 31 March 2025 are provided:

[Healthwatch Hampshire](#)
[Healthwatch Portsmouth](#)
[Healthwatch Reading](#)
[Healthwatch Somerset](#)
[Healthwatch Southend](#)
[Healthwatch West Berkshire](#)
[Healthwatch Wokingham Borough](#)

Services

- During the year, the following new contracts started:
- Southwark Adult Advocacy Services
- Royal Borough of Windsor & Maidenhead Adult Advocacy Services
- Dorset, Bournemouth, Christchurch & Poole IHCA
- North Somerset Advocacy
- Reading Adult Advocacy Services

During the year, the following contracts ended:

- Wiltshire Adult Advocacy Services (we did not bid, due to budget envelope)
- Shetland Islands (did not bid)
- Bristol Advocacy Services (did not bid)
- Wokingham Adult Advocacy (lost)
- Torbay IHCA (absorbed into a larger contract which was awarded to another provider)

The following contracts were secured for start during the financial year 2025/26:

- Brighton & Hove, East Sussex & West Sussex Adult Advocacy Services (New)

Future plans

Building on our work of recent years, local advocacy and Healthwatch teams continue developing their working relationships wherever we work. The future landscape of local provision is uncertain in many ways, and we want to work as closely as possible in partnership with all those who would commission or use the sorts of services we provide.

We welcome working with partners where they can bring local or specific service user expertise that we lack. We want our staff and partners to feel empowered to innovate, to feel that The Advocacy People is a place that values their creativity. We recognise the importance of local branding for our services, where we work in tandem with partners to provide locality focused advocacy.

What we do is all about what the people we work with need, so we want to be confident and bold in building on our service offering to bring value to those who use our services. We will explore ways of building on our existing skills to provide additional services to ensure people get the information they need and can get the support they want.

Trustees' report (continued) For the year ended 31 March 2025

Financial Review

Our total annual income decreased by 4.1% between the 2023/24 and 2024/25 financial years. This reduction was largely the result of a strategic decision not to bid for certain existing contracts that were coming to an end as their funding levels were no longer sustainable. This ensured that the organisation did not take on service delivery that would financially unviable. Over the same period, total expenditure increased by 5.5%. This was primarily driven by additional in-year expenditure relating to a planned programme of investment across the organisation, following a significant surplus of £430,831 in the previous financial year. Trustees formally designated a substantial proportion of this surplus to support strategic investment and service development in the current year and these designated reserves were deliberately applied to fund that planned activity. This planned investment focused on strengthening the internal management structure, developing ESG-related initiatives and enhancing the volunteer experience. Furthermore, some of our Healthwatch services had carried forward some underspends from the previous year (much of which were related to initial difficulties around recruitment in newer services and thus generating savings on vacancies) so these funds were then intentionally used in this financial year to deliver the activity for which funding had originally been received.

Total income received was £6,018,335 (2024 - £6,277,676) and total expenditure was £6,166,624 (2024 - £5,846,845). This resulted in a net deficit of £148,289, which represents a planned utilisation of prior-year surplus and designated reserves and does not reflect an underlying operating shortfall or deterioration in financial performance. The charity remained financially stable throughout the year, with all commitments met in full.

Movements on the balance sheet include the reclassification of £573,735 from Fixed Asset Investments (comprising of Term deposits maturing within the next 12 months) to Current Assets.

Looking ahead to 2025/26, The Advocacy People will continue to focus on strengthening organisational resilience, improving efficiency and effectiveness of service delivery and ensuring the long-term financial sustainability of the charity in a changing commissioning environment.

Principal funding sources

The Advocacy People remains primarily funded by contracts with statutory bodies, which represented 75% (2024 – 80%) of income from charitable activities relating to statutory advocacy services provided to public authorities. Funding from non-statutory advocacy represented 6% (2024 – 6%) and Healthwatch and other services contributed 19% (2024 – 14%).

The charity does not undertake public fundraising and is therefore not subject to the reporting requirements of the Charities (Protection and Social Investment) Act 2016.

Reserves policy

The Trustees have reviewed the charity's reserves requirement in light of the risks facing the organisation, including potential loss or non-renewal of contracts, cash-flow requirements and unforeseen liabilities which cannot be met from current-year income alone.

