

ISLINGTON LAW CENTRE

England & Wales · Charity number 268468

Details

Other names	THE NORTH ISLINGTON LAW CENTRE, ILC, ILC (ISLINGTON LAW CENTRE)
Status	Registered
Legal form	Charitable company
Company number	01302947
Registered	1977-11-23
Register	View on the Charity Commission register

Contact

Address	Islington Law Centre 38 Devonian Road London N1 8JH
Phone	02072887630
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Website	www.islingtonlaw.org.uk

Activities

Objects: (a) The relief of poverty amongst persons resident or working in England and Wales in particular the London Borough of Islington and the surrounding area by providing such persons with legal advice services and representation which they could not otherwise obtain or which it would not be reasonably practicable or appropriate for them to obtain elsewhere; including by the provision of legal advice services and representation to help migrants, refugees and asylum seekers to take steps towards the regularisation of immigration status where appropriate;(b) To advance the education of the public in the law of England and Wales and the application thereof.

Activities: Provision of legal advice, casework and representation to local communities.

Classification

- **How:** Provides Advocacy/advice/information
- **What:** The Prevention Or Relief Of Poverty, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** LONDON BOROUGH OF ISLINGTON
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,012,874	£1,992,780	£2,534,966	36
2024-03-31	£2,478,157	£2,400,154	£2,514,872	38
2023-03-31	£2,577,416	£1,846,575	£2,436,869	41
2022-03-31	£2,131,779	£1,738,939	£1,706,428	39
2021-03-31	£2,277,336	£1,607,513	£1,313,588	38

Trustees

Name	Role	Appointed
Caroline Rivett		2025-02-18
Michael Collins		2018-03-20
Niels Pedersen		2025-02-18
Onika Adams		2013-06-18
PAUL GEORGE LOWENBERG		2018-03-20
Peter Mant KC		2025-02-18
Steven Lorber		2021-03-08

Accounts

Report and financial statements
for the year ended 31 March 2025



Company number: 1302947
Charity number: 268468

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Company number Incorporated in England and Wales 1302947

Charity number Registered in England and Wales 268468

Registered office & operational address 38 Devonian Road, London, N1 8JH

Members of the Board Members who are also directors under company law, who served during the year and up to the date of the report were as follows:

Paul Lowenberg	(Chair)
Susan Lee	Resigned 23 September 2025
Onika Adams	
Michael Collins	
Steven Lorber	
Russell Smith-Becker	Resigned 21 May 2024
Marian Ellingworth	Resigned 18 February 2025
Niels Pedersen	(Treasurer) Appointed 18 February 2025
Caroline Rivett	Appointed 18 February 2025
Peter Mant KC	Appointed 18 February 2025

Key management personnel	Stuart Hearne	Director
	Matthew Brown	Deputy Director

Bankers Lloyds Bank
19-20 Upper Street
London
N1 0PJ

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
110 Golden Lane
LONDON
EC1Y 0TG

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

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The objects of Islington Law Centre are as follows:

- (a) The relief of poverty amongst persons resident or working in England and Wales in particular the London Borough of Islington and the surrounding area by providing such persons with legal advice services and representation which they could not otherwise obtain or which it would not be reasonably practicable or appropriate for them to obtain elsewhere; including by the provision of legal advice services and representation to help migrants, refugees and asylum seekers to take steps towards the regularization of immigration status where appropriate;
- (b) To advance the education of the public in the law of England and Wales and the application thereof

Organisational Structure

The Charity has an active Board, which meets at least 6 times a year. An Annual General Meeting is also held.

Staff team

The Charity employs a team that includes: -

- Director and Deputy Director
- Supervisors (including solicitors) – 8 covering all areas of the Law Centre’s work
- Solicitors – 13
- Trainee Solicitors - 1
- Caseworkers – 10
- Paralegals- 1
- Reception and Referral team – 2
- Office Manager – 1

Challenging Poverty and Inequality while Supporting Civil Society

Islington Law Centre works with the community to provide tools, resources, advice and representation to help people to challenge the effects of poverty and inequality. We have had a very challenging year with an increase in demand for our services, and with clients having to deal with the continuing financial pressures and the cost-of-living crisis. We have seen a significant jump in the presentation of clients suffering with

ill health, with those presenting increasing from 67% the previous year to 80% this year. We have also seen an increase of clients with mental health issues, with 49% of clients this year reporting a mental health condition.



Islington Law Centre supports members of the community to take an active part in Civil Society and to have positive and effective engagement with Civil Society institutions – this includes dealing with the Local Authority, the Department of Work and Pensions, the Courts and Tribunals, the Education Services, the Home Office and other government departments.

We recognise that supporting people, particularly those on low incomes, people in housing need and people who are marginalised through poverty or through issues with immigration, is an intrinsic part of our society. By actively and positively engaging with Civil Society institutions our community is strengthened, and this helps to support the fabric of our society for the benefit of everyone.

When people have rights but have no access to the means to enforce those rights or where they feel that they have been let down or failed by the civil society institutions then the fabric of society is weakened. We recognise that by enabling people to access their rights and effectively engage with civil society we strengthen our democracy.

Achievements and performance

The charity's main activities and who we assist are described below. The Law Centre is focused on assisting people to overcome the effects of poverty and inequality. All its charitable activities focus on people on low incomes and are undertaken to further Islington Law Centre's charitable purposes for the public benefit.

Primary activities include: -

- An open-door reception and referral service available 5 days a week to help people identify the key legal issues they are facing and to link them with appropriate support (both within the organisation and via other agencies).
- Specialist casework teams in debt, education, housing, immigration/asylum, public law and welfare benefits.
- An outreach programme delivering **15 specialist legal advice sessions each week**. We work with our partners to provide a mixture of face to face and remote advice according to our clients' needs.
- We run the duty possession scheme at Clerkenwell County Court ensuring that those facing possession proceedings can have free advice and representation on the duty possession days at Court.
- A pro bono programme which includes **3 evening advice sessions each week**, providing direct assistance with the help of volunteer lawyers, as well as other pro bono activity linked to specific projects and other casework teams
- **Specialist project** focussing on children's rights – the Migrant and Refugee Children's Legal Unit (MiCLU)

All areas of the charity's activities have been well used by clients and have made an impact during the year.

Reception and Referral Service



In the year 2024/25, the service dealt with 8,395 enquiries. This was a 4% increase in the number of enquiries the year before, and a 36% increase from 2023/2024 (6,163 enquiries). This reflects the increase in demand for our services. Our reception is staffed in-person with two receptionists who book appointments and make referrals where the Law Centre either does not have capacity or does not work in the needed area of law.

Casework, advocacy and representation

The Law Centre worked on 2,320 cases & enquiries during the year, including 822 housing matters, 202 debt matters, 381 Immigration matters, 786 Welfare Rights matters and 86 Education matters. We take cases through to representation before the Courts and Tribunals and represent the majority of our welfare benefit appeal clients before the Tribunal. Our success in welfare rights appeals was over 90% during the year.

We represent housing clients in the County Court, ensuring that people facing possession claims receive representation at the County Court. We have successfully represented clients before the County Court, the Social Security Appeals Tribunal, the Immigration Appeals Tribunal and in the higher Courts in Judicial Review proceedings.

We also chair the Islington Homelessness Forum bringing together all those organisations working in homelessness across the Borough including the Council and the providers of homelessness services to help improve the homelessness services available.

Case study – Jasmine*

Jasmine was homeless because she had been evicted from privately rented accommodation via a s21 notice.

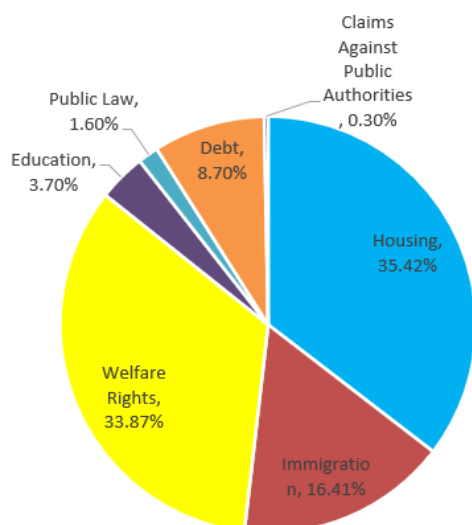
She applied to the council as homeless. Joanne suffered from multiple health conditions including back pain, thyroid problems, headaches, hypertension, insomnia, depression, eczema and asthma. She had also attempted suicide by way of an overdose. The council had found Joanne not to be in priority need. She was facing imminent eviction from her interim accommodation provided pending homeless enquiries.

We assisted with a review of the decision and requested accommodation be provided to her pending the review. We made submissions to the council and submitted medical evidence to them.

The council agreed to accommodate Joanne during her review, and she avoided street homelessness. The council also subsequently decided Joanne is vulnerable and in priority need enabling her to access permanent accommodation.

*Not our client's real name.

The spread of cases during the year:



We continued to manage the Clerkenwell and Shoreditch County Court Possession Duty scheme, continuing to provide a vital and urgent service to tenants and borrowers facing possession proceedings and eviction. This is a competitively tendered service and we have been successful in being awarded the contract by the Legal Aid Agency.

We continue to provide the new Housing Loss Prevention Advice Service (HLPAS) funded by the Legal Aid Agency and provided both at the Law Centre and at Clerkenwell and Shoreditch County Court.

There were significant casework successes in all areas of law, with a reduction in poverty through increased household income, lower indebtedness, as well as improvements in clients' housing, employment and educational situations and resolution of immigration status.

During 2024-25, our Welfare Rights Team represented clients at 91 appeal hearings.

Case Study – Sasha*

Sasha is single woman with several physical disabilities compounded by diagnosed mental health issues. She applied for Personal Independence Payment (PIP). Four months later, the DWP decided that she did not qualify. Sasha told the DWP she disagreed with their decision, so a review was carried out, but the decision stayed the same.

As well as her physical problems, Sasha is very anxious with people and finds discussing her mental health and depression difficult. She didn't know that extra evidence may sway the decision nor how to get hold it. An appeal was made but Sasha was confused by the letters and turned to us for help.

We interviewed Sasha and several of her difficulties involved problems of an intimate nature. She found it easier to explain things in person to a sympathetic adviser; we then fully understood the effects of her condition and secured the appropriate medical evidence.

We represented Sasha at her hearing. It was, distressing for her, but with the appropriate support she was able to give evidence effectively. The hearing and decision took less than an hour (a little shorter than usual) and Sasha was awarded the maximum PIP for 6 years.

Community Work

The Law Centre also undertook both legal education and social policy work – for example **providing training to local community organisations** and responding to government consultations. We have been involved in the governments review of legal aid, and we have also recently worked closely with the Housing Law Practitioners Association about proposed government changes to housing provision and proposals to move to digital provision of legal services as well as responding to numerous consultations from the Home Office relating to immigration.

Outreach Services

We are continually reviewing our services to improve our accessibility. We are committed to providing accessible outreach services across the Borough and to providing face to face advice services. We have learnt from our experiences during covid that some clients, particularly those with disabilities or health conditions, sometimes prefer telephone or other remote services. We are continuing to adapt our outreach services to give services users choice over how they access our services.



These sessions enable the Law Centre to **continue to meet the needs of people who may not be able to access mainstream provision**, and to maximise the impact of solicitors and caseworkers' time by building strong partnerships with other agencies.

The welfare benefits team have continued to operate their form filling clinic at the Law Centre office and in the past year had 178 appointments, and 194 applications made. The ILC core immigration team have continued to offer weekly remote advice sessions to clients from Hackney Migrant Centre and Haringey Migrants' Support Centre and have had 126 advice appointments in the past year.

Pro bono activity

The Law Centre continues to run three evening advice sessions each week, with volunteer lawyers providing initial advice and assistance in drafting documents. The service involves teams of pro bono lawyers from seven City law firms and in-house teams and has assisted clients with issues such as reclaiming deposits from landlords, Criminal Injuries Compensation, and small claims proceedings. The pro bono evening clinics had 351 appointments during the year, a 22% increase in appointments compared to the previous year.



The Law Centre has also been able to sustain a pro bono immigration project, working with City law firms. The Law Centre is a London partner in an initiative led by Central England Law Centre and Kids in Need of Defence UK, which works with children and young people to secure pro bono legal assistance around issues of immigration status.

Specialist projects

The Migrant and Refugee Children's Legal Unit (MiCLU) has continued with their 'Breaking the Chains' project in partnership with Shpresa Programme, a charity and refugee community group working with the Albanian speaking community in London.



The project works with children and young people from Albania to assist them with the asylum and trafficking claims. The project works to develop casework in this area and to increase the availability of good quality representation to this group who have been disproportionately targeted by the media. The team have also run **education and empowerment sessions** for young Albanians engaged in the Shpresa Programme to support their understanding of the asylum system.



The Kids in Need of Defence (KiND UK) project also continues- providing training, mentoring and supervision to pro bono partners assisting children who have lived in the UK for 7 years or more to regularise their status in the UK. The total number of KIND cases in the past year was 182, a 14% increase on the previous year.

KiND continues to hold a 100% success rate to date for their applications.

The organisation's infrastructure

The Law Centre has improved its financial arrangements and IT systems, and we have achieved Cyber Essentials accreditation.

