

Charity registration number 1156428

THE ISAIAH PROJECT
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

THE ISAIAH PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Cooper H Copping O Aroyehun S Dalley
Charity number	1156428
Principal address	Ferndale Road Southend On Sea Essex England SS2 4DS
Auditor	Azets Audit Services 7 - 8 Britannia Business Park Comet Way Southend-On-Sea Essex United Kingdom SS2 6GE

THE ISAIAH PROJECT

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THE ISAIAH PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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).

Objectives and activities

The Isaiah Project aims to help those who find themselves unable to move their life forward without help and are willing to work with the aims of the project. The individuals and families who are supported by the project come with varying needs, with all wanting to change the circumstances in which they find themselves.

Our principle objectives and activities are:

1. To relieve poverty in the Southend-on-Sea area by providing good quality housing and providing a continued support service for them.
2. To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society, enabling them to gain the life and social skills necessary to obtain and maintain independence in the community by way of education, training and support.
3. The relief of unemployment for the benefit of the public in the Southend-on-Sea area in such ways as may be thought fit, including assistance to find employment.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. The trustees are aware of their duty under S.17 of the Charities Act 2011 to have due regard to the Public Benefit Guidance published by the Charity Commission. As such, the Trustees ensure that the activities of the Charity are for public benefit.

THE ISAIAH PROJECT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance

In March 25 the Isaiah Project housed 124 residents (66 adults and 58 children) in 57 properties across Westcliff, Southend, Southchurch and Shoebury. The Isaiah Project rents 54 of these properties and owns 3 (2 of which are through a limited company - The Isaiah Project Limited).

Each family or individual housed by us has a befriender who provides them with tailored support. Befrienders are provided with the intention of enabling people to take positive steps in life.

The Project also runs additional activities to promote social inclusion and both mental and physical wellbeing. These activities include:

- Weekly Open House coffee mornings where befrienders and office staff are available to deal with any problems that have arisen, and can help the residents make appointments, go through forms etc. They also provide opportunities to build positive relationships with others on the project as well as giving us a chance to build relationships with new people who would like to join The Project.
- A weekly Men's Breakfast is held to give our male residents the chance to get together. Each resident has their own reason for attending – loneliness, food poverty or simply just being.
- A bi-monthly Women's Brunch where the women on our project get together to learn new skills, be pampered and be heard.
- Family activities take place during half terms and school holidays. These aim to give children opportunities they may not otherwise have and create a supportive environment for both the adults and the children.

The Isaiah Project helps to fund some of its work through the 5 Project shops. These sell second hand clothes, furniture and bric-a-brac. Our furniture shops are also part of the Essential Living Fund Scheme, a scheme ran by the local council to provide crisis support to those most in need.

Within the project we also promote volunteering for both our residents and those in the wider community. We also work with the local Community Payback Scheme. Through these we have been able to offer part-time work to two of our volunteers and we were also able to offer short-term work to a member of the Community Payback Scheme until they found other employment.

The Project Manager is supported by 4 part time staff and 4 full time staff, including an Operations Manager, Finance Officer and Properties Manager. The befriending team has 12 part time befrienders, both paid and volunteers. The befriending team have made long term relationships with our Project members, and much of their time is spent visiting and supporting them in their homes. The Project also employs three part time van staff who are supported by 5 volunteers to collect and deliver furniture in the community. Across the shops and vans we have 4 residents volunteering and 4 residents in paid positions.

In the shops we have 1 full time member of staff and 6 part time staff. We also have a team of 16+ volunteers.

The Project offers the community a house clearance service where the items can then be sold in our shops.

The Isaiah Project continues to be a 'compassion' based ministry reaching those in the community who often feel alone or unable to move out of their circumstances without help.

The team responsible for the Project is committed to be flexible to 'hear' the needs of those we encounter and to demonstrate the love of God in the area in which we are based.

Consolidation

During the year, The Isaiah Project became the beneficial owner of The Isaiah Project Limited, after obtaining control of the company from 16th February 2025. As a result, consolidated financial statements have been prepared.