Restricted reserves of £4,022 (2024 - £1,615) are held where the purpose of the funding was granted for a specific purpose or objective and funds remained unspent by year-end. This will be drawn upon in future to fund specific work in line with their original purpose.

Designated funds of £378,353 (2024 - £424,566) represent amounts set aside by Trustees from unrestricted funds, primarily arising from prior-year underspends, to support planned future expenditure. This includes a Fixed Asset Reserve maintained at a level equivalent to net fixed assets and a Pensions Reserve to provide for a contingent liability that would arise if The Advocacy People were to withdraw from membership of the Pensions Trust.

Trustees' report (continued) **For the year ended 31 March 2025**

As at 31st March 2025, the balance of the charity's free reserves was £1,569,021 (2024 - £1,673,504), which represents a reduction of £104,483. As can be seen in the Statement of Funds, some areas generated an additional surplus which were added to their reserves and other areas undertook planned expenditure utilising previous underspends. There were also some in-year transfers relating to a change in the contingent liability of the pension reserve, a reduction in the fixed asset designated fund and a reallocation of some funds whereby the Reading Connectors fund was merged with the Healthwatch Reading fund and the remaining Berkshire West fund was split across Healthwatch West Berkshire, Healthwatch Reading and Healthwatch Wokingham to simplify reporting, but keeping in line with its original purpose. The level of free reserves as at 31/03/2025 was equal to 3.1 months (2024 – 3.4 months) of operating expenditure.

It is the opinion of the Trustees that the current level of reserves is justified given the potential uncertainties facing The Advocacy People and the Trustees have taken the level of free reserves into account in their assessment of the risks facing the organisation. Furthermore, the Trustees confirm that the planned use of reserves to support the in-year operating deficit has not compromised the charity's reserves policy and that the remaining free reserves continue to provide an adequate level of financial resilience.

Investment policy

The Advocacy People hold any cash in excess of working capital requirements on deposit, this is primarily held with the Co-Operative Bank but some funds are also held with Lloyds Bank (Term Deposits). The amount of interest earned during the year was £23,359 (2024 - £31,793). This equates to a return of 1.55% based upon the average of the opening and closing bank balances (2024 – 2.34%).

Term deposits with more than 12 months remaining are shown under Fixed Asset Investments, any with less than 12 months remaining have been shown as Current Assets. Term deposits are placed for periods of up to two years.

The Advocacy People have an ethical investment policy, outlining human rights and the environmental criteria with which potential investment institutions are assessed. To meet these objectives, The Advocacy People invests only in fixed-term or call accounts with institutions that are considered to comply with our ethical criteria and have a high security rating.

Taking into consideration the overall level of reserves, and the level of reserves which are ear-marked for expenditure in the next year, the charity has a policy of investing for the short-term only.

Going concern

Given the factors reviewed above and in the light of The Advocacy People's financial position, its current range of activities linked to specific contracts and its track record of obtaining new work, the Trustees believe that The Advocacy People is well placed to manage its business risks successfully despite the current uncertain economic outlook. In line with note 2.16 to these accounts the Trustees have continued to adopt the going concern basis in preparing the annual report and accounts. In preparing this report, the Trustees have taken advantage of the small companies' exemptions available under section 415A of the Companies Act 2006, as The Advocacy People meets two of the three size criteria for a small company under section 382 of the Act.

Trustees' report (continued)
For the year ended 31 March 2025

Auditors

The audit registration of Kreston Reeves LLP was transferred to Kreston Reeves Audit LLP on 6 October 2025. Kreston Reeves Audit LLP were formally appointed as auditor to the company on 6 October 2025.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Ralu Nistor-Lustermans 01 Dec 2025 19:40:21 GMT (UTC +0)

.....
E R Nistor-Lustermans
(Chair of Trustees)
Date: 1 December 2025

Independent auditors' report to the Members of The Advocacy People

Opinion

We have audited the financial statements of The Advocacy People (the 'charity') for the year ended 31 March 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 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 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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 have nothing to report in this regard.