In addition, the Law Centre has a strong emphasis on the quality of work being undertaken. We provide training and support to all our staff and have created a training space to both support and to increase the emphasis on training for staff. This space has also been available and used by other community organisations.

This improvement in the foundation of the Law Centre should build in increased resilience into the organisation and enable us to assist clients in a professional manner into the future.

The Law Centre holds the Law Society's Lexcel Quality Standard and was re-awarded this following a full reassessment in April 2025. We received very positive feedback from our Lexcel assessor including that his view that, "the Centre remains an extremely well run, and extremely well managed organisation".

The charity's main activities and who it tries to help are described below. All its charitable activities focus on tackling poverty and improving access to justice and are undertaken to further Islington Law Centre's charitable purposes for the public benefit.

Beneficiaries of our services

The Law Centre works with low-income clients, who are often facing extreme hardship. The majority of clients are women (around 58%) and a significant proportion (51%) are from black and minority ethnic communities.

Increasingly, clients have legal issues that involve more than one matter, or one area of law, and over the last couple of years there has been a sustained increase in the percentage of welfare benefits clients who require assistance with an appeal.



For the Law Centre as a whole, four fifths of our clients have some form of ill-health or disability.

Beneficiaries can self-refer, or are referred or signposted from other agencies, and a number of referrals are received from mental health professionals, as well as community organisations, children's centres and the local authority.

Clients are asked about their experience of the service via a anonymous questionnaire, as well as contacting us independently with feedback, and 97% of clients said that they were very happy. Clients frequently comment on the impact that the service has had on them, not only in terms of their legal issues, but wider access to justice and health, wellbeing and quality of life.

Below are some of the comments we have received over the past year.

I'm very grateful for the support and help. It's relieved my stress level because my issues were complicated. Thanks for everyone their kindness.

So grateful for your support and patience - you really know your stuff!

I would like to thank [adviser] for all the help she did for my mother's and I's case. She was very helpful and won the case for us and we are very grateful.

Financial review

The Law Centre has undertaken considerable work in recent years to strengthen its foundations and improve its resilience. As a result of this improved performance, we have been able to ensure that we have sufficient reserves to ensure that stability and resilience and are in a better place to deal with any financial issues that we may face in the future.

Our income for the year was £2,012,874 (FYE 23/24: £2,478,157) and expenditure of £1,922,780 (FYE 3/24: £2,400,154) was recorded leading to a modest surplus of £20,094 (FYE 3/24: £78,003). As of 31/3/25, our unrestricted general funds were £1,133,629, overall funds were £2,534,966 and our free reserves totalled £1,294,891.

Principal risks and uncertainties

This is an extremely difficult time for specialist legal advice charities. Legal Aid is not available for many of the legal issues for which the Law Centre's clients are seeking help, and Legal Aid rates have been frozen since 1996! The government has promised to increase legal aid rates but these have not yet come into force. This has led to a significant reduction in other sources of assistance for our beneficiary group.

The primary risks to the organisation are loss of key management and other personnel and risks associated with running legal aid contracts. We are managing these risks by employing a Director and Deputy Director, both of whom have considerable experience in managing grant income and operations. The Director has a solid track record in managing legal aid contracts over many years.

There is increasing competition for funding from Trusts and Foundations, and many of these funds are targeted at discrete client groups and/or areas of work, rather than "open door" services.

We expect that the continuing cost of living crisis, increase in poverty, and in particular child poverty and in-work poverty, the difficulties in accessing suitable and affordable housing, combined with pressure to reduce the cost to the Treasury of disability benefits, will increase demand for our services further over the coming period. We are also preparing for an increased need for our services as we see the increase in possessions and evictions. The community is also seeing a huge increase in fuel costs and a squeeze on household budgets and whilst inflation is now coming down food prices remain high and these costs disproportionately affect those on the lowest incomes.

The Law Centre manages its major risks through a formal risk management system. Risks are monitored, given a score based on a risk matrix and, where mitigation is reasonably achievable, plans are put in place and progress tracked. While operational

responsibility has been delegated to management, the Board reviews the list of risks, their current score, mitigation plans and progress against those plans, on a regular basis. The Board makes such changes to the list of risks, and to the plans to manage those risks, as it sees fit.

Reserves policy and going concern

The Trustees have reviewed our reserves policy in line with potential risks to the organisation and to enable the organisation to meet operational cash flow needs, be flexible enough to manage changes in funding streams or unexpected drops in income and to meet staff costs in the event of long-term sickness, maternity leave and/or redundancy. The Trustees have set a reserves policy of holding between 6 and 9 months running costs as reserves. Trustees have designated the work in progress (£795,179) and disbursements (£338,450) as designated funds. Work in progress and disbursements are not liquid and so cannot be considered as part of the free reserves. The free reserves (unrestricted general funds less unrestricted fixed assets) at the year-end were £1,294,891. The monthly running costs are £166,065 and the current reserves represent 7.8 months' running costs.

The Trustees review the level of reserves and the reserves policy at least annually.

Investments

The Law Centre currently does not invest in bond, shares or any other complex financial products. Monies are held on account with banks or building societies.

Fundraising

Fundraising activity undertaken by the Law Centre currently includes the preparation and submission of applications to a range of Trusts and Foundations, and this is undertaken by paid staff and often in conjunction with other partner agencies and networks.

The Law Centre has participated in events organised by the London Legal Support Trust, such as an annual sponsored walk and has received donations from corporate law firms, individuals and Trusts.

The Law Centre's fundraising aims are to sustain and enhance existing services, and to build on these to meet new and/or additional needs, and to improve accessibility to those in greatest need.

The Law Centre has not engaged professional fundraisers or commercial participators and has not undertaken activities which involve targeting members of the general public. It has not received any complaints in relation to fundraising activities nor has it acted in breach of any relevant codes.

Plans for the future

The Law Centre is committed to continuing to work for access to justice, and to ensuring a solid financial base for its services.

We are continuing to develop and grow our Legal Aid work and are committed to the provision of legal aid services.

In 2025/26, our aims include strengthening our management team, looking at developing our public law work further, increasing the levels of publicly funded work that we do, thus increasing our percentage of unrestricted income, and to seek additional funds to enable us to respond to local needs, whilst retaining our strategic work and impact. We are also looking to develop our public law work and to look to how to develop and train staff and to grow our own future social welfare lawyers.

We are committed to training new social welfare lawyers and have obtained support from the Justice First Foundation to recruit a trainee solicitor who started with us in April 2025.

Structure, governance and management

The organisation is a charitable company limited by guarantee, it was founded in 1973 and incorporated on 16 March 1977 and registered as a charity on 23 November 1977.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All members of the Board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Public Benefit

The trustees have complied with their duty to have due regard to the Charity Commission's Public Benefit Guidance (PB1 the Public Benefit Requirement, PB2 Public Benefit Running a Charity and PB3 Public Benefit Reporting) when exercising powers or duties to which the guidance is relevant.

Appointment of trustees

We have successfully undertaken a Trustee recruitment process during the year and have increased our Board to a Board of eight Trustees.

The Board seeks to replenish its rank, as and when required, with the aim of trustees collectively bringing a wide range of skills and experiences to the Board to ensure i. the effective running of the Board, ii. the diligent execution of its governance responsibilities, and iii. its ability to provide oversight of, and support for, the employees of the Law Centre and, in particular, the Director. While not a requirement, many trustees are long-term residents of Islington.

A Chair, who must also be a trustee, is nominated and elected by the members of the Board.

Trustee induction and training

New Trustees receive an induction pack (which includes, for example, our safeguarding and other similar policies) and are invited to attend various training courses.

Bespoke training is also provided for Trustees as a group from time to time. Trustees do not receive any remuneration.

Staff Remuneration Policy

The remuneration policy for all personnel is determined by the Trustees who review cost of living increases annually. Trustees may review overall salaries from time to time, and in doing so would take account of market rates in comparable organisations. Trustees approve all salaries when they set the budget at the start of the year.

Statement of responsibilities of the trustees

The Trustees (who are also directors of Islington Law Centre for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the Board is aware:

- There is no relevant audit information of which the charitable company's auditors are unaware;
- members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The members have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report has been approved by the trustees on 18 November 2025 and signed on their behalf by

Niels Pedersen
Treasurer on behalf of the
Trustee Board

Opinion

We have audited the financial statements of Islington Law Centre (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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.
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Use of our report

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

Farrah Kitabi (Senior statutory auditor)

26 November 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor 110 Golden Lane, LONDON,
EC1Y 0TG

Islington Law Centre

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2025

	Note	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Income from:							
Donations and legacies	2	81,888	-	81,888	67,031	-	67,031
Charitable activities	3	731,450	1,199,536	1,930,986	1,023,701	1,387,425	2,411,126
Total income		813,338	1,199,536	2,012,874	1,090,732	1,387,425	2,478,157
Expenditure on:							
Charitable activities	5a	761,767	1,231,013	1,992,780	801,169	1,598,985	2,400,154
Total expenditure		761,767	1,231,013	1,992,780	801,169	1,598,985	2,400,154
Net income / (expenditure) for the year	6	51,571	(31,477)	20,094	289,563	(211,560)	78,003
Transfers between funds		-	-	-	-	-	-
Net movement in funds		51,571	(31,477)	20,094	289,563	(211,560)	78,003
Reconciliation of funds:							
Total funds brought forward		2,422,245	92,627	2,514,872	2,132,682	304,187	2,436,869
Total funds carried forward		2,473,816	61,150	2,534,966	2,422,245	92,627	2,514,872

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15a to the financial statements.

Islington Law Centre

Balance sheet

Company no. 1302947

As at 31 March 2025

	Note	£	2025 £	£	2024 £
Fixed assets:					
Tangible assets	10		45,296		60,565
			45,296		60,565
Current assets:					
Work in progress	11	795,179		764,590	
Debtors	12	524,374		520,848	
Cash at bank and in hand		1,308,241		1,304,220	
		2,627,794		2,589,658	
Liabilities:					
Creditors: amounts falling due within one year	13	(138,124)		(135,351)	
Net current assets			2,489,670		2,454,307
Total net assets			2,534,966		2,514,872
The funds of the charity:	15a				
Restricted income funds			61,150		92,627
Unrestricted income funds:					
Designated funds		1,133,629		1,141,141	
General funds		1,340,187		1,281,104	
Total unrestricted funds			2,473,816		2,422,245
Total charity funds			2,534,966		2,514,872

Approved by the Board on 18 November 2025 and signed on their behalf by

Niels Pedersen
Treasurer

Islington Law Centre

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	(a)		4,021		142,066
Cash flows from investing activities:					
Purchase of fixed assets		-		(1,988)	
Net cash used in investing activities			-		(1,988)
Change in cash and cash equivalents in the year			4,021		140,078
Cash and cash equivalents at the beginning of the year			1,304,220		1,164,142
Cash and cash equivalents at the end of the year	(b)		1,308,241		1,304,220

(a) Reconciliation of net income to net cash flow from operating activities

	2025 £	2024 £
Net income for the reporting period (as per the statement of financial activities)	20,094	78,003
Depreciation charges	15,269	19,778
Increase in stocks	(30,589)	(15,665)
Increase in debtors	(3,526)	33,656
Decrease in creditors	2,773	26,294
Net cash provided by operating activities	4,021	142,066

(b) Analysis of cash and cash equivalents

	At 1 April 2024 £	Cash flows £	Other changes £	At 31 March 2025 £
Cash at bank and in hand	1,304,220	4,021	-	1,308,241
Total cash and cash equivalents	1,304,220	4,021	-	1,308,241

1 Accounting policies

Statutory information

Islington Law Centre is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 38 Devonian Road, London, N1 8JH.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Key judgements that the charitable company has made which have a significant effect on the accounts include estimation of the value of work in progress.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

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 that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

Income from legal contracts is recognised on the accruals basis. An asset is recognised for work done under legal contracts where the criteria of measurement, probability and entitlement are met.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor or which has been raised by the charity for particular purposes. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

Expenditure and irrecoverable VAT

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

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Resources expended are 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 the basis of staff time.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. Governance costs are allocated to each activity based on staff time.

Operating leases

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

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

☐ Leasehold improvements	15 years straight-line
☐ Fixtures and fittings	25% reducing balance
☐ Office equipment	25% reducing balance
☐ Computer equipment	3 - 5 years straight-line

Work in progress

Work in progress is valued at the net realisable value. Provision is made where necessary for irrecoverable amount of work in progress.

Debtors

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

Cash at bank and in hand

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

1 Accounting policies (continued)**Creditors and provisions**

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

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.