THE ISAIAH PROJECT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Financial review

Income and expenditure shown in these accounts represents April 2024 to March 2025. The total income was £1,515,531 and total expenditure was £1,390,523 leaving a surplus of £125,008 for the year. Over this period, we received £16,830 in grants and £1,883 was received in donations and legacies.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to approximately three month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

The Trustees have a duty to identify risks and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

In the coming year The Isaiah Project aims to continue to fulfil its objectives. In doing so there will be a continued need to seek to diversify the funding streams that enable The Project to provide the service it does. Expansion has meant that additional befrienders have been recruited and trained as more residents are accommodated.

Plans for future periods

We are looking to further develop the support we give to the members of our project and it is hoped that in early 2026 we will be able to offer targeted groups using the support plans we produce to inform us. This will be dependent on raising additional funding through grants. We would also like to extend the programmes we offer our younger residents.

Structure, governance and management

The Isaiah Project is a charitable incorporated organisation (CIO) governed by the foundation model constitution. The Charity was registered with the Charity Commission on 28th March 2014 and commenced activities on 1st January 2015. Prior to this date, The Isaiah Project had been operating for several years as part of Southend Christian Fellowship, a cooperating charity. In January 2023 we moved our principle office to The Isaiah Project, Ferndale Road, Southend on Sea, Essex, SS2 4DS. The charity is registered with the Charity Commission in England and Wales and its registration number is 1156428.

The trustees who served during the year and up to the date of signature of the financial statements were:

C Cooper
H Copping
O Aroyehun
S Dalley

The charity is managed by a board of four trustees selected because they strongly endorse the charitable objectives of the organisation and support its Christian ethos. When selecting trustees, the charity aims to ensure there is a broad range of relevant skills. Trustees are appointed after interviews with existing trustees and formal visits to the organisation, to ensure that they understand our vision and values. Trustees are subject to Disclosure and Barring Service checks where applicable. Any potential Trustee is made aware of the legal obligations under Charity law.

The Trust actively endorses training at all levels of the charity. New trustees participate in an induction process which includes becoming familiar with all the Trust's projects; receiving relevant information regarding health and safety and personal safety; a copy of the CIO's constitution and role-related knowledge where applicable. New trustees are also given copies of relevant Charity Commission literature, such as "CC3 The Essential Trustee" and "Guidance for Charity Trustees". Trustees are encouraged to undertake development training where appropriate.

THE ISAIAH PROJECT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

The Isaiah Project recognises the need to provide a safe and caring environment for children, young people and vulnerable adults. We acknowledge that children, young people and vulnerable adults can be the victims of physical, sexual and emotional abuse, and neglect. Therefore, all paid and voluntary staff working with vulnerable adults undertake regular in-house safeguarding training and are Disclosure and Barring Service checked. Where more in-depth training is identified as being required this will be sought from CCPAS (The Churches' Child Protection Advisory Service). The Isaiah Project will also ensure that children and vulnerable adults are provided with information on where to get help and advice in relation to abuse, discrimination, bullying or any other matter where they have a concern. The Isaiah Project Safeguarding Policy is implemented by Hazel Copping (Safeguarding Coordinator), Geraldine Vickers (Deputy Safeguarding Coordinator) & Tracy Makepeace.

The Trustees' report was approved by the Board of Trustees.

Steven Dalley

STEVEN DALLEY

Trustee

Dated: 15/04/2026

THE ISAIAH PROJECT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE ISIAH PROJECT

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE ISIAH PROJECT

Opinion

We have audited the financial statements of The Isaiah Project (the 'charity') and its subsidiaries (the 'group') for the year ended 31st March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, Consolidated Cash Flow Statement 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 group's and of the charity's affairs as at 31st March 2025 and of the group's incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 group's and charity'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 auditor's 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 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.