Independent auditors' report to the Members of The Advocacy People (continued)

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 Trustees' 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 Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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 auditors' report to the Members of The Advocacy People (continued)

Auditors' 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 Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to safeguarding, health and safety, general data protection and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations related to safeguarding, health and safety, general data protection regulations and employment law; and
- Assessment of identified fraud risk factors; and
- Review of expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting transactions; and
- Verifying cash at bank balances to the online banking portal; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation.

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 Advocacy People

Independent auditors' report to the Members of The Advocacy People (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Charity's trustees, 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 Charity's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves Audit LLP

Peter Manser FCA DChA (Senior Statutory Auditor)

for and on behalf of

Kreston Reeves Audit LLP

Statutory Auditor

Canterbury

Date: *10 December 2025*

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	4	182	-	182	837
Charitable activities	5	5,970,232	24,562	5,994,794	6,245,046
Investments	6	23,359	-	23,359	31,793
Total income		5,993,773	24,562	6,018,335	6,277,676
Expenditure on:					
Charitable activities	7	6,144,469	22,155	6,166,624	5,846,845
Total expenditure		6,144,469	22,155	6,166,624	5,846,845
Net movement in funds		(150,696)	2,407	(148,289)	430,831
Reconciliation of funds:					
Total funds brought forward		2,098,070	1,615	2,099,685	1,668,854
Net movement in funds		(150,696)	2,407	(148,289)	430,831
Total funds carried forward		1,947,374	4,022	1,951,396	2,099,685

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 19 to 37 form part of these financial statements.


Balance sheet
As at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	11	18,197	36,833
Investments	12	-	604,418
		18,197	641,251
Current assets			
Debtors	14	795,609	1,097,642
Investments	15	573,735	-
Cash at bank and in hand	23	961,690	880,406
		2,331,034	1,978,048
Current liabilities			
Creditors: amounts falling due within one year	16	(397,291)	(519,390)
Net current assets		1,933,743	1,458,658
Total assets less current liabilities		1,951,940	2,099,909
Creditors: amounts falling due after more than one year	18	(544)	(224)
Total net assets		1,951,396	2,099,685
Charity funds			
Restricted funds	19	4,022	1,615
Unrestricted funds	19	1,947,374	2,098,070
Total funds		1,951,396	2,099,685


The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


 Irene Bews 01 Dec 2025 18:45:53 GMT (UTC +0)

I Bews
 Hon. Treasurer
 Date: 1 December 2025


 Ralu Nistor-Lustermans 01 Dec 2025 19:40:21 GMT (UTC +0)

E R Nistor-Lustermans
 Chair

The notes on pages 19 to 37 form part of these financial statements.

Statement of cash flows
For the year ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by operating activities	22	27,242	236,401
Cash flows from investing activities			
Deposit interest received		23,359	31,793
Payments to acquire intangible fixed assets		-	(17,628)
Payments to acquire fixed asset investments		(310,000)	(883,918)
Disposals of fixed asset investments at cost		340,683	279,500
Net cash provided by/(used in) investing activities		54,042	(590,253)
Change in cash and cash equivalents in the year		81,284	(353,852)
Cash and cash equivalents at the beginning of the year		880,406	1,234,258
Cash and cash equivalents at the end of the year	23	961,690	880,406

The notes on pages 19 to 37 form part of these financial statements

**Notes to the financial statements
For the year ended 31 March 2025**

1. General information

The charity is a company limited by guarantee incorporated in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The registered office and principal place of business of the charity is:

Rock House
49-51 Cambridge Road
Hastings
East Sussex
TN34 1DT

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity constitutes a public benefit entity as defined by FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in UK pound sterling, which is the Charity's functional currency, and rounded to the nearest pound.

2.2 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from charitable activities includes grants and contracts for the provision of services to beneficiaries as specified in contracts and service level agreements with local authorities, government bodies and other organisations.

Investment income comprises solely of interest on cash deposits.

Income from 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.

Income is deferred if any conditions for use imposed by the donor have not been met.

2.3 Expenditure

Cost of raising funds i.e. those costs incurred in attracting voluntary income are no longer considered significant and there are no costs incurred in trading activities that are purely to raise funds.

Cost of charitable activities comprise costs incurred on the defined charitable purposes of the charity and include direct costs of the charitable activities together with those support costs incurred that enable these activities to be undertaken.