Pensions

The charity operates a defined contribution pension scheme. Costs are allocated between restricted and unrestricted funds in accordance with the time spent on restricted and unrestricted work by staff members. There are no liabilities at year end.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Donations	81,888	-	81,888	67,031	-	67,031
	81,888	-	81,888	67,031	-	67,031

3 Income from charitable activities

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
LB Islington	-	450,000	450,000	-	450,000	450,000
Cripplegate Foundation	-	122,300	122,300	-	116,000	116,000
City Bridge Trust	-	-	-	-	64,800	64,800
Three Guineas Trust	-	111,000	111,000	-	60,000	60,000
Cloudesley	-	58,750	58,750	-	75,000	75,000
BBC Children in Need	-	30,000	30,000	-	30,000	30,000
Paul Hamlyn Foundation	-	66,000	66,000	-	122,650	122,650
Grant Legal Education Foundation	5,000	-	5,000	-	-	-
Haringey Migrant Centre	-	15,221	15,221	-	14,632	14,632
Hackney Migrant Centre	-	10,000	10,000	-	15,000	15,000
Kids in Need of Defence UK (KIND)	-	142,460	142,460	-	158,711	158,711
Strategic Legal Fund (SLF)	-	-	-	-	5,293	5,293
Big Lottery - Breaking Chains	-	42,274	42,274	-	138,149	138,149
Joseph Rowntree Charitable Trust	-	-	-	-	20,000	20,000
AB Charitable Trust	-	25,000	25,000	-	22,000	22,000
London Legal Support Trust	-	59,840	59,840	-	52,113	52,113
Other Samall Grants	-	66,691	66,691	-	43,077	43,077
Fees and other income	726,450	-	726,450	1,023,701	-	1,023,701
Total income from charitable activities	731,450	1,199,536	1,930,986	1,023,701	1,387,425	2,411,126

Islington Law Centre

Notes to the financial statements

For the year ended 31 March 2025

4 Local and Government and Housing Act 1989

The company received financial assistance from the London Borough of Islington. As required by Section 37 of the Local Government and Housing Act 1989 the following information is given.

London Borough of Islington provided funding towards the legal advice services in the following areas;

£450,000 (2024: £450,000) was for the provision of independent advice for residents of London Borough of Islington.

Islington Law Centre

Notes to the financial statements

For the year ended 31 March 2025

5a Analysis of expenditure - current year

	Charitable activities £	Governance costs £	Support costs £	2025 Total £	2024 Total £
Staff costs (Note 7)	1,594,415	-	-	1,594,415	1,558,617
Other staff costs	28,949	-	-	28,949	13,274
Professional costs	9,407	-	21,133	30,540	18,295
Project costs	74,540	-	-	74,540	161,828
MLP Transfer	25,324	-	-	25,324	384,807
General office costs	6,135	-	106,625	112,760	112,077
Premises costs	37,336	-	3,587	40,923	37,692
Depreciation	-	-	15,269	15,269	19,778
Audit and accountancy	-	30,157	-	30,157	34,092
Irrecoverable VAT	-	-	6,748	6,748	13,210
Bad debt	-	-	33,155	33,155	46,484
	1,776,106	30,157	186,517	1,992,780	2,400,154
Support costs	30,157	(30,157)	-	-	-
Governance costs	186,517	-	(186,517)	-	-
Total expenditure 2025	1,992,780	-	-	1,992,780	2,400,154

Of the total expenditure, £761,767 was unrestricted (2024: £801,169) and £1,231,013 was restricted (2024: £1,598,985).

5b Analysis of expenditure - prior year

	Charitable activities £	Governance costs £	Support costs £	2024 Total £
Staff costs (Note 7)	1,558,617	-	-	1,558,617
Other staff costs	13,274	-	-	13,274
Professional overheads	4,467	-	13,828	18,295
Project costs	161,828	-	-	161,828
MLP Transfer	384,807	-	-	384,807
General office costs	4,752	-	107,325	112,077
Premises costs	37,065	-	627	37,692
Depreciation	-	-	19,778	19,778
Audit and accountancy	-	34,092	-	34,092
Irrecoverable VAT	-	-	13,210	13,210
Bad debt	-	-	46,484	46,484
	2,164,810	34,092	201,252	2,400,154
Support costs	34,092	(34,092)	-	-
Governance costs	201,252	-	(201,252)	-
Total expenditure 2024	2,400,154	-	-	2,400,154

Notes to the financial statements

For the year ended 31 March 2025

6 Net income for the year

This is stated after charging / (crediting):

	2025 £	2024 £
Depreciation	15,269	19,778
Operating lease rentals:		
Property	22,500	22,500
Auditor's remuneration (excluding VAT):		
Audit	13,230	13,050
	<u>13,230</u>	<u>13,050</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	1,409,127	1,381,181
Social security costs	141,672	139,913
Employer's contribution to defined contribution pension schemes	33,500	33,069
Staff training	10,116	4,454
	<u>1,594,415</u>	<u>1,558,617</u>

One employee earned more than £60,000 during the year (2024:one).

	2025	2024
£60,000 - £69,999	1	1

The total employee benefits including employer NI and pension contributions of the key management personnel were £141,616 (2024: £136,940).

The trustees were not paid and received no other benefits from employment with the charity in the year (2024: £nil). No member received payment for professional or other services supplied to the charity (2024: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2025 No.	2024 No.
Average staff	37	38
	<u>37</u>	<u>38</u>

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation				
At the start of the year	129,228	82,056	13,364	224,648
At the end of the year	129,228	82,056	13,364	224,648
Depreciation				
At the start of the year	71,902	81,163	11,018	164,083
Charge for the year	14,332	512	425	15,269
At the end of the year	86,234	81,675	11,443	179,352
Net book value				
At the end of the year	42,994	381	1,921	45,296
At the start of the year	57,326	893	2,346	60,565

All of the above assets are used for charitable purposes.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2025 £	2024 £
Computer equipment	381	893

All of the above assets are used for charitable purposes.

11 Work in progress

	2025 £	2024 £
Work in progress	795,179	764,590
	795,179	764,590

Islington Law Centre

Notes to the financial statements

For the year ended 31 March 2025

12 Debtors

	2025 £	2024 £
Trade debtors	363,677	476,034
Other debtors	-	4,571
Prepayments	25,326	24,043
Accrued income	135,371	16,200
	524,374	520,848

13 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	20,612	9,095
Other creditors	77,472	107,596
Accruals	40,040	18,660
	138,124	135,351

14a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	45,296	-	-	45,296
Net current assets	1,294,891	1,133,629	61,150	2,489,670
Net assets at 31 March 2025	1,340,187	1,133,629	61,150	2,534,966

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	60,565	-	-	60,565
Net current assets	1,220,539	1,141,141	92,627	2,454,307
Net assets at 31 March 2024	1,281,104	1,141,141	92,627	2,514,872

Islington Law Centre

Notes to the financial statements

For the year ended 31 March 2025

15a Movements in funds (current year)

	At 1 April 2024 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2025 £
Restricted funds:					
Cripplegate Foundation	58,000	122,300	(119,150)	-	61,150
LB Islington	-	450,000	(450,000)	-	-
Three Guineas Trust	-	111,000	(111,000)	-	-
Richard Cloudesley Foundation	22,252	58,750	(81,002)	-	-
Big Lottery	-	42,274	(42,274)	-	-
Haringey Migrant Centre	-	15,221	(15,221)	-	-
Hackney Migrant Centre	-	10,000	(10,000)	-	-
BBC Children in need	-	30,000	(30,000)	-	-
Kids in Need of Defence UK (KIND UK)	-	142,460	(142,460)	-	-
Paul Hamlyn Foundation	12,375	66,000	(78,375)	-	-
London Legal Support Trust	-	59,840	(59,840)	-	-
AB Charitable Trust	-	25,000	(25,000)	-	-
Other	-	66,691	(66,691)	-	-
Total restricted funds	92,627	1,199,536	(1,231,013)	-	61,150
Unrestricted funds:					
Designated funds:					
Migrants' Law Project	-	50,954	(25,324)	(25,630)	-
Disbursement Fund	376,551	-	-	(38,101)	338,450
WIP	764,590	30,589	-	-	795,179
Total designated funds	1,141,141	81,543	(25,324)	(63,731)	1,133,629
General funds	1,281,104	731,795	(736,443)	63,731	1,340,187
Total unrestricted funds	2,422,245	813,338	(761,767)	-	2,473,816
Total funds	2,514,872	2,012,874	(1,992,780)	-	2,534,966

The narrative to explain the purpose of each fund is given at the foot of the note below.

Islington Law Centre

Notes to the financial statements

For the year ended 31 March 2025

15b Movements in funds (prior year)

	At 1 April 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2024 £
Restricted funds:					
City Bridge Trust	-	64,800	(64,800)	-	-
Cripplegate Foundation	61,483	116,000	(119,482)	-	58,000
LB Islington	-	450,000	(450,000)	-	-
Three Guineas Trust	-	60,000	(60,000)	-	-
Richard Cloudesley Foundation	32,500	75,000	(85,248)	-	22,252
Big Lottery	30,920	138,149	(169,069)	-	-
Haringey Migrant Centre	-	14,632	(14,632)	-	-
Hackney Migrant Centre	-	15,000	(15,000)	-	-
BBC Children in need	-	30,000	(30,000)	-	-
Strategic Legal Fund (SLF)	-	5,293	(5,293)	-	-
Kids in Need of Defence UK (KIND UK)	39,734	158,711	(198,445)	-	-
Paul Hamlyn Foundation	55,000	122,650	(165,275)	-	12,375
Esmée Fairbairn Foundation	7,500	-	(7,500)	-	-
Joseph Rowntree Charitable Trust	4,000	20,000	(24,000)	-	-
Baring Foundation	7,800	-	(7,800)	-	-
Other Small Grants	60,000	43,077	(103,077)	-	-
London Legal Support Trust	-	52,113	(52,113)	-	-
Therium	-	-	-	-	-
AB Charitable Trust	5,250	22,000	(27,250)	-	-
Other	-	-	-	-	-
Total restricted funds	304,187	1,387,425	(1,598,985)	-	92,627
Unrestricted funds:					
Designated funds:					
Migrants' Law Project	508,655	162,432	(393,887)	(277,200)	-
Disbursement Fund	-	-	-	376,551	376,551
WIP	748,925	15,665	-	-	764,590
Total designated funds	1,257,580	178,097	(393,887)	99,351	1,141,141
General funds	875,102	912,635	(407,282)	(99,351)	1,281,104
Total unrestricted funds	2,132,682	1,090,732	(801,169)	-	2,422,245
Total funds	2,436,869	2,478,157	(2,400,154)	-	2,514,872

15b Movements in funds (prior year continued)

Purposes of restricted funds

General social welfare and core services includes core funding for General Legal Advice Services and the Three Advice Projects. Restricted funding received from City Bridge Trust, Cripplegate Foundation, LB Islington, Three Guineas Trust, Richard Cloudesley Foundation, Big Lottery, Haringey Migrant Centre, Hackney Migrant Centre, BBC Children in need, Kids in Need of Defence UK, Paul Hamlyn Foundation, Esmée Fairbairn Foundation, Baring Foundation and London Legal Support Trust.

The Migrant and Refugee Children's Legal Unit was funded to work for social justice by changing policy and practice to ensure respect for the rights, and improve the lives, of migrant and refugee children in the UK through strategic casework, training, consultancy and policy work. The Migrant and Refugee Children's Legal Unit received restricted funding from Paul Hamlyn Foundation, Kids in Need of Defence, AB Charitable Trust and the National Lottery.

16 Movements in funds (continued)

Purposes of designated funds

Migrants' Law Project

The Migrant Law Project was a project that was based at the Law Centre until 16 June 2023. Under the agreement between ILC and MLP certain funds were held during the year and transferred to the new organisation housing MLP.

WIP & Disbursement Fund

Designated funds are the non-liquid assets of the Law Centre, work in progress and fees paid out on disbursements. These are assets of the Law Centre but are not available at any given point in time.

17 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2025	2024
	£	£
Less than one year	22,500	22,500
Between 1-5 Years	37,500	60,000
	60,000	82,500

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

19 Related party transactions

There are no related party transactions to disclose for 2025 (2024: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Accounts

Report and financial statements
For the year ended 31 March 2024



Company number: 1302947

Charity number: 268468

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Reference and administrative information
For the year ended 31 March 2024

Company number Incorporated in England and Wales 1302947

Charity number Registered in England and Wales 268468

Registered office and operational address 38 Devonian Road, London, N1 8JH

Members of the board Members, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Marian Ellingworth Chair Appointed 26 May 2023
Susan Lee
Onika Adams
Michael Collins
Paul Lowenberg
Steven Lorber
Jemima Joll Resigned 26 May 2023
Lindsay Edkins Resigned 6 February 2024
Russell Smith-Becker Resigned 13 May 2024

Key management personnel Stuart Hearne Director
Matthew Brown Deputy Director

Bankers Lloyds Bank
Highbury Corner
31-33 Holloway Road
London
N7 8JU

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
110 Golden Lane
LONDON
EC1Y 0TG

Trustees' annual report
For the year ended 31 March 2024

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

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The objects of Islington Law Centre are as follows:

- (a) The relief of poverty amongst persons resident or working in England and Wales in particular the London Borough of Islington and the surrounding area by providing such persons with legal advice services and representation which they could not otherwise obtain or which it would not be reasonably practicable or appropriate for them to obtain elsewhere; including by the provision of legal advice services and representation to help migrants, refugees and asylum seekers to take steps towards the regularization of immigration status where appropriate;
- (b) To advance the education of the public in the law of England and Wales and the application thereof

Organisational Structure

The Charity has an active Trustee Board, which meets at least 6 times a year.