THE ISAIAH PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE ISAIAH PROJECT

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the group's and charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE ISIAH PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ISIAH PROJECT

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 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.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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 (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

THE ISIAAH PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE ISIAAH PROJECT

Azets Audit Services
Jullan Golding (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

15.10.12

Chartered Accountants
Statutory Auditor

7 - 8 Britannia Business Park
Comet Way
Southend-On-Sea
Essex
United Kingdom
SS2 6GE

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE ISAIAH PROJECT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	4	18,713	-	18,713	6,908	-	6,908
Charitable activities	5	1,021,702	65,000	1,086,702	872,513	38,530	911,043
Other trading activities	6	410,116	-	410,116	346,261	-	346,261
Total income		1,450,531	65,000	1,515,531	1,225,682	38,530	1,264,212
Expenditure on:							
Raising funds	7	344,679	-	344,679	287,580	-	287,580
Charitable activities	8	988,167	57,677	1,045,844	873,439	38,530	911,969
Total resources expended		1,332,846	57,677	1,390,523	1,161,019	38,530	1,199,549
Net gains/(losses) on investments	12	-	-	-	21,247	-	21,247
Net income for the year/ Net movement in funds		117,685	7,323	125,008	85,910	-	85,910
Fund balances at 1 April 2024		544,246	5,384	549,630	458,336	5,384	463,720
Fund balances at 31 March 2025		661,931	12,707	674,638	544,246	5,384	549,630

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

All income and expenditure derive from continuing activities.

THE ISAIAH PROJECT

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Negative goodwill	14		(21,603)		-
Tangible assets	16		441,138		-
Current assets					
Debtors	17	74,526		-	
Cash at bank and in hand		199,764		-	
		274,290		-	
Creditors: amounts falling due within one year	18	(19,187)		-	
Net current assets			255,103		-
Total assets less current liabilities			674,638		-
Income funds					
Restricted funds	20		12,707		-
<u>Unrestricted funds</u>					
Designated funds			-		-
General unrestricted funds		661,931		-	
			661,931		-
			674,638		-

The financial statements were approved by the Trustees on 15/04/2026

Steven Dalley

Trustee

STEVEN DALLEY.

THE ISAIAH PROJECT

CHARITY BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	16		141,138		142,171
Investment	15		2		-
			<u>141,140</u>		<u>142,171</u>
Current assets					
Debtors	17	354,673		133,307	
Cash at bank and in hand		<u>189,072</u>		<u>308,010</u>	
		543,745		441,317	
Creditors: amounts falling due within one year	18	<u>(11,578)</u>		<u>(33,858)</u>	
Net current assets			<u>532,167</u>		<u>407,459</u>
Total assets less current liabilities			<u>673,307</u>		<u>549,630</u>
Income funds					
Restricted funds	20		12,707		5,384
<u>Unrestricted funds</u>					
Designated funds		-		340,221	
General unrestricted funds		<u>660,600</u>		<u>204,025</u>	
			<u>660,600</u>		<u>544,246</u>
			<u>673,307</u>		<u>549,630</u>

The financial statements were approved by the Trustees on 15/04/2026

Steven Dalley

Trustee **STEVEN DALLEY**

THE ISAIAH PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	22		166,813		-
Investing activities					
Intangible asset on consolidation		21,603		-	
Tangible fixed assets on business combination		(300,664)		-	
Net cash used in investing activities			(279,061)		-
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(112,248)		-
Cash and cash equivalents at beginning of year			308,010		-
Cash and cash equivalents at end of year			199,764		-

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies

Charity information

The Isaiah Project is a charitable incorporated organisation (CIO) governed by the foundation model constitution. The charity was registered with the Charity Commission on 28th March 2014 and commenced activities on 1st January 2015. Prior to this date, The Isaiah Project has been operating for several years as part of Southend Christian Fellowship, a cooperating charity.

2.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Consolidation:

Where control is exercised by the parent charity over another entity, those entities are consolidated as subsidiaries on a line-by-line basis in accordance with FRS 102 - section 9 and the Charities SORP (FRS102). Details of these entities are given in note 15 to the financial statements.

A separate statement of financial activities for the charitable company has not been presented because the charitable company has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designed for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies

2.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

2.5 Expenditure

Trading costs comprise all expenditure incurred in the operation of charity shops which raise income for the charity as well as an awareness of its work.

Expenditure on charitable activities includes all expenditure directly related to the provision of the main activities of the charity.