**Notes to the financial statements
For the year ended 31 March 2025**

2. Accounting policies (continued)

2.3 Expenditure (continued)

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves directly produce charitable outputs. These will include the cost of central services such as general management, finance and human resources.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on an estimate of the staff time attributable to each activity.

Governance costs (see Note 8) are costs associated with meeting the constitutional and statutory arrangements of the charity, including internal and external audit and the cost of preparing statutory accounts, the cost of Trustees' meetings, and other costs involved with the charity's strategic management.

2.4 Pensions

The charity has arranged a defined contribution scheme that is available to all members of staff. The assets of this are held separately from those of the charity in independently administered funds. The main provider of these pension funds is the Pensions Trust, but other private providers are also used. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the year.

2.5 Interest receivable

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 institution with whom the funds are deposited.

2.6 Taxation

The charitable company is a registered charity and is exempt from the taxation of income falling within chapter 3 part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that this Income Is used to achieve its charitable objectives. No charge to taxation for the year has arisen as a result of the activities of the charity.

Value Added Tax is not recoverable by the charitable company and is included within the relevant costs in the statement of financial activities.

2.7 Intangible assets and amortisation

Intangible assets are identifiable non-monetary assets without physical substance but from which future economic benefits will accrue - for The Advocacy People - principally software. For intangible assets over £2,000 these are amortised at rates calculated to write off each asset over its expected useful life which for software is assumed to be 20% unless circumstances indicate otherwise.

Amortisation is provided on the following basis:

Software developed in house	- 20 % Straight line
Software purchased	- 20 % Straight line

**Notes to the financial statements
For the year ended 31 March 2025**

2. Accounting policies (continued)

2.8 Fixed asset investments

Investments are stated at cost plus accrued interest at the balance sheet date. The statement of financial activities includes the interest arising on fixed asset investments throughout the year. Investments are made purely in fixed term deposits with Lloyds Bank, there are no investment management costs.

2.9 Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

2.10 Cash at bank and in hand

Cash at bank and 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.

2.11 Creditor liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.12 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.

2.13 Fund accounting

General funds consist of unrestricted funds which the charity may use for purposes at its discretion.

Designated funds are unrestricted funds earmarked by the trustees for a specific purpose.

Restricted funds are those where the donor has imposed restrictions on the use of the funds.

2.14 Services provided by volunteers

For the purposes of these accounts no monetary value has been placed on administrative and other services provided by volunteers for the charity.

2.15 Operating leases

The charity classifies the lease of printing equipment as operating leases; the title to the equipment remains with the lessor and the equipment is replaced at the end of the economic life of such equipment which is normally five years. Operating leases payable for the use of premises are charged on a straight line basis over the term of the lease.

Notes to the financial statements
For the year ended 31 March 2025

2. Accounting policies (continued)

2.16 Going concern

The Board of Trustees have taken account of The Advocacy People's activities and factors that are likely to affect its future development, including its financial position, the management of financial risks, the level of current reserves and exposure to price and cash flow risks as described in the Report of the Trustees on pages 2-11. In particular by preparing multi-year budgets and forward looking cashflow analysis and projections.

The Advocacy People has significant financial resources, and has a range of contracts with a mix of expiry dates and a track record of winning new business, and is diversifying into new areas such as Healthwatch provision. As a consequence, the Trustees believe that The Advocacy People is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly the Trustees have continued to adopt the going concern basis in preparing the annual report and accounts.

3. Critical accounting estimates and areas of judgment

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

Critical accounting estimates and assumptions:

- the useful economic lives attributed to the intangible fixed assets to determine the appropriate depreciation and amortisation charges;
- the basis on which support costs have been allocated across expenditure headings;
- the estimated value of accrued income and work in progress;
- the recoverability of trade debtors.

4. Income from donations and legacies

	Unrestricted funds 2025 £	Total funds 2025 £
Donations	182	182
	<hr/>	<hr/>
	Unrestricted funds 2024 £	Total funds 2024 £
Donations	837	837
	<hr/>	<hr/>

No restricted income from donations was received in 2025 and 2024.

Notes to the financial statements
For the year ended 31 March 2025

5. Income from charitable activities

The income, surplus for the year and net assets are attributable to the principal activity, which is primarily to provide advocacy services and the provision of Healthwatch. The charity operates in, and the whole of its income is derived from, the United Kingdom.