Staff team

The Charity employs a team that includes: –

Director and Deputy Director

Supervisors (including solicitors) – 8 covering all areas of the Law Centre's work

Solicitors – 14

Trainee Solicitors – 1

Caseworkers – 10

Paralegals – 1

Reception and Referral team – 2

Interim Office Manager – 1

Supporting Civil Society

Islington Law Centre supports members of the community to take an active part in Civil Society and to have positive and effective engagement with Civil Society institutions – this includes dealing with the Local Authority, the Department of Work and Pensions, the Courts and Tribunals, the Education Services, the Home Office and other government departments. We recognise that supporting people, particularly those on low incomes, people in housing

need and people who are marginalised through poverty or through issues with immigration, is an intrinsic part of our society. By actively and positively engaging with Civil Society institutions our community is strengthened and this helps to support the fabric of our society for the benefit of everyone. When people have rights but have no access to the means to enforce those rights or where they feel that they have been let down or failed by the civil society institutions then the fabric of society is weakened. We recognise that by enabling people to access their rights and effectively engage with civil society we strengthen our democracy.

The Welfare Rights team secured

Over £1.7

Million

* in additional income for
local people



Achievements and performance

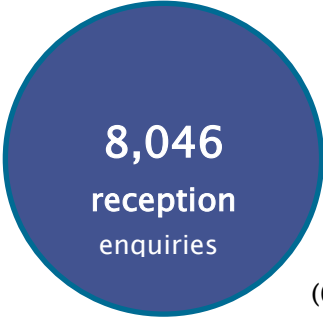
The charity's main activities and who we assist are described below. The Law Centre is focused on assisting people to overcome the effects of poverty and inequality. All its charitable activities focus on people on low incomes and are undertaken to further Islington Law Centre's charitable purposes for the public benefit.

Primary activities include: –

- An open-door reception and referral service available 5 days a week to help people identify the key legal issues they are facing and to link them with appropriate support (both within the organisation and via other agencies)
- Specialist casework teams in debt, education, housing, immigration/asylum, public law and welfare benefits.
- An outreach programme delivering **15 specialist legal advice sessions each week**. We work with our partners to provide a mixture of face to face and remote advice according to our clients' needs.
- A pro bono programme which includes **3 evening advice sessions each week**, providing direct assistance with the help of volunteer lawyers, as well as other pro bono activity linked to specific projects and other casework teams
- **Specialist project** focussing on children's rights – the Migrant and Refugee Children's Legal Unit (MiCLU).

All areas of the charity's activities have been well used by clients and have made an impact during the year.

Reception and Referral Service



8,046
reception
enquiries

In the year 2023/24, the service dealt with 8,046 enquiries. This was a 30% increase in the number of enquiries the year before (6,163 enquiries). This reflects the increase in demand for our services. Our reception is staffed in-person with two receptionists who book appointments and make referrals where the Law Centre either does not have capacity or does not work in the needed area of law.

Casework, advocacy and representation

The Law Centre worked on **2,364** cases & enquiries during the year, including 871 housing matters, 178 debt matters, 869 Immigration matters, 869 Welfare Rights matters and 77 Education matters. We take cases through to representation before the Courts and Tribunals and represent the majority of our welfare benefit appeal clients before the Tribunal. Our success in welfare rights appeals was over 90% during the year.

We represent housing clients in the County Court, ensuring that people facing possession claims receive representation at the County Court.

We have successfully represented clients before the County Court, the Social Security Appeals Tribunal, the Immigration Appeals Tribunal and in the higher Courts in Judicial Review proceedings.

We also chair the Islington Homelessness Forum bringing together all those organisations working in homelessness across the Borough including the Council and the providers of homelessness services to help improve the homelessness services available.

Case study – Adam*

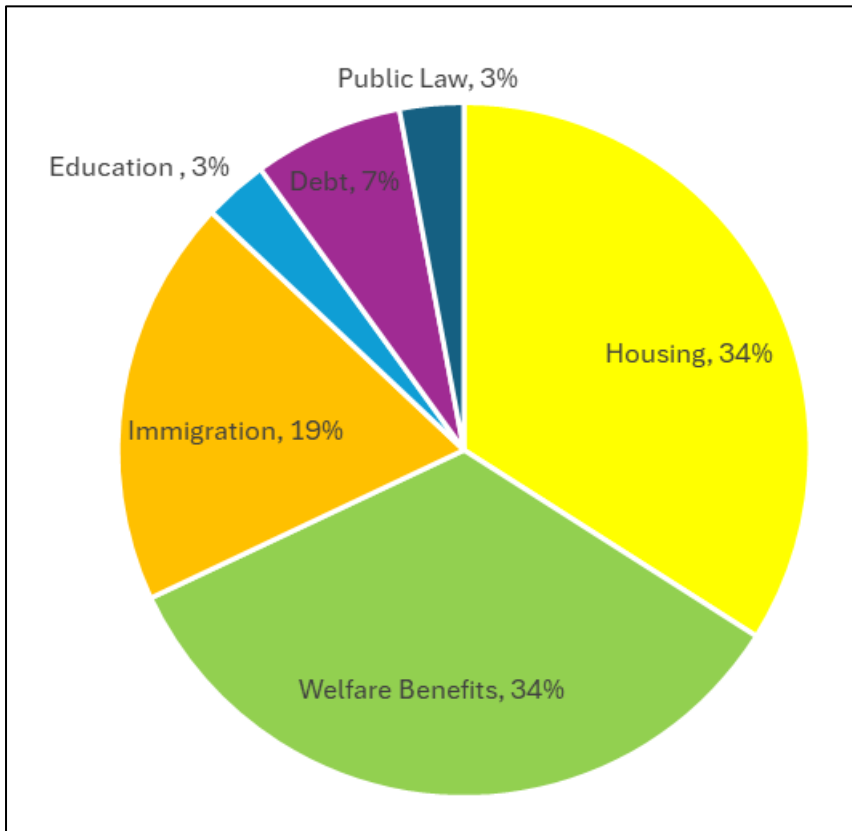
Adam was a young 24-year-old man with autism and mental health issues. He had been evicted from supported accommodation as they were not able to meet his level of needs. He applied for accommodation from the Local Authority as he had nowhere to go. He was refused on the basis that he was “not vulnerable” and not in “priority need” for accommodation.

Adam, through his parents, sought assistance from us. Due to the level of his anxiety he was not able to seek assistance himself and did not want to have a face to face appointment. We were able to assist him initially by telephone with the support of his parents. We were able to obtain the evidence showing how his autism and mental health issues affect him and assessed the level of support he required for daily living. We arranged for him to have an expert psychological assessment and provided him with the support and encouragement to attend.

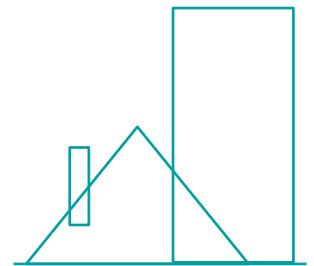
We assisted Adam to seek a review of the negative housing decision and with our knowledge of housing law and the evidence in support of his application, we were able to persuade the Local Authority to accept a duty to provide Adam with suitable accommodation.

*Not our client's real name.

The spread of cases during the year:



We continued to manage the **Clerkenwell and Shoreditch County Court Possession Duty scheme**, continuing to provide a vital and urgent service to tenants and borrowers facing possession proceedings and eviction. This service went out to tender by the Legal Aid Agency in 2023 and we were again successful in tendering for this service.



This is the new Housing Loss Prevention Advice Service (HLPAS) and the Law Centre have successfully secured this service for residents from 1 September 2024.

There were significant casework successes in all areas of law, with a reduction in poverty through increased household income, lower indebtedness, as well as improvements in clients' housing, employment and educational situations and resolution of immigration status.

The Law Centre also undertook both legal education and social policy work – for example **providing training to local community organisations** and responding to government consultations. We have been involved in the governments review of legal aid and we have also recently worked closely with the Housing Law Practitioners Association in regard to proposed government changes to housing provision and proposals to move to digital provision of legal services as well as responding to numerous consultations from the Home Office relating to immigration.

Outreach Services

We are continually reviewing our services to improve our accessibility. We are committed to providing accessible outreach services across the Borough and to providing face to face advice services. We have learnt from our experiences during covid that some clients, particularly those with disabilities or health conditions, sometimes prefer telephone or other remote services. We are now adapting our outreach services to give services users choice over how they access our services.

The welfare benefits team have continued to operate their form filling clinic at the Law Centre office and in the past year had 178 appointments, and 194 applications made. The ILC core immigration team have continued to offer weekly remote advice sessions to clients from Hackney Migrant Centre and Haringey Migrants' Support Centre and have had 129 advice appointments in the past year.

129

Immigration
outreach
appointments

These sessions enable the Law Centre to **continue to meet the needs of people who may not be able to access mainstream provision**, and to maximise the impact of solicitors and caseworkers' time by building strong partnerships with other agencies.

Pro bono activity

288

pro bono
appointments

The Law Centre continues to run **three evening advice sessions each week**, with volunteer lawyers providing initial advice and assistance in drafting documents. The service involves teams of pro bono lawyers from seven City law firms and in-house teams and has assisted clients with issues such as reclaiming deposits from landlords, Criminal Injuries Compensation and small claims proceedings. The pro bono evening clinics had 288 appointments during the year.



The Law Centre has also been able to sustain a pro bono immigration project, working with City law firms. The Law Centre is a London partner in an initiative led by Central England Law Centre and Kids in Need of Defence UK, which works with children and young people to secure pro bono legal assistance around issues of immigration status.



Specialist projects

The Migrants' Law Project (MLP) has been based at Islington Law Centre since 2012 but in 2023 decided to fulfil its long-term plan to move to an alternate host and leave Islington Law Centre. The arrangements were agreed, and we continue to work with the Migrant Law Project on issues affecting migrant rights.

The Migrant and Refugee Children's Legal Unit (MiCLU) has continued with their 'Breaking the Chains' project in partnership with Shpresa Programme, a charity and refugee community group working with the Albanian speaking community in London.

The project works with children and young people from Albania to assist them with the asylum and trafficking claims. The project works to develop casework in this area and to increase the availability of good quality representation to this group who have been disproportionately targeted by the media. The team have also run **education and empowerment sessions** for young Albanians engaged in Shpresa Programme to support their understanding of the asylum system.



100% success
rate for KiND
applications

The Kids in Need of Defence (KiND UK) project also continues– providing training, mentoring and supervision to pro bono partners assisting children who have lived in the UK for 7 years or more to regularise their status in the UK. The total number of KiND cases in the past year was **159**.

KiND continue to hold a 100% success rate to date for their applications.

The organisation's infrastructure

The Law Centre has been benefiting from the improved financial arrangements IT systems that have been established, and in 2024 we obtained **Cyber Essentials accreditation**.

In addition, the Law Centre has now created a training space and facilities to increase the emphasis on training for staff and for other community organisations.

This improvement in the foundation of the Law Centre should build in increased resilience into the organisation and enable us to assist clients in a professional manner into the future.

The Law Centre holds the Law Society's **Lexcel Quality Standard** and was re-awarded this following a reassessment in April 2024. We received very positive feedback from our Lexcel assessor including that his view that 'It remains very clear that compliance remains a deeply embedded part

of the culture and, in Lexcel terms, the Centre remains **an extremely well run, and extremely well managed organisation.**"

The charity's main activities and who it tries to help are described below. All its charitable activities focus on tackling poverty and improving access to justice and are undertaken to further Islington Law Centre's charitable purposes for the public benefit.

Beneficiaries of our services

The Law Centre works with low-income clients, who are often facing extreme hardship.

The majority of clients are women (around 62%) and a significant proportion (49%) are from black and minority ethnic communities.

Clients increasingly have legal issues that involve more than one matter, or one area of law, and over the last couple of years there has been a sustained increase in the percentage of welfare benefits clients who require assistance with an appeal.

For the Law Centre as a whole, two thirds of our clients have some form of ill-health or disability.



Two thirds of our clients have some form of ill-health/ disability

Beneficiaries can self-refer, or are referred or signposted from other agencies, and a number of referrals are received from mental health professionals, as well as community organisations, children's centres and the local authority.

Clients are asked about their experience of the service via a questionnaire, as well as contacting us independently with feedback, and 97% of clients said that they were very happy. Clients frequently comment on the impact that the service has had on them, not only in terms of their legal issues, but wider access to justice and health, wellbeing and quality of life.

"I was very well informed by ILC and knew what to expect at every stage of my case."

"Suzanne was super and we were very well looked after."

"Amber was incredibly clear and welcoming. Which made it easier for me to communicate my needs. Can't fault the help and advice I received that was absolutely essential to my PIP claim."

"I would like to say the help I received was life changing. It had an immediate positive effect on my mental health."

"All staff and advisers are top drawer. Communication on all levels – excellent service."

"Extremely grateful for the support, expertise and patience."

Financial review

The Law Centre has undertaken considerable work in recent years to strengthen its foundations and improve its resilience. As a result of this improved performance, we have been able to ensure that we have sufficient reserves to ensure stability and resilience and are in a better place to deal with any financial issues that we may face in the future.

Our income for the year increased to £2,478,157 with expenditure of £2,400,154. We have managed to increase our unrestricted general funds to £1,281,104 and our overall funds to £2,514,872.