Costs that are related to the running of the charity but not directly attributable to a charitable activity are allocated between activities and trading costs on an appropriate basis.

2.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill shall be considered to have a finite useful life, and shall be amortised on a systematic basis over its life.

Negative goodwill

If the fair value of the identifiable net assets acquired exceeds the consideration transferred, the surplus is recognised as negative goodwill. Before recognising negative goodwill, the charity reassesses whether all acquired assets and liabilities have been correctly identified and measured in accordance with FRS 102.

2.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Fixtures, fittings & equipment	25% on cost
Computers	25% on cost
Motor vehicles	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies

Freehold properties are depreciated over their estimated useful economic lives of 50 years. However, the residual value of each property is considered to be high due to repair and maintenance works. Accordingly, the directors considered the depreciation charge for the year and on a cumulative basis to be immaterial.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluation gains and losses are recognised in other recognised gains and losses and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in net income/(expenditure) or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

2.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2.11 Employee benefits

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

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

2.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

3 Critical accounting estimates and judgements

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

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

Investment property valuation

The valuation of investment properties is a key source of estimation uncertainty due to the inherent subjectivity involved in assessing fair value. Investment properties are measured at fair value at the reporting date in accordance with FRS 102. Fair value is determined based on an independent professional valuation or, where this is not practicable, by the trustees using available market evidence. These valuations involve a number of significant judgements and estimates.

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

4 Donations and legacies

	Unrestricted funds	Unrestricted funds	Total
	2025 £	2024 £	2024 £
Donations and gifts	1,883	6,908	6,908
Government grants	16,830	-	-
	<u>18,713</u>	<u>6,908</u>	<u>6,908</u>

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

5 Charitable activities

	Grants and Projects 2025 £	Tenants 2025 £	Supported Housing 2025 £	Total 2025 £	Grants and Projects 2024 £	Tenants 2024 £	Supported Housing 2024 £	Total 2024 £
Income								
Grants and Projects	-	770,304	251,398	1,021,702	-	639,513	233,000	872,513
	65,000	-	-	65,000	38,530	-	-	38,530
	<u>65,000</u>	<u>770,304</u>	<u>251,398</u>	<u>1,086,702</u>	<u>38,530</u>	<u>639,513</u>	<u>233,000</u>	<u>911,043</u>
Analysis by fund								
Unrestricted funds	-	770,304	251,398	1,021,702	-	639,513	233,000	872,513
Restricted funds	65,000	-	-	65,000	38,530	-	-	38,530
	<u>65,000</u>	<u>770,304</u>	<u>251,398</u>	<u>1,086,702</u>	<u>38,530</u>	<u>639,513</u>	<u>233,000</u>	<u>911,043</u>

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

6 Other trading activities

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Shop income	410,116	346,261

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
<u>Trading costs</u>	83,122	73,575
Operating charity shops	261,557	214,005
Support costs		
Trading costs	344,679	287,580
	344,679	287,580

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

8 Charitable activities

	Grants and Projects Expenditure		Tenants Expenditure		Supported Housing Expenditure		Total 2025		Grants and Projects Expenditure		Tenants Expenditure		Supported Housing Expenditure		Total 2024	
	2025	£	2025	£	2025	£	£	£	2024	£	2024	£	2024	£	2024	£
Utilities	-	-	68,330	-	-	-	68,330	-	-	-	75,289	-	-	-	75,289	-
Rent	-	-	623,989	-	-	-	623,989	-	-	-	540,242	-	-	-	540,242	-
Council Tax	-	-	36,568	-	-	-	36,568	-	-	-	28,938	-	-	-	28,938	-
TV License	-	-	6,882	-	-	-	6,882	-	-	-	6,336	-	-	-	6,336	-
Other	125	125	4,108	-	16,981	-	21,214	125	125	23,168	3,128	-	-	-	26,421	-
Insurance	57,552	57,552	-	-	-	-	57,552	38,405	38,405	-	-	-	-	-	38,405	-
Repairs and Renewals	-	-	-	-	9,070	-	9,070	-	-	12,983	-	-	-	-	12,983	-
Motor Expenses	-	-	-	-	3,512	-	3,512	-	-	4,040	-	-	-	-	4,040	-
	57,677	57,677	739,877	29,563	29,563	827,117	827,117	38,530	38,530	653,933	40,191	732,654				
Share of support costs (see note 9)	-	-	29,647	189,080	189,080	218,727	218,727	-	-	24,126	155,189	179,315				
	57,677	57,677	769,524	218,643	218,643	1,045,844	1,045,844	38,530	38,530	678,059	195,380	911,969				
Analysis by fund																
Unrestricted funds	-	-	769,524	218,643	218,643	988,167	988,167	-	-	678,059	195,380	873,439				
Restricted funds	57,677	57,677	-	-	-	57,677	57,677	38,530	38,530	-	-	38,530				
	57,677	57,677	769,524	218,643	218,643	1,045,844	1,045,844	38,530	38,530	678,059	195,380	911,969				