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Statutory Advocacy	4,489,727	-	4,489,727
Non-Statutory Advocacy	357,942	24,562	382,504
Healthwatch	1,122,563	-	1,122,563
	<u>5,970,232</u>	<u>24,562</u>	<u>5,994,794</u>

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Statutory Advocacy	4,968,592	-	4,968,592
Non-Statutory Advocacy	348,581	25,976	374,557
Healthwatch	901,897	-	901,897
	<u>6,219,070</u>	<u>25,976</u>	<u>6,245,046</u>

6. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £
Interest receivable	23,359	23,359

	Unrestricted funds 2024 £	Total funds 2024 £
Interest receivable	31,793	31,793

Notes to the financial statements
For the year ended 31 March 2025

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Statutory Advocacy	4,687,928	-	4,687,928
Non-Statutory Advocacy	390,028	22,155	412,183
Healthwatch	1,036,058	-	1,036,058
Governance	30,455	-	30,455
	<u>6,144,469</u>	<u>22,155</u>	<u>6,166,624</u>

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Statutory Advocacy	4,778,539	-	4,778,539
Non-Statutory Advocacy	374,050	27,574	401,624
Healthwatch	636,116	-	636,116
Governance	30,566	-	30,566
	<u>5,819,271</u>	<u>27,574</u>	<u>5,846,845</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Statutory Advocacy	3,926,469	761,459	4,687,928
Non-Statutory Advocacy	352,180	60,003	412,183
Healthwatch	952,402	83,656	1,036,058
Governance	30,455	-	30,455
	<u>5,261,506</u>	<u>905,118</u>	<u>6,166,624</u>

Notes to the financial statements
For the year ended 31 March 2025

8. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Statutory Advocacy	4,160,929	617,610	4,778,539
Non-Statutory Advocacy	352,269	49,355	401,624
Healthwatch	561,039	75,077	636,116
Governance	30,566	-	30,566
	<u>5,104,803</u>	<u>742,042</u>	<u>5,846,845</u>

Analysis of direct costs

	Statutory Advocacy 2025 £	Non- Statutory Advocacy 2025 £	Healthwatch 2025 £	Governance 2025 £	Total funds 2025 £
Staff costs	2,912,204	224,026	753,013	17,821	3,907,064
Staff related costs	212,733	15,102	19,526	920	248,281
Rent and service costs	24,160	5,289	31,847	-	61,296
ICT and administration costs	276,985	25,968	78,741	607	382,301
Subcontractor fees	447,847	79,431	51,027	-	578,305
Professional fees and similar	52,540	2,364	18,248	11,107	84,259
	<u>3,926,469</u>	<u>352,180</u>	<u>952,402</u>	<u>30,455</u>	<u>5,261,506</u>

Notes to the financial statements
For the year ended 31 March 2025

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Statutory Advocacy 2024 £	Non- Statutory Advocacy 2024 £	Healthwatch 2024 £	Governance 2024 £	Total funds 2024 £
Staff costs	3,113,516	220,325	449,326	15,669	3,798,836
Staff related costs	222,536	14,733	15,528	629	253,426
Rent and service costs	20,714	5,853	17,148	-	43,715
ICT and administration costs	284,218	27,473	50,500	948	363,139
Subcontractor fees	475,508	81,901	580	-	557,989
Professional fees and similar	44,437	1,984	27,957	13,320	87,698
	<u>4,160,929</u>	<u>352,269</u>	<u>561,039</u>	<u>30,566</u>	<u>5,104,803</u>

Analysis of support costs

	Statutory Advocacy 2025 £	Non- Statutory Advocacy 2025 £	Healthwatch 2025 £	Total funds 2025 £
Staff costs	591,201	49,267	63,343	703,811
Depreciation	13,971	1,247	3,418	18,636
Staff related costs	12,129	969	1,727	14,825
Rent and service costs	763	61	109	933
ICT and administration costs	78,692	6,288	11,194	96,174
Professional fees and similar	64,703	2,171	3,865	70,739
	<u>761,459</u>	<u>60,003</u>	<u>83,656</u>	<u>905,118</u>