Principal risks and uncertainties

This is an extremely difficult time for specialist legal advice charities. Legal Aid is not available for many of the legal issues for which the Law Centre's clients are seeking help, and Legal Aid rates have been frozen since 1996! This has led to a significant reduction in other sources of assistance for our beneficiary group.

The primary risks to the organisation are loss of key management and other personnel and risks associated with running legal aid contracts. We are managing these risks by employing a Director and Deputy Director, both of whom have considerable experience in managing grant income and operations. The Director has a solid track record in managing legal aid contracts over many years.

There is increasing competition for funding from Trusts and Foundations, and many of these funds are targeted at discrete client groups and/or areas of work, rather than "open door" services.

We expect that the continuing cost of living crisis, increase in poverty, and in particular child poverty and in-work poverty, the difficulties in accessing suitable and affordable housing, combined with pressure to reduce the cost to the Treasury of disability benefits, will increase demand for our services further over the coming period. We are also preparing for an increased need for our services as we see the increase in possessions and evictions. The community is also seeing a huge increase in fuel costs and a squeeze on household budgets and whilst inflation is now coming down food prices remain high and these costs disproportionately affect those on the lowest incomes.

Reserves policy and going concern

The Trustees have reviewed our reserves policy in line with potential risks to the organisation and to enable the organisation to meet operational cash flow needs, be flexible enough to manage changes in funding streams or unexpected drops in income and to meet staff costs in the event of long-term sickness, maternity leave and/or redundancy. The Trustees have set a reserves policy of holding between 6 and 9 months running costs as reserves. The free reserves (unrestricted general funds less unrestricted fixed assets) at the year-end were £1,220,539. The monthly running costs are £167,946 and the current reserves represent 7.3 months running costs.

The Trustees review the level of reserves and the reserves policy regularly.

Fundraising

Fundraising activity undertaken by the Law Centre currently includes the preparation and submission of applications to a range of Trusts and Foundations, and this is undertaken by paid staff and often in conjunction with other partner agencies and networks.

The Law Centre has participated in events organised by the London Legal Support Trust, such as an annual sponsored walk and has received donations from corporate law firms, individuals and Trusts.

The Law Centre's fundraising aims are to sustain and enhance existing services, and to build on these to meet new and/or additional needs, and to improve accessibility to those in greatest need.

The Law Centre has not engaged professional fundraisers or commercial participators and has not undertaken activities which involve targeting members of the general public. It has not received any complaints in relation to fundraising activities nor has it acted in breach of any relevant codes.

Plans for the future

The Law Centre is committed to continuing to work for access to justice, and to ensuring a solid financial base for its services.

The Law Centre has retendered for and has been awarded Legal Aid contracts in housing, debt and welfare benefits, public law and immigration and asylum law in 2024. We are continuing to develop and grow our Legal Aid work and are committed to the provision of legal aid services.

In 2024/25, our aims include increasing the levels of publicly funded work that we do, thus increasing our percentage of unrestricted income, and to seek additional funds to enable us to respond to local needs, whilst retaining our strategic work and impact. We are also looking to develop our public law work and to look to how to develop and train staff and to grow our own future social welfare lawyers.

We are currently employing one trainee solicitor and have obtained support from the Justice First Foundation to recruit an additional trainee solicitor in January 2025.

Structure, governance and management

The organisation is a charitable company limited by guarantee, it was founded in 1973 and incorporated on 16 March 1977 and registered as a charity on 23 November 1977.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All members of the board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Appointment of trustees

We have a Board of six Trustees and have started the process of recruiting some additional Trustees during the year ahead. A recruitment process is currently underway.

Trustee induction and training

New Trustees receive an induction pack (which includes, for example, our safeguarding and other similar policies) and are invited to attend various training courses.

Bespoke training is also provided for Trustees as a group from time to time.

Trustees do not receive any remuneration.

Staff Remuneration Policy

The remuneration policy for all personnel is determined by the Trustees who review cost of living increases annually. Trustees may review overall salaries from time to time, and in doing so would take account of market rates in comparable organisations. Trustees approve all salaries when they set the budget at the start of the year.

Statement of responsibilities of the trustees

The Trustees (who are also directors of Islington Law Centre for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

Trustees' annual report

For the year ended 31 March 2024

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the Trustee Board is aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The members have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report has been approved by the trustees on 19 November 2024 and signed on their behalf by

Marian Ellingworth
Chair of the Trustee Board

Independent auditor's report

To the members of

Islington Law Centre

Independent auditor's report to the members of Islington Law Centre

Opinion

We have audited the financial statements of Islington Law Centre (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

Independent auditor's report

To the members of

Islington Law Centre

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Use of our report

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

Noelia Serrano (Senior statutory auditor)

09 December 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

		Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
	Note						
Income from:							
Donations and legacies	2	67,031	-	67,031	92,444	-	92,444
Charitable activities	3	1,023,701	1,387,425	2,411,126	991,911	1,493,061	2,484,972
Total income		1,090,732	1,387,425	2,478,157	1,084,355	1,493,061	2,577,416
Expenditure on:							
Charitable activities	5a	801,169	1,598,985	2,400,154	420,866	1,426,109	1,846,975
Total expenditure		801,169	1,598,985	2,400,154	420,866	1,426,109	1,846,975
Net income for the year and net movement in funds	6	289,563	(211,560)	78,003	663,489	66,952	730,441
Reconciliation of funds:							
Total funds brought forward		2,132,682	304,187	2,436,869	1,469,193	237,235	1,706,428
Total funds carried forward		2,422,245	92,627	2,514,872	2,132,682	304,187	2,436,869

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15a to the financial statements.

Balance sheet

Company no. 1302947

As at 31 March 2024

	Note	£	2024 £	£	2023 £
Fixed assets:					
Tangible assets	10		60,565		78,355
			60,565		78,355
Current assets:					
Stock	11	764,590		748,925	
Debtors	12	520,848		554,504	
Cash at bank and in hand		1,304,220		1,164,142	
			2,589,658	2,467,571	
Liabilities:					
Creditors: amounts falling due within one year	13	(135,351)		(109,057)	
Net current assets			2,454,307		2,358,514
Total net assets			2,514,872		2,436,869
The funds of the charity:	15a				
Restricted income funds			92,627		304,187
Unrestricted income funds:					
Designated funds		1,141,141		1,257,580	
General funds		1,281,104		875,102	
Total unrestricted funds			2,422,245		2,132,682
Total charity funds			2,514,872		2,436,869

Approved by the Board on 19 November 2024 and signed on their behalf by

Marian Ellingworth
Chair of the Trustee Board

Statement of cash flows

For the year ended 31 March 2024

	Note	2024 £	£	2023 £	£
Cash flows from operating activities					
Net cash provided by operating activities	(a)	142,066		327,633	
Cash flows from investing activities:					
Purchase of fixed assets		<u>(1,988)</u>		<u>(9,857)</u>	
Net cash used in investing activities		(1,988)		(9,857)	
Change in cash and cash equivalents in the year		140,078		317,776	
Cash and cash equivalents at the beginning of the year		1,164,142		846,366	
Cash and cash equivalents at the end of the year	(b)	1,304,220		1,164,142	

(a) Reconciliation of net income to net cash flow from operating activities

	2024 £	2023 £
Net income for the reporting period (as per the statement of financial activities)	78,003	730,441
Depreciation charges	19,778	27,602
(Increase) in stocks	(15,665)	(231,678)
Increase in debtors	33,656	(165,729)
Decrease in creditors	26,294	(33,004)
Net cash provided by operating activities	142,066	327,633

(b) Analysis of cash and cash equivalents

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	1,164,142	140,078	1,304,220
Total cash and cash equivalents	1,164,142	140,078	1,304,220

1 Accounting policies

Statutory information

Islington Law Centre is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 38 Devonian Road, London, N1 8JH.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Key judgements that the charitable company has made which have a significant effect on the accounts include estimation of the value of work in progress.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

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 that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

Income from legal contracts is recognised on the accruals basis. An asset is recognised for work done under legal contracts where the criteria of measurement, probability and entitlement are met.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor or which has been raised by the charity for particular purposes. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

Expenditure and irrecoverable VAT

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

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Resources expended are 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 the basis of staff time.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. Governance costs are allocated to each activity based on staff time.

Operating leases

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

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|--|---------------------------|
| ☐ Leasehold improvements | 15 years straight-line |
| ☐ Fixtures and fittings | 25% reducing balance |
| ☐ Other fixed assets (e.g., Office equipment) | 25% reducing balance |
| ☐ Computer equipment | 3 - 5 years straight-line |

Stock

Stock is work in progress and is valued at the net realisable value. Provision is made where necessary for irrecoverable amount of work in progress.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

Creditors and provisions

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

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.

Pensions

The charity operates a defined contribution pension scheme. Costs are allocated between restricted and unrestricted funds in accordance with the time spent on restricted and unrestricted work by staff members. There are no liabilities at year end.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Donations	67,031	-	67,031	92,444	-	92,444
	67,031	-	67,031	92,444	-	92,444

3 Income from charitable activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
LB Islington	-	450,000	450,000	-	450,000	450,000
Cripplegate Foundation	-	116,000	116,000	-	126,600	126,600
City Bridge Trust	-	64,800	64,800	-	63,000	63,000
Three Guineas Trust	-	60,000	60,000	-	63,500	63,500
Richard Cloudesley Foundation	-	75,000	75,000	-	96,755	96,755
BBC Children in Need	-	30,000	30,000	-	30,500	30,500
Paul Hamlyn Foundation	-	122,650	122,650	-	115,000	115,000
Big Lottery	-	-	-	-	29,402	29,402
Haringey Migrant Centre	-	14,632	14,632	-	10,000	10,000
Hackney Migrant Centre	-	15,000	15,000	-	14,925	14,925
Kids in Need of Defence UK (KIND)	-	158,711	158,711	-	158,933	158,933
Strategic Legal Fund (SLF)	-	5,293	5,293	-	-	-
Big Lottery - Breaking Chains	-	138,149	138,149	-	97,914	97,914
Esmée Fairbairn Foundation	-	-	-	-	33,000	33,000
Joseph Rowntree Charitable Trust	-	20,000	20,000	-	47,998	47,998
Baring Foundation	-	-	-	-	31,200	31,200
AB Charitable Trust	-	22,000	22,000	-	44,000	44,000
Islington Children's Services	-	-	-	-	8,334	8,334
London Legal Support Trust	-	52,113	52,113	-	-	-
Other Small Grants	-	43,077	43,077	-	72,000	72,000
Fees and other income	1,023,701	-	1,023,701	991,911	-	991,911
Total income from charitable activities	1,023,701	1,387,425	2,411,126	991,911	1,493,061	2,484,972

4 Local and Government and Housing Act 1989

The company received financial assistance from the London Borough of Islington. As required by Section 37 of the Local Government and Housing Act 1989 the following information is given.

London Borough of Islington provided funding towards the legal advice services in the following areas;

£450,000 (2023: £450,000) was for the provision of independent advice for residents of London Borough of Islington.

5a Analysis of expenditure - current year

	Charitable activities £	Governance costs £	Support costs £	2024 Total £	2023 Total £
Staff costs (Note 7)	1,558,617	-	-	1,558,617	1,527,968
Other staff costs	13,274	-	-	13,274	10,763
Professional costs	4,467	-	13,828	18,295	22,877
Project costs	161,828	-	-	161,828	66,202
MLP Transfer	384,807	-	-	384,807	-
General office costs	4,752	-	107,325	112,077	100,921
Premises costs	37,065	-	627	37,692	38,578
Depreciation	-	-	19,778	19,778	27,602
Audit and accountancy	-	34,092	-	34,092	32,154
Irrecoverable VAT	-	-	13,210	13,210	14,707
Bad debt	-	-	46,484	46,484	5,203
	2,164,810	34,092	201,252	2,400,154	1,846,975
Support costs	34,092	(34,092)	-	-	-
Governance costs	201,252	-	(201,252)	-	-
Total expenditure 2024	2,400,154	-	-	2,400,154	1,846,975

Of the total expenditure, £801,169 was unrestricted (2023: £420,866) and £1,598,985 was restricted (2023: £1,426,109).

£384,807 MLP transfer was payment made to Asylum Aid.

5b Analysis of expenditure - prior year

	Charitable activities £	Governance costs £	Support costs £	2023 Total £
Staff costs (Note 7)	1,527,968	-	-	1,527,968
Other staff costs	10,763	-	-	10,763
Professional overheads	5,171	-	17,706	22,877
Project costs	66,202	-	-	66,202
General office costs	5,253	-	95,668	100,921
Premises costs	35,153	-	3,425	38,578
Depreciation		-	27,602	27,602
Audit and accountancy		32,154	-	32,154
Irrecoverable VAT		-	14,707	14,707
Bad debt		-	5,203	5,203
	1,650,510	32,154	164,311	1,846,975
Support costs	32,154	(32,154)	-	-
Governance costs	164,311	-	(164,311)	-
Total expenditure 2023	1,846,975	-	-	1,846,975

Notes to the financial statements

For the year ended 31 March 2024

6 Net income for the year

This is stated after charging / (crediting):

	2024	2023
	£	£
Depreciation	19,778	27,602
Operating lease rentals:		
Property	22,500	22,500
Auditor's remuneration (excluding VAT):		
Audit	13,050	12,200
Under provision for earlier years	-	-
	=====	=====

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024	2023
	£	£
Salaries and wages	1,381,181	1,347,312
Social security costs	139,913	142,642
Employer's contribution to defined contribution pension schemes	33,069	32,647
Staff training	4,454	5,367
	=====	=====
	1,558,617	1,527,968

One employee earned more than £60,000 during the year (2023: nil).