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

9 Support costs

	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Staff costs	434,042	-	434,042	357,098	-	357,098
Depreciation	1,696	-	1,696	1,627	-	1,627
Insurance	7,386	-	7,386	6,261	-	6,261
Accountancy	3,389	-	3,389	6,060	-	6,060
Bank Charges	3,551	-	3,551	3,050	-	3,050
Computer Costs	2,576	-	2,576	1,604	-	1,604
Audit fees	6,450	-	6,450	-	-	-
Postage, Printing & Stationery	1,710	-	1,710	2,319	-	2,319
Telephones	1,791	-	1,791	1,798	-	1,798
Other	7,019	-	7,019	4,207	-	4,207
Rent	10,674	-	10,674	9,296	-	9,296
	<u>480,284</u>	<u>-</u>	<u>480,284</u>	<u>393,320</u>	<u>-</u>	<u>393,320</u>
Analysed between						
Trading	261,557	-	261,557	214,005	-	214,005
Charitable activities	218,727	-	218,727	179,315	-	179,315
	<u>480,284</u>	<u>-</u>	<u>480,284</u>	<u>393,320</u>	<u>-</u>	<u>393,320</u>

Support costs are allocated to the activity that they relate and then split equally over the activities of the charity.

Included above in support costs are audit fees of £6,500 (2024- £6,060).
The prior year in relation to an independent report, posted within accountancy fees.

10 Trustees

Two of the four trustees are employed as permitted by the charity's constitution. Their salary is discussed in their absence at trustees' meetings. The amounts paid to trustees in respect of remuneration during the period were as follows:

- - £18,687 (2024 - £19,321)
- - £nil (2024 - £402)

No trustees were remunerated for the role of trustee.

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

11 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
All employees	31	33
Employment costs	2025 £	2024 £
Wages and salaries	400,389	331,837
Social security costs	20,649	14,562
Other pension costs	13,004	10,699
	434,042	357,098

There were no employees whose annual remuneration was £60,000 or more.

12 Net gains/(losses) on Investments

	Total Unrestricted funds	
	2025 £	2024 £
Revaluation of investment properties	-	21,247

13 Taxation

GROUP

Corporation tax liability within creditors of £4,001 relates to The Isaiah Project Limited.

CHARITY:

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

14 Intangible fixed assets

Negative goodwill
£

GROUP

Cost

At 1 April 2024

-

Additions - separately acquired

(21,603)

At 31 March 2025

(21,603)

Amortisation and impairment

At 1 April 2024 and 31 March 2025

-

Carrying amount

At 31 March 2025

(21,603)

At 31 March 2024

-

There are no intangible fixed assets within the Charity.

On 16th February 2025, the charity became the beneficial owner of The Isaiah Project Limited. The transaction met the definition of a business combination under FRS 102 and has been accounted for using the purchase method. No consideration was transferred. The identifiable assets and liabilities were recognised at fair value at the acquisition date.

As the fair value of the net assets acquired exceeded the cost of the combination, negative goodwill has been recognised.

In accordance with FRS 102, negative goodwill relating to non-monetary assets has been deferred and is being released to income on a systematic basis that reflects the consumption of the related assets, typically aligned with the income generated from investment properties.