Notes to the financial statements
For the year ended 31 March 2025

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Statutory Advocacy 2024 £	Non- Statutory Advocacy 2024 £	Healthwatch 2024 £	Total funds 2024 £
Staff costs	481,836	38,505	55,763	576,104
Depreciation	15,695	1,254	2,233	19,182
Staff related costs	15,528	1,241	2,209	18,978
ICT and administration costs	76,113	6,082	10,827	93,022
Professional fees and similar	28,438	2,273	4,045	34,756
	<u>617,610</u>	<u>49,355</u>	<u>75,077</u>	<u>742,042</u>

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, trustee expenses totalling £226 were paid to 2 trustees (2024 - £545 paid to 3 trustees). These expenses were related to travel to trustee meetings.

10. Staff costs

	2025 £	2024 £
Wages and salaries	4,160,122	3,950,734
Social security costs	337,145	320,652
Employer pension contributions	113,608	103,554
	<u>4,610,875</u>	<u>4,374,940</u>

The average number of persons employed by the Charity during the year was as follows:

	2025 No.	2024 No.
Advocacy Services	128	146
Healthwatch and Contact Centre	40	29
Management and Administration	20	19
	<u>188</u>	<u>194</u>

Notes to the financial statements
For the year ended 31 March 2025

10. Staff costs (continued)

The average headcount expressed as full-time equivalents was:

	2025 No.	2024 No.
Fulltime equivalent staff	142	142

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-

The remuneration and benefits received by the Charity's Key management personnel, during the financial year, including employer's national insurance contributions, amounted to £316,241 (2024: £289,808).

11. Intangible assets

	Software developed in house £	Software purchased £	Total £
Cost			
At 1 April 2024	57,960	35,809	93,769
At 31 March 2025	57,960	35,809	93,769
Amortisation			
At 1 April 2024	42,502	14,434	56,936
Charge for the year	11,594	7,042	18,636
At 31 March 2025	54,096	21,476	75,572
Net book value			
At 31 March 2025	3,864	14,333	18,197
At 31 March 2024	15,458	21,375	36,833

Notes to the financial statements
For the year ended 31 March 2025

12. Fixed asset investments

	Investments £
At 1 April 2024	604,418
Additions	310,000
Disposals	(340,683)
Transfer to current	(573,735)
At 31 March 2025	-
Net book value	
At 31 March 2025	-
At 31 March 2024	604,418

All investment assets were held in the UK as fixed term deposits of up to two years.

13. Auditors' remuneration

	2025 £	2024 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	13,950	13,200

14. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	493,294	759,978
Prepayments and accrued income	302,315	337,664
	795,609	1,097,642

15. Current asset investments

	2025 £	2024 £
Transfer from non-current	573,735	-

Notes to the financial statements
For the year ended 31 March 2025

16. Creditors: Amounts falling due within one year

	2025	2024
	£	£
Trade creditors	80,313	103,968
Taxation and social security	102,382	99,382
Accruals and deferred income	214,596	316,040
	397,291	519,390

17. Deferred income

	2025	2024
	£	£
Deferred income at 1 April 2024	62,323	60,409
Resources deferred during the year	61,484	62,323
Amounts released from previous periods	(62,323)	(60,409)
Deferred income at 31 March 2025	61,484	62,323

Deferred income as at 31 March 2025 comprises advanced income in relation to advocacy services.

18. Creditors: Amounts falling due after more than one year

	2025	2024
	£	£
Pension liability	544	224

Pension liability is to provide for an identified liability relating to a shortfall on the employee pension scheme.