	2024	2023
£60,000 - £69,999	1	1

The total employee benefits including employer NI and pension contributions of the key management personnel were £136,940 (2023: £130,417).

The trustees were not paid and received no other benefits from employment with the charity in the year (2023: £nil). No member received payment for professional or other services supplied to the charity (2023: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2024	2023
	No.	No.
Average staff	38	39
	=====	=====
	38	39

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation				
At the start of the year	129,228	82,056	11,376	222,660
Additions in year	-	-	1,988	1,988
At the end of the year	<u>129,228</u>	<u>82,056</u>	<u>13,364</u>	<u>224,648</u>
Depreciation				
At the start of the year	52,792	80,718	10,795	144,305
Charge for the year	19,110	445	223	19,778
At the end of the year	<u>71,902</u>	<u>81,163</u>	<u>11,018</u>	<u>164,083</u>
Net book value				
At the end of the year	<u>57,326</u>	<u>893</u>	<u>2,346</u>	<u>60,565</u>
At the start of the year	<u>76,436</u>	<u>1,338</u>	<u>581</u>	<u>78,355</u>

All of the above assets are used for charitable purposes.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2024 £	2023 £
Computer equipment	<u>893</u>	<u>1,338</u>

All of the above assets are used for charitable purposes.

11 Stock

	2024 £	2023 £
Work in progress	<u>764,590</u>	<u>748,925</u>
	<u>764,590</u>	<u>748,925</u>

Notes to the financial statements

For the year ended 31 March 2024

12 Debtors

	2024	2023
	£	£
Trade debtors	476,034	508,603
Other debtors	4,571	4,572
Prepayments	24,043	24,603
Accrued income	16,200	16,726
	520,848	554,504

13 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	9,095	27,497
Other creditors	107,596	67,160
Accruals	18,660	14,400
	135,351	109,057

14a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	60,565	-	-	60,565
Net current assets	1,220,539	1,141,141	92,627	2,454,307
Net assets at 31 March 2024	1,281,104	1,141,141	92,627	2,514,872

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	78,355	-	-	78,355
Net current assets	796,747	1,257,580	304,187	2,358,514
Net assets at 31 March 2023	875,102	1,257,580	304,187	2,436,869

15a Movements in funds (current year)

	At 1 April 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2024 £
Restricted funds:					
City Bridge Trust	-	64,800	(64,800)	-	-
Cripplegate Foundation	61,483	116,000	(119,482)	-	58,000
LB Islington	-	450,000	(450,000)	-	-
Three Guineas Trust	-	60,000	(60,000)	-	-
Richard Cloudesley Foundation	32,500	75,000	(85,248)	-	22,252
Big Lottery	30,920	138,149	(169,069)	-	-
Haringey Migrant Centre	-	14,632	(14,632)	-	-
Hackney Migrant Centre	-	15,000	(15,000)	-	-
BBC Children in need	-	30,000	(30,000)	-	-
Strategic Legal Fund (SLF)	-	5,293	(5,293)	-	-
Kids in Need of Defence UK (KIND UK)	39,734	158,711	(198,445)	-	-
Paul Hamlyn Foundation	55,000	122,650	(165,275)	-	12,375
Esmée Fairbairn Foundation	7,500	-	(7,500)	-	-
Joseph Rowntree Charitable Trust	4,000	20,000	(24,000)	-	-
Baring Foundation	7,800	-	(7,800)	-	-
Other Small Grants	60,000	43,077	(103,077)	-	-
London Legal Support Trust	-	52,113	(52,113)	-	-
AB Charitable Trust	5,250	22,000	(27,250)	-	-
Total restricted funds	304,187	1,387,425	(1,598,985)	-	92,627
Unrestricted funds:					
Designated funds:					
Migrants' Law Project	508,655	162,432	(393,887)	(277,200)	-
Disbursement Fund	-	-	-	376,551	376,551
WIP	748,925	15,665	-	-	764,590
Total designated funds	1,257,580	178,097	(393,887)	99,351	1,141,141
General funds	875,102	912,635	(407,282)	(99,351)	1,281,104
Total unrestricted funds	2,132,682	1,090,732	(801,169)	-	2,422,245
Total funds	2,436,869	2,478,157	(2,400,154)	-	2,514,872

The narrative to explain the purpose of each fund is given at the foot of the note below.

Notes to the financial statements

For the year ended 31 March 2024

15b Movements in funds (prior year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Restricted funds:					
City Bridge Trust	-	63,000	(63,000)	-	-
Cripplegate Foundation	47,918	126,600	(113,035)	-	61,483
LB Islington	16,211	450,000	(466,211)	-	-
Three Guineas Trust	43,101	63,500	(106,601)	-	-
Richard Cloudesley Foundation	-	96,755	(64,255)	-	32,500
Big Lottery	37,186	127,316	(133,582)	-	30,920
Haringey Migrant Centre	-	10,000	(10,000)	-	-
Hackney Migrant Centre	-	14,925	(14,925)	-	-
BBC Children in need	-	30,500	(30,500)	-	-
Open Society Foundations	1,068	-	(1,068)	-	-
Islington Children's Services	-	8,334	(8,334)	-	-
Strategic Legal Fund (SLF)	-	-	-	-	-
Kids in Need of Defence UK (KIND UK)	57,660	158,933	(176,859)	-	39,734
Paul Hamlyn Foundation	848	115,000	(60,848)	-	55,000
Esmée Fairbairn Foundation	10,475	33,000	(35,975)	-	7,500
Joseph Rowntree Charitable Trust	-	47,998	(43,998)	-	4,000
Baring Foundation	-	31,200	(23,400)	-	7,800
National Lottery Community Fund	-	-	-	-	-
Other Small Grants	-	72,000	(12,000)	-	60,000
Therium	-	-	-	-	-
AB Charitable Trust	22,767	44,000	(61,517)	-	5,250
Other	-	-	-	-	-
Total restricted funds	237,235	1,493,061	(1,426,109)	-	304,187
Unrestricted funds:					
Designated funds:					
Migrants' Law Project	388,869	203,816	(84,030)	-	508,655
WIP	517,247	231,678	-	-	748,925
Total designated funds	906,116	435,494	(84,030)	-	1,257,580
General funds	563,077	648,861	(336,836)	-	875,102
Total unrestricted funds	1,469,193	1,084,355	(420,866)	-	2,132,682
Total funds	1,706,428	2,577,416	(1,846,975)	-	2,436,869

15 Movements in funds (continued)**Purposes of restricted funds**

General social welfare and core services includes core funding for General Legal Advice Services and the Three Advice Projects. Restricted funding received from City Bridge Trust, Cripplegate Foundation, LB Islington, Three Guineas Trust, Richard Cloudesley Foundation, Big Lottery, Haringey Migrant Centre, Hackney Migrant Centre, BBC Children in need, Kids in Need of Defence UK, Paul Hamlyn Foundation, Esmée Fairbairn Foundation, Baring Foundation and London Legal Support Trust.

The Migrant and Refugee Children's Legal Unit was funded to work for social justice by changing policy and practice to ensure respect for the rights, and improve the lives, of migrant and refugee children in the UK through strategic casework, training, consultancy and policy work. The Migrant and Refugee Children's Legal Unit received restricted funding from Paul Hamlyn Foundation, Kids in Need of Defence, AB Charitable Trust and the National Lottery.

The Migrants' Law Project was a legal and public legal education project, which aimed to improve the rights of migrants, refugees and asylum seekers through the use of public law. During the year project was transferred to Asylum Aid.

Purposes of designated funds**Migrants' Law Project**

Funds were set aside by the Management Committee for the work of the Migrants' Law Project at the Law Centre and were transferred to Asylum Aid when MLP project moved.

16 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property	
	2024	2023
	£	£
Less than one year	22,500	22,500
Between 1-5 Years	60,000	82,500
	<u>82,500</u>	<u>105,000</u>

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

18 Related party transactions

There are no related party transactions to disclose for 2024 (2023: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Accounts

Report and financial statements

For the year ended 31 March 2023



Company number: 1302947
Charity number: 268468

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Reference and administrative information

For the year ended 31 March 2023

Company number Incorporated in England and Wales 1302947

Charity number Registered in England and Wales 268468

Registered office and operational address 38 Devonian Road, London, N1 8JH

Members of the board Members, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Lindsay Edkins	Co-Chair
Russell Smith-Becker	Co-Chair
Susan Lee	
Onika Adams	
Jemima Joll	Resigned 26 May 2023
Michael Collins	
Paul Lowenberg	
Steven Lorber	
Marian Ellingworth	Re-appointed 26 May 2023

Key management personnel	Stuart Hearne	Director
	Matthew Brown	Deputy Director

Bankers Lloyds Bank
Highbury Corner
31-33 Holloway Road
London
N7 8JU

Reference and administrative information

For the year ended 31 March 2023

Solicitors	Russell-Cooke LLP 2 Putney Hill London SW15 6AB
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House 108-114 Golden Lane LONDON EC1Y 0TL

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

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The objects of Islington Law Centre are as follows:

- (a) The relief of poverty amongst persons resident or working in England and Wales in particular the London Borough of Islington and the surrounding area by providing such persons with legal advice services and representation which they could not otherwise obtain or which it would not be reasonably practicable or appropriate for them to obtain elsewhere; including by the provision of legal advice services and representation to help migrants, refugees and asylum seekers to take steps towards the regularization of immigration status where appropriate;
- (b) To advance the education of the public in the law of England and Wales and the application thereof

Organisational Structure

The Charity has an active Trustee Board, which meets at least 6 times a year.

Staff team

The Charity employs a team that includes: –

Director and Deputy Director

Supervisors (including solicitors) – 8 covering all areas of the Law Centre's work

Solicitors – 15

Caseworkers – 11

Paralegals – 2

Reception and Referral team – 2

Office Manager – 1

The Cost of Living Crisis

The year has been dominated by the Cost of Living Crisis, but for many of our clients and service users the Cost of Living Crisis is nothing new. We have worked with people and families who have been struggling to make ends meet for many years. What is new is the scale of the crisis facing those on low and middle incomes. Many of the issues now facing the community are the result of previous policy changes brought about during the austerity that followed the 2008 financial crash. In particular, the changes to housing benefit, the bedroom tax, the cap on benefits and the fact that the local housing allowance no longer meets the costs of housing for many in the community which reduces the available income to support families and children.

**The Welfare Rights
team secured
over £2 million**

In additional
income for
local people



Achievements and performance

The charity's main activities and who we assist are described below. The Law Centre is focused on assisting people to overcome the effects of poverty and inequality. All its charitable activities focus on people on low incomes and are undertaken to further Islington Law Centre's charitable purposes for the public benefit.

Primary activities include: –

- An open-door reception and referral service available 5 days a week to help people identify the key legal issues they are facing and to link them with appropriate support (both within the organisation and via other agencies)
- Specialist casework teams in debt, education, housing, immigration/asylum, public law and welfare benefits.
- An outreach programme delivering **15 specialist legal advice sessions each week**, normally based in front line services and community venues, but currently operating both face to face and in some cases remotely
- A pro bono programme which includes **3 evening advice sessions each week**, providing direct assistance with the help of volunteer lawyers, as well as other pro bono activity linked to specific projects and other casework teams
- **Specialist projects** focussing on target client groups – the Migrants' Law Project (MLP) and the Migrant and Refugee Children's Legal Unit (MiCLU).

All areas of the charity's activities have been well used by clients and have made an impact during the year.

Reception and Referral Service

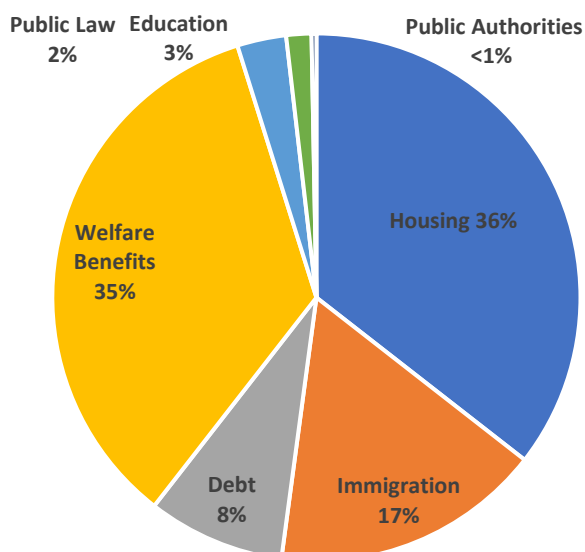


In the year 2022/23, the service dealt with 6,163 enquiries. Our reception is staffed in-person with two receptionists who book appointments and make referrals where the Law Centre either does not have capacity or does not work in the needed area of law.