15 Fixed Asset Investment

CHARITY

	2025 £	2024 £
Investment in subsidiaries	2	-

On 16th February 2025, the charity became the beneficial owner of The Isaiah Project Limited.

As at 31st March 2025, The Isaiah Project Limited held capital and reserves of £20,155.

The results of The Isaiah Project Limited have been consolidated in these financial statements from the point of acquisition.

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

16 Tangible fixed assets

	Freehold land and buildings	Fixtures, fittings & equipment	Computers	Motor vehicles	Total
<u>GROUP</u>	£	£	£	£	£
Cost					
At 1 April 2024	140,000	1,307	2,929	5,200	149,436
Additions	-	157	507	-	664
Business combinations	300,000	-	-	-	300,000
At 31 March 2025	440,000	1,464	3,436	5,200	450,100
Depreciation and impairment					
At 1 April 2024	-	967	2,399	3,900	7,266
Depreciation charged in the year	-	116	280	1,300	1,696
At 31 March 2025	-	1,083	2,679	5,200	8,962
Carrying amount					
At 31 March 2025	440,000	381	757	-	441,138
At 31 March 2024	140,000	340	531	1,300	142,171

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

16 Tangible fixed assets (cont'd)

	Freehold land and buildings	Fixtures, fittings & equipment	Computers	Motor vehicles	Total
	£	£	£	£	£
CHARITY					
Cost					
At 1 April 2024	140,000	1,307	2,929	5,200	149,436
Additions	-	157	507	-	664
At 31 March 2025	140,000	1,464	3,436	5,200	150,100
Depreciation and impairment					
At 1 April 2024	-	967	2,399	3,900	7,266
Depreciation charged in the year	-	116	280	1,300	1,696
At 31 March 2025	-	1,083	2,679	5,200	8,962
Carrying amount					
At 31 March 2025	140,000	381	757	-	141,138
At 31 March 2024	140,000	340	531	1,300	142,171

17 Debtors

Amounts falling due within one year:

GROUP

	2025 £	2024 £
Trade debtors	73,723	-
Other debtors	803	-
	<u>74,526</u>	<u>-</u>

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 Debtors (cont'd)

	2025	2024
<u>CHARITY</u>		
Trade debtors	73,723	55,628
Amounts owed by subsidiary undertakings	280,147	-
Other debtors	803	77,679
	<u>354,673</u>	<u>133,307</u>

18 Creditors: amounts falling due within one year

	2025 £	2024 £
<u>GROUP</u>		
Corporation tax payable	4,001	-
Other creditors	10,586	-
Accruals and deferred income	4,600	-
	<u>19,187</u>	<u>-</u>

	2025 £	2024 £
<u>CHARITY</u>		
Trade creditors	-	2,687
Other creditors	6,978	26,731
Accruals and deferred income	4,600	4,440
	<u>11,578</u>	<u>33,858</u>

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £13,004 (2024 - £10,699).

THE ISAIAH PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

20 Restricted funds

GROUP AND CHARITY

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Balance at 31 March 2025 £
ELF Funding	5,384	38,530	(38,530)	5,384	65,000	(57,677)	12,707

Restricted funds include income from The Essential Living Fund, provided by Southend on Sea City Council to support those in need for essential costs including for the purchase of beds.

21 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total Unrestricted funds 2025 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 March 2025 are represented by:					
Intangible fixed assets	(21,603)	-	(21,603)	-	-
Tangible assets	441,138	-	441,138	142,171	142,171
Current assets/(liabilities)	242,396	12,707	255,103	407,459	407,459
	<u>661,931</u>	<u>12,707</u>	<u>674,638</u>	<u>549,630</u>	<u>549,630</u>

22 Cash generated from operations

	2025 £	2024 £
Surplus for the year	125,008	85,910
Adjustments for:		
Fair value gains and losses on investment properties	-	(21,247)
Depreciation and impairment of tangible fixed assets	1,696	1,627
Movements in working capital:		
Decrease/(increase) in debtors	58,781	(30,241)
(Decrease)/increase in creditors	(18,672)	8,552
Cash generated from operations	<u>166,813</u>	<u>44,601</u>