Notes to the financial statements
For the year ended 31 March 2025

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
Unrestricted funds					
Designated funds					
(d) Fixed Assets	36,833	-	(18,636)	-	18,197
(e) Pension Reserve	41,575	-	-	1,838	43,413
(f) Strategic Reserve	108,755	-	(82,747)	-	26,008
(g) Healthwatch Hampshire	64,492	22,677	-	-	87,169
(g) Healthwatch Portsmouth	41,915	-	11,196	-	53,111
(g) Healthwatch Reading	5,253	-	(15,774)	12,778	2,257
(g) Healthwatch Southend	35,078	-	(9,229)	-	25,849
(g) Healthwatch West Berkshire	11,158	-	(7,709)	-	3,449
(g) Healthwatch Wokingham	22,603	18,646	-	-	41,249
(h) Reading Connectors	12,778	-	-	(12,778)	-
(i) Berkshire West	42,962	-	-	(42,962)	-
(j) Donations	1,164	182	-	-	1,346
(g) Healthwatch Somerset	-	16,808	-	-	16,808
(k) Contingent funding	-	-	(71,365)	130,862	59,497
	<u>424,566</u>	<u>58,313</u>	<u>(194,264)</u>	<u>89,738</u>	<u>378,353</u>
General funds					
General Funds	<u>1,673,504</u>	<u>5,935,460</u>	<u>(5,950,205)</u>	<u>(89,738)</u>	<u>1,569,021</u>
Total Unrestricted funds	<u>2,098,070</u>	<u>5,993,773</u>	<u>(6,144,469)</u>	<u>-</u>	<u>1,947,374</u>
Restricted funds					
(a) Berkshire West CCG	-	24,562	(22,155)	-	2,407
(b) West Berkshire Council	1,615	-	-	-	1,615
	<u>1,615</u>	<u>24,562</u>	<u>(22,155)</u>	<u>-</u>	<u>4,022</u>
Total of funds	<u><u>2,099,685</u></u>	<u><u>6,018,335</u></u>	<u><u>(6,166,624)</u></u>	<u><u>-</u></u>	<u><u>1,951,396</u></u>

Notes to the financial statements
For the year ended 31 March 2025

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Unrestricted funds					
Designated funds					
(d) Fixed Assets	38,387	17,628	(19,182)	-	36,833
(e) Pension Reserve	53,420	-	-	(11,845)	41,575
(f) Strategic Reserve	108,755	-	-	-	108,755
(g) Healthwatch Hampshire	-	64,492	-	-	64,492
(g) Healthwatch Portsmouth	18,000	37,248	(13,333)	-	41,915
(g) Healthwatch Reading	-	5,253	-	-	5,253
(g) Healthwatch Southend	21,204	13,874	-	-	35,078
(g) Healthwatch West Berkshire	-	11,158	-	-	11,158
(g) Healthwatch Wokingham	6,000	16,603	-	-	22,603
(h) Reading Connectors	-	12,778	-	-	12,778
(i) Berkshire West	-	42,962	-	-	42,962
(j) Donations	327	837	-	-	1,164
	<u>246,093</u>	<u>222,833</u>	<u>(32,515)</u>	<u>(11,845)</u>	<u>424,566</u>
General funds					
General Funds	<u>1,419,215</u>	<u>6,028,867</u>	<u>(5,786,423)</u>	<u>11,845</u>	<u>1,673,504</u>
Total Unrestricted funds	<u>1,665,308</u>	<u>6,251,700</u>	<u>(5,818,938)</u>	<u>-</u>	<u>2,098,070</u>
Restricted funds					
(a) Berkshire West CCG	-	24,756	(24,756)	-	-
(b) West Berkshire Council	1,546	1,220	(1,151)	-	1,615
Portsmouth	2,000	-	(2,000)	-	-
	<u>3,546</u>	<u>25,976</u>	<u>(27,907)</u>	<u>-</u>	<u>1,615</u>
Total of funds	<u><u>1,668,854</u></u>	<u><u>6,277,676</u></u>	<u><u>(5,846,845)</u></u>	<u><u>-</u></u>	<u><u>2,099,685</u></u>

Notes to the financial statements
For the year ended 31 March 2025

19. Statement of funds (continued)

Purposes of Fund balances

(a) The Berkshire West CCG - fund relates to grant funding for Learning Disability services.

(b) The West Berkshire Council - fund relates to grant funding for Learning Disability services.

(c) The Portsmouth Healthwatch - fund relates to grant funding for development work.

(d) Fixed Assets - represents the book value of fixed assets less depreciation to date - equivalent to the non cash resources recorded in the balance sheet and unavailable for reallocation. They are expended when the relevant fixed assets are fully depreciated.

(e) Pension Reserve - represents the estimated contingent liability that would arise if The Advocacy People were to withdraw from its current pension scheme due to a net deficit on the scheme - see note 25 which includes detailed information.

(f) Strategic Reserve - represents an amount allocated to provide funding to promote the development of The Advocacy People.