6163
reception
enquiries

Casework, advocacy and representation

The Law Centre worked on **3704** cases & enquiries during the year, a slight decrease on the previous year, including:



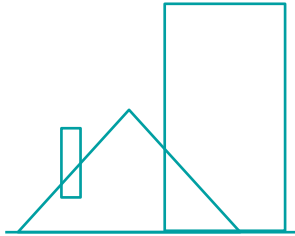
Housing – 1318
Welfare Benefits – 1282
Immigration – 614
Debt – 311
Education – 111
Public Law – 57
Claims Against Public Authorities – 11

Case study– Charlotte

Charlotte's daughter contracted brain cancer when she was in her early twenties, and Charlotte went from working a busy job to needing to spend a lot of time caring for her daughter. She was reliant on her carer's allowance and income support.

A week before Christmas I looked at my bank and my carer's allowance hadn't come in. I was devastated. I rang the DWP and they had decided to stop it as my daughter wasn't going to get DLA anymore. I asked why and they said that after her telephone consultation in October they had decided not to award it. They also advised that income support would be stopping soon. I was crying in the street and a neighbour advised to call ILC.

There was a receptionist and as soon as she answered the phone I couldn't stop crying. I said that my daughter has been diagnosed with brain cancer, she can't do without me, she needs me every day. She falls down all the time. She had so much warmth in her voice, I really trusted her. I had a call back from Megan, and then things really started to happen. It's so traumatic to think about how things could have ended up – I had no fight left in me. Thanks to Megan everything was reinstated. Things for the future are amazing. They gave the benefits until 2025, so she doesn't have to reapply every 18 months. Not to have that worry, is amazing. The oncologist said that there's no reason why she can't live to be 100. She is now disabled, but she is incredible.



We also continued to manage the **Clerkenwell and Shoreditch County Court Possession Duty scheme**, continuing to provide a vital and urgent service to tenants and borrowers facing possession proceedings and eviction. This service went out to tender by the

Legal Aid Agency as part of the new Housing Loss Prevention Advice Service (HLPAS) and the Law Centre have successfully secured this service for residents.



There were significant casework successes in all areas of law, with a reduction in poverty as a result of increased household income, lower indebtedness, as well as improvements in clients' housing, employment and educational situations and resolution of immigration status.



The Law Centre also undertook both legal education and social policy work – for example **providing training to local community organisations** and responding to government consultations. We have also recently worked closely with the Housing Law Practitioners Association in regard to proposed government changes to housing provision as well as responding to numerous consultations from the Home Office relating to immigration.

Outreach

The welfare benefits team have continued to operate their form filling clinic at the Law Centre office and in the past year had 176 appointments. The ILC core immigration team have continued to offer weekly remote advice sessions to clients from Hackney Migrant Centre and Haringey Migrants' Support Centre and have had 130 advice appointments in the past year.

130
Immigration
outreach
appointments

Specialist Advisors also delivered remote outreach advice via Help on Your Doorstep, Islington Bangladesh Association and Community Language Support Services. These sessions enable the Law Centre to **continue to meet the needs of people who may not be able to access mainstream provision**, and to maximise the impact of solicitors and caseworkers' time by building strong partnerships with other agencies.

Pro bono activity



256
pro bono
appointments

The Law Centre continued to run **three evening advice sessions each week**, with volunteer lawyers providing initial advice and assistance in drafting documents. The service involves teams of pro bono lawyers from seven City law firms and in-house teams and has assisted clients with issues such as reclaiming deposits from landlords, Criminal Injuries Compensation and small claims proceedings. The pro bono evening clinics had appointments during the year.



The Law Centre has also been able to sustain a pro bono immigration project, working with City law firms. The Law Centre is a London partner in an initiative led by Central England Law Centre and Kids in Need of Defence UK, which works with children and young people to secure pro bono legal assistance around issues of immigration status.



Specialist projects

The Law Centre's specialist projects had a highly successful year with not only a range of casework successes but also wider impact on behalf of vulnerable groups.

The Migrants' Law Project (MLP) is a legal and public legal education project that promotes fair treatment and access to justice for migrants, refugees and asylum seekers in the UK. They have worked on many complex refugee family reunion cases, in which relatives abroad are often in positions of extreme hardship.



The Migrant and Children's Refugee Legal Unit (MiCLU) has continued with their 'Breaking the Chains' project in partnership with Shpresa Programme, a charity and refugee community group working with the Albanian speaking community in London.

The project has provided direct representation to 33 children and young people from Albania to assist them with the asylum and trafficking claims throughout the year. The team also delivered 42 one-to-one advice sessions on Zoom, reaching 82 young people who needed advice on working with their lawyer, or support to find legal representation. They successfully referred young people to other law firms and

supported them to access pro bono advice from barristers chambers. The team have also run **education and empowerment sessions** for young Albanians engaged in Shpresa Programme to support their understanding of the asylum system.



100% success
rate for KiND
applications

The Kids in Need of Defence (KiND UK) project also continues– providing training, mentoring and supervision to pro bono partners assisting children who have lived in the UK for 7 years or more to regularise their status in the UK. The total number of KiND cases in the past year was **161**.

KiND continue to hold a 100% success rate to date for their applications.

The organisation's infrastructure

The Law Centre has been benefiting from the improved financial arrangements IT systems that have been established over the past two years.

In addition the Law Centre has now created a training space and facilities to increase the emphasis on training for staff and for other community organisations.

This improvement in the foundation of the Law Centre should build in increased resilience into the organisation and enable us to assist clients in a professional manner into the future.

The Law Centre holds the Law Society's **Lexcel Quality Standard** and was re-awarded this following a reassessment in April 2023. We received very positive feedback including that 'It remains very clear, however, that compliance remains a deeply embedded part of the culture and, in Lexcel terms, the Centre remains **an extremely well run, and extremely well managed organisation.**'

Beneficiaries of our services

The Law Centre works with low-income clients, who are often facing extreme hardship. The majority of clients are women (around 60%) and a large proportion are from black and minority ethnic communities.

Clients increasingly have legal issues that involve more than one matter, or one area of law, and over the last couple of years there has been a sustained increase in the percentage of welfare benefits clients who require assistance with an appeal.

For the Law Centre as a whole, two thirds of our clients have some form of ill-health or disability.

Two thirds of
our clients have
some form of
ill-health/
disability

Beneficiaries can self-refer, or are referred or signposted from other agencies, and a number of referrals are received from mental health professionals, as well as community organisations, children's centres and the local authority.

Clients are asked about their experience of the service via a questionnaire, as well as contacting us independently with feedback, and 96% of clients said that they were very happy. Clients frequently comment on the impact that the service has had on them, not only in terms of their legal issues, but wider access to justice and health, wellbeing and quality of life.



"Anna was excellent along with others literally saved me. I can't thank her and your organisation enough!"

"My advisor, Amber, was patient and easy to talk to. I felt like finally someone was listening to me. I felt supported and Amber always explained every step and option available."

As a young adult living with overwhelming anxiety as well as mobility issues I struggle daily; being listened to was a big relief."

My advisor was warm, welcoming, and very understanding – this has made all the difference in my experience. I would recommend the Law Centre to anyone who is struggling and doesn't know their rights."

"Megan was absolutely amazing she treated me with nothing but kindness and respect and I couldn't have asked for anyone better. Thank you Law Centre and all that you do."

Financial review

The Law Centre has undertaken considerable work in recent years to strengthen its foundations and improve its resilience. As a result of this improved performance we are now building some reserves and are in a better place to deal with any financial issues that we may face in the future.

Our income for the year increased to £2,577,416 with expenditure of £1,846,975. We have managed to increase our free reserves to £796,747 (5 months reserves) and our overall funds to £2,436,869.

The Trustees have taken this action to build unrestricted income and reserves and to ensure that the organisation has between 3 and 6 months reserves at any one time.

Principal risks and uncertainties

This is an extremely difficult time for specialist legal advice charities. Legal Aid is not available for many of the legal issues for which the Law Centre's clients are seeking help, and Legal Aid rates have been frozen for many years, which has led to a significant reduction in other sources of assistance for our beneficiary group.

The primary risks to the organisation are loss of key management and other personnel and risks associated with running legal aid contracts. We are managing these risks by having brought in a Deputy Director to expand the senior management team and by employing a Director with a solid track record in managing legal aid contracts over many years.

There is increasing competition for funding from Trusts and Foundations, and many of these funds are targeted at discrete client groups and/or areas of work, rather than "open door" services.

We are continuing to see an increase in poverty, and in particular child poverty and in-work poverty, combined with the reduction in the amount of Universal Credit through deductions and sanctions. We are also continuing to assist people to deal with the cost of living crisis which is continuing to affect the poorest members of the community.

Reserves policy and going concern

The Trustees are committed to ensuring reserves are between three months' and six months' normal running costs, that is between £461,742 and £923,484. The free reserves (unrestricted general funds less unrestricted fixed assets) at the year-end were £796,747 which is 5 months' reserves and within the reserves policy.

Trustees closely monitor the level of reserves and are committed to ensuring that the reserves are at least three months of normal running costs in order to enable the organisation to meet operational cash flow needs, be flexible enough to manage changes in funding streams and to meet staff costs in the event of long-term sickness, maternity leave and/or redundancy.

Fundraising

Fundraising activity undertaken by the Law Centre currently includes the preparation and submission of applications to a range of Trusts and Foundations, and this is undertaken by paid staff and often in conjunction with other partner agencies and networks.

The Law Centre has participated in events organised by the London Legal Support Trust, such as an annual sponsored walk and has received donations from corporate law firms, individuals and Trusts.

The Law Centre's fundraising aims are to sustain and enhance existing services, and to build on these to meet new and/or additional needs, and to improve accessibility to those in greatest need.

The Law Centre has not engaged professional fundraisers or commercial participators, and has not undertaken activities which involve targeting members of the general public. It has not received any complaints in relation to fundraising activities nor has it acted in breach of any relevant codes.

Plans for the future

The Law Centre is committed to continuing to work for access to justice, and to ensuring a solid financial base for its services.

The Law Centre holds Legal Aid contracts in housing, debt and welfare benefits, public law and immigration and asylum law.

In 2023/24, our aims include increasing the levels of publicly funded work that we do, thus increasing our percentage of unrestricted income, and to seek additional funds to enable us to respond to local needs, whilst retaining our strategic work and impact. We are also looking to develop our public law work and to look to how to develop and train staff and to grow our own future social welfare lawyers.

Structure, governance and management

The organisation is a charitable company limited by guarantee, it was founded in 1973 and incorporated on 16 March 1977 and registered as a charity on 23 November 1977.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All members of the board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Appointment of trustees

The Law Centre has a full Trustee Board.

Trustee induction and training

New Trustees receive an induction pack (which includes, for example, our safeguarding and other similar policies) and are invited to attend various training courses.

Bespoke training is also provided for Trustees as a group from time to time.

Statement of responsibilities of the trustees

The Trustees (who are also directors of Islington Law Centre for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the Trustee Board is aware:

- There is no relevant audit information of which the charitable company's auditors are unaware

Trustees' annual report

For the year ended 31 March 2023

- members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The members have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report has been approved by the trustees on 12 December 2023 and signed on their behalf by

Russell Smith-Becker
Trustee

Independent auditor's report

To the members of

Islington Law Centre

Opinion

We have audited the financial statements of Islington Law Centre (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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

Independent auditor's report

To the members of

Islington Law Centre

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.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

Independent auditor's report

To the members of

Islington Law Centre

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Use of our report

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

Noelia Serrano (Senior statutory auditor)
14 December 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

		Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
	Note						
Income from:							
Donations and legacies	2	92,444	-	92,444	107,410	-	107,410
Charitable activities	3	991,911	1,493,061	2,484,972	661,268	1,363,101	2,024,369
Total income		1,084,355	1,493,061	2,577,416	768,678	1,363,101	2,131,779
Expenditure on:							
Charitable activities	5a	420,866	1,426,109	1,846,975	310,183	1,428,756	1,738,939
Total expenditure		420,866	1,426,109	1,846,975	310,183	1,428,756	1,738,939
Net income / (expenditure) for the year and net movement in funds	6	663,489	66,952	730,441	458,495	(65,655)	392,840
Reconciliation of funds:							
Total funds brought forward		1,469,193	237,235	1,706,428	1,010,698	302,890	1,313,588
Total funds carried forward		2,132,682	304,187	2,436,869	1,469,193	237,235	1,706,428

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16a to the financial statements.