Healthwatch Hampshire, Healthwatch Reading, Healthwatch Southend, Healthwatch West Berkshire and Healthwatch Wokingham, Healthwatch Somerset

(g) Designated - reserves have been established for each Healthwatch service to support project and development work.

(h) Funding - received for the Core20Plus Connectors Programme carried forward for expenditure in the following financial year.

(i) Funding - received for the three Healthwatch forming the Berkshire West element of the Berkshire, Oxfordshire and Buckinghamshire ICB from funding received from that organisation.

(j) Donations - This represents nonspecific donations which have been allocated to organisational development.

(k) Contingent Funding - this represents planned expenditure to be financed from reserves.

**Notes to the financial statements
For the year ended 31 March 2025**

20. Summary of funds

Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
Designated funds	424,566	58,313	(194,264)	89,738	378,353
General funds	1,673,504	5,935,460	(5,950,205)	(89,738)	1,569,021
Restricted funds	1,615	24,562	(22,155)	-	4,022
	<u>2,099,685</u>	<u>6,018,335</u>	<u>(6,166,624)</u>	<u>-</u>	<u>1,951,396</u>

Summary of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Designated funds	246,093	222,833	(32,515)	(11,845)	424,566
General funds	1,419,215	6,028,867	(5,786,423)	11,845	1,673,504
Restricted funds	3,546	25,976	(27,907)	-	1,615
	<u>1,668,854</u>	<u>6,277,676</u>	<u>(5,846,845)</u>	<u>-</u>	<u>2,099,685</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Intangible fixed assets	18,197	-	18,197
Current assets	2,327,012	4,022	2,331,034
Creditors due within one year	(397,291)	-	(397,291)
Creditors due in more than one year	(544)	-	(544)
Total	<u>1,947,374</u>	<u>4,022</u>	<u>1,951,396</u>

Notes to the financial statements
For the year ended 31 March 2025

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Intangible fixed assets	36,833	-	36,833
Trade investments	604,418	-	604,418
Current assets	1,976,433	1,615	1,978,048
Creditors due within one year	(519,390)	-	(519,390)
Creditors due in more than one year	(224)	-	(224)
Total	2,098,070	1,615	2,099,685

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(148,289)	430,831
Adjustments for:		
Depreciation and amortisation	18,636	19,182
Investment Income	(23,359)	(31,793)
(Increase)/decrease in debtors	302,033	(207,060)
Increase/(decrease) in creditors	(121,779)	25,241
Net cash provided by operating activities	27,242	236,401

23. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	961,690	880,406

Notes to the financial statements
For the year ended 31 March 2025

24. Analysis of changes in net debt

	At 1 April 2024	Cash flows	At 31 March 2025
	£	£	£
Cash at bank and in hand	880,406	81,284	961,690

25. Pension commitments

The Advocacy People participates in the scheme, a multi-employer scheme which provides benefits to some 521 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme from 1 April 2025 to 31 March 2028 of £2,100,000 per annum, payable monthly.

Unless a concession has been agreed with the Trustee the term to 31 March 2028 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme from 1 April 2022 to 31 January 2025 of £3,312,000 per annum, payable monthly.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. An amount has been recognised in the accounts to provide for this liability (see Note 18). The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Notes to the financial statements
For the year ended 31 March 2025

25. Pension commitments (continued)

	2025 £	2024 £
Provision at start of period	224	480
Unwinding of the discount factor (interest expense)	6	18
Deficit contribution paid	(229)	(274)
Remeasurements - impact of any change in assumptions	3	-
Remeasurements - amendments to the contribution schedule	540	-
Provision at end of period	544	224

Assumes discount rates of 4.84% (31/03/25), 5.31% (31/03/24) and 5.52% (31/03/23) which are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The charity has also established a designated reserve to provide for the contingent liability that would arise if The Advocacy People were to decide to withdraw from the Pensions Trust, which is estimated at £43,413. (see Note 19). However, there are no plans currently to exit the scheme.

26. Operating lease commitments

At 31 March 2025 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	44,241	21,772
Later than 1 year and not later than 5 years	81,604	23,603
	125,845	45,375

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2025 £	2024 £
Operating lease rentals	21,772	14,391

27. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2025.