Balance sheet

Company no. 1302947

As at 31 March 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	10		78,355		96,101
			78,355		96,101
Current assets:					
Stock	11	748,925		517,247	
Debtors	12	554,504		388,775	
Cash at bank and in hand		1,164,142		846,366	
		2,467,571		1,752,388	
Liabilities:					
Creditors: amounts falling due within one year	13	(109,057)		(142,061)	
Net current assets			2,358,514		1,610,327
Total net assets			2,436,869		1,706,428
The funds of the charity:	16a				
Restricted income funds			304,187		237,235
Unrestricted income funds:					
Designated funds		1,257,580		906,116	
General funds		875,102		563,077	
Total unrestricted funds			2,132,682		1,469,193
Total charity funds			2,436,869		1,706,428

Approved by the Board on 12 December 2023 and signed on their behalf by

Russell Smith-Becker
Trustee

Statement of cash flows

For the year ended 31 March 2023

	Note	2023 £	£	2022 £	£
Cash flows from operating activities					
Net cash provided by operating activities	(a)	327,633		278,695	
Cash flows from investing activities:					
Interest paid		-		(768)	
Purchase of fixed assets		<u>(9,857)</u>		<u>(11,737)</u>	
Net cash used in investing activities		(9,857)		(12,505)	
Change in cash and cash equivalents in the year		317,776		266,190	
Cash and cash equivalents at the beginning of the year		846,366		580,176	
Cash and cash equivalents at the end of the year	(b)	1,164,142		846,366	

(a) Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net income for the reporting period (as per the statement of financial activities)	730,441	392,840
Depreciation charges	27,602	16,710
Interest paid	-	768
Increase in stocks	(231,678)	(75,809)
Increase in debtors	(165,729)	(40,453)
Decrease in creditors	(33,004)	(15,361)
Net cash provided by operating activities	327,633	278,695

(b) Analysis of cash and cash equivalents

	At 1 April 2022 £	Cash flows £	Other changes £	At 31 March 2023 £
Cash at bank and in hand	846,366	317,776	-	1,164,142
Total cash and cash equivalents	846,366	317,776	-	1,164,142

1 Accounting policies

Statutory information

Islington Law Centre is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 38 Devonian Road, London, N1 8JH.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Key judgements that the charitable company has made which have a significant effect on the accounts include estimation of the value of work in progress.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

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 that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

Income from legal contracts is recognised on the accruals basis. An asset is recognised for work done under legal contracts where the criteria of measurement, probability and entitlement are met.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor or which has been raised by the charity for particular purposes. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

Expenditure and irrecoverable VAT

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

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Resources expended are 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 the basis of staff time.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. Governance costs are allocated allocated to each activity based on staff time.

Operating leases

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

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

□	Fixtures and fittings - leasehold improvements	15 years straight-line
□	Fixtures and fittings - general	25% reducing balance
□	Office equipment (other assets)	25% reducing balance
□	Computer equipment	3 - 5 years straight-line

Stock

Stock is work in progress and is valued at the net realisable value. Provision is made where necessary for irrecoverable amount of work in progress.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

1 Accounting policies (continued)**Creditors and provisions**

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

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.

Finance leases

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities as they fall due.

Pensions

The charity operates a defined contribution pension scheme. Costs are allocated between restricted and unrestricted funds in accordance with the time spent on restricted and unrestricted work by staff members. There are no liabilities at year end.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Donations	92,444	-	92,444	107,410	-	107,410
	92,444	-	92,444	107,410	-	107,410

Notes to the financial statements

For the year ended 31 March 2023

3 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
LB Islington	-	450,000	450,000	-	450,000	450,000
Cripplegate Foundation	-	126,600	126,600	-	162,918	162,918
City Bridge Trust	-	63,000	63,000	-	63,800	63,800
Three Guineas Trust	-	63,500	63,500	-	58,000	58,000
Richard Cloudesley Foundation	-	96,755	96,755	-	29,308	29,308
BBC Children in Need	-	30,500	30,500	-	-	-
Paul Hamlyn Foundation	-	115,000	115,000	-	14,550	14,550
Big Lottery	-	29,402	29,402	-	57,180	57,180
Haringey Migrant Centre	-	10,000	10,000	-	26,244	26,244
Hackney Migrant Centre	-	14,925	14,925	-	10,000	10,000
Strategic Legal Fund (SLF)	-	-	-	-	7,266	7,266
Open Society Foundations	-	-	-	-	31,760	31,760
Trust for London	-	-	-	-	15,000	15,000
Anonymous	-	72,000	72,000	-	-	-
Kids in Need of Defence UK (KIND)	-	158,933	158,933	-	150,014	150,014
Strategic Legal Fund (SLF)	-	-	-	-	-	-
Big Lottery - Breaking Chains	-	97,914	97,914	-	107,951	107,951
Esmée Fairbairn Foundation	-	33,000	33,000	-	30,000	30,000
Joseph Rowntree Charitable Trust	-	47,998	47,998	-	27,500	27,500
Baring Foundation	-	31,200	31,200	-	30,000	30,000
Therium	-	-	-	-	30,000	30,000
AB Charitable Trust	-	44,000	44,000	-	40,000	40,000
National Lottery Community Fund	-	-	-	-	10,000	10,000
The Evans Cornish Foundation	-	-	-	-	10,160	10,160
Other	-	-	-	-	1,450	1,450
Islington Children's Services	-	8,334	8,334	41,667	-	41,667
Fees and other income	991,911	-	991,911	619,601	-	619,601
Total income from charitable activities	991,911	1,493,061	2,484,972	661,268	1,363,101	2,024,369

4 Local and Government and Housing Act 1989

The company received financial assistance from the London Borough of Islington. As required by Section 37 of the Local Government and Housing Act 1989 the following information is given.

London Borough of Islington provided funding towards the legal advice services in the following areas;

£450,000 (2022: £450,000) was for the provision of independent advice for residents of London Borough of Islington.

Notes to the financial statements

For the year ended 31 March 2023

5a Analysis of expenditure - current year

	Charitable activities £	Governance costs £	Support costs £	2023 Total £	2022 Total £
Staff costs (Note 7)	1,527,968	-	-	1,527,968	1,376,222
Other staff costs	10,763	-	-	10,763	11,088
Professional costs	5,171	-	17,706	22,877	24,099
Project costs	66,202	-	-	66,202	38,425
General office costs	5,253	-	95,668	100,921	112,913
Premises costs	35,153	-	3,425	38,578	58,155
Depreciation	-	-	27,602	27,602	16,710
Audit and accountancy	-	32,154	-	32,154	31,797
Irrecoverable VAT	-	-	14,707	14,707	15,530
Bad debt	-	-	5,203	5,203	54,000
	1,650,510	32,154	164,311	1,846,975	1,738,939
Support costs	32,154	(32,154)	-	-	-
Governance costs	164,311	-	(164,311)	-	-
Total expenditure 2023	1,846,975	-	-	1,846,975	1,738,939

Of the total expenditure, £420,866 was unrestricted (2022: £380,183) and £1,426,109 was restricted (2022: £1,428,756).

5b Analysis of expenditure - prior year

	Charitable activities £	Governance costs £	Support costs £	2022 Total £
Staff costs (Note 7)	1,376,222	-	-	1,376,222
Other staff costs	11,088	-	-	11,088
Professional overheads	13,658	-	10,441	24,099
Project costs	38,425	-	-	38,425
General office costs	6,302	-	106,611	112,913
Premises costs	55,446	-	2,709	58,155
Depreciation	-	-	16,710	16,710
Audit and accountancy	-	31,797	-	31,797
Irrecoverable VAT	-	-	15,530	15,530
Bad debt	-	-	54,000	54,000
	1,501,141	31,797	206,001	1,738,939
Support costs	31,797	(31,797)	-	-
Governance costs	206,001	-	(206,001)	-
Total expenditure 2022	1,738,939	-	-	1,738,939

Notes to the financial statements

For the year ended 31 March 2023

6 Net income for the year

This is stated after charging / (crediting):

	2023	2022
	£	£
Depreciation	27,602	16,710
Interest payable	-	768
Operating lease rentals:		
Property	22,500	22,500
Auditor's remuneration (excluding VAT):		
Audit	12,200	10,600
Under provision for earlier years	-	-
	<u><u> </u></u>	<u><u> </u></u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023	2022
	£	£
Salaries and wages	1,347,312	1,222,464
Social security costs	142,642	119,824
Employer's contribution to defined contribution pension schemes	32,647	28,478
Staff training	5,367	5,456
	<u><u>1,527,968</u></u>	<u><u>1,376,222</u></u>

One employee earned more than £60,000 during the year (2022: nil).

	2023	2022
£60,000 - £69,999	1	-

The total employee benefits including employer NI and pension contributions of the key management personnel were £130,417 (2022: £119,567).

The trustees were not paid and received no other benefits from employment with the charity in the year (2022: £nil). No member received payment for professional or other services supplied to the charity (2022: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2023	2022
	No.	No.
Average staff	39	39
	<u><u>39</u></u>	<u><u>39</u></u>

Notes to the financial statements

For the year ended 31 March 2023

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation				
At the start of the year	120,708	80,720	11,375	212,803
Additions in year	8,520	1,336	-	9,857
At the end of the year	<u>129,228</u>	<u>82,056</u>	<u>11,375</u>	<u>222,660</u>
Depreciation				
At the start of the year	27,315	78,785	10,603	116,703
Charge for the year	25,477	1,933	192	27,602
At the end of the year	<u>52,792</u>	<u>80,718</u>	<u>10,795</u>	<u>144,305</u>
Net book value				
At the end of the year	<u>76,436</u>	<u>1,338</u>	<u>581</u>	<u>78,355</u>
At the start of the year	<u>93,393</u>	<u>1,935</u>	<u>773</u>	<u>96,101</u>

All of the above assets are used for charitable purposes.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2023 £	2022 £
Computer equipment	<u>1,338</u>	<u>1,935</u>

All of the above assets are used for charitable purposes.

11 Stock

	2023 £	2022 £
Work in progress	<u>748,925</u>	<u>517,247</u>
	<u>748,925</u>	<u>517,247</u>

Notes to the financial statements

For the year ended 31 March 2023

12 Debtors

	2023 £	2022 £
Trade debtors	508,603	357,472
Other debtors	4,572	4,571
Prepayments	24,603	20,824
Accrued income	16,726	5,908
	554,504	388,775

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	27,497	16,769
Other creditors	67,160	86,460
Accruals	14,400	30,500
Deferred income	-	8,332
	109,057	142,061

14 Deferred income

	2023 £	2022 £
Balance at the beginning of the year	8,332	76,978
Amount released to income in the year	(8,332)	(76,978)
Amount deferred in the year	-	8,332
	-	8,332

15a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	78,355	-	-	78,355
Net current assets	796,747	1,257,580	304,187	2,358,514
Net assets at 31 March 2023	875,102	1,257,580	304,187	2,436,869

Notes to the financial statements

For the year ended 31 March 2023

15b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	96,101	-	-	96,101
Net current assets	466,976	906,116	237,235	1,610,327
Net assets at 31 March 2022	563,077	906,116	237,235	1,706,428

16a Movements in funds (current year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Restricted funds:					
City Bridge Trust	-	63,000	(63,000)	-	-
Cripplegate Foundation	47,918	126,600	(113,035)	-	61,483
LB Islington	16,211	450,000	(466,211)	-	-
Three Guineas Trust	43,101	63,500	(106,601)	-	-
Richard Cloudesley Foundation	-	96,755	(64,255)	-	32,500
Big Lottery	37,186	127,316	(133,582)	-	30,920
Haringey Migrant Centre	-	10,000	(10,000)	-	-
Hackney Migrant Centre	-	14,925	(14,925)	-	-
BBC Children in need	-	30,500	(30,500)	-	-
Open Society Foundations	1,068	-	(1,068)	-	-
Islington Children's Services	-	8,334	(8,334)	-	-
Kids in Need of Defence UK (KIND UK)	57,661	158,933	(176,859)	-	39,735
Paul Hamlyn Foundation	848	115,000	(60,848)	-	55,000
Esmée Fairbairn Foundation	10,475	33,000	(35,975)	-	7,500
Joseph Rowntree Charitable Trust	-	47,998	(43,998)	-	4,000
Baring Foundation	-	31,200	(23,400)	-	7,800
Anonymous	-	72,000	(12,000)	-	60,000
AB Charitable Trust	22,767	44,000	(61,517)	-	5,250
Total restricted funds	237,235	1,493,061	(1,426,109)	-	304,187
Unrestricted funds:					
Designated funds:					
Migrants' Law Project	388,869	203,816	(84,030)	-	508,655
WIP	517,247	231,678	-	-	748,925
Total designated funds	906,116	435,494	(84,030)	-	1,257,580
General funds	563,077	648,861	(336,836)	-	875,102
Total unrestricted funds	1,469,193	1,084,355	(420,866)	-	2,132,682
Total funds	1,706,428	2,577,416	(1,846,975)	-	2,436,869

The narrative to explain the purpose of each fund is given at the foot of the note below.

Notes to the financial statements

For the year ended 31 March 2023

16b Movements in funds (prior year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
City Bridge Trust	-	63,800	(63,800)	-	-
Cripplegate Foundation	-	162,918	(115,000)	-	47,918
LB Islington	100,910	450,000	(534,699)	-	16,211
Three Guineas Trust	32,222	58,000	(47,121)	-	43,101
Richard Cloudesley Foundation	32,221	29,309	(61,530)	-	-
Big Lottery	37,186	165,131	(165,131)	-	37,186
Haringey Migrant Centre	-	26,244	(26,244)	-	-
Hackney Migrant Centre	-	10,000	(10,000)	-	-
Strategic Legal Fund (SLF)	-	7,266	(7,266)	-	-
Open Society Foundations	-	31,760	(30,692)	-	1,068
Islington Children's Services	-	-	-	-	-
Trust for London	-	15,000	(15,000)	-	-
Kids in Need of Defence UK (KIND UK)	75,976	150,013	(168,328)	-	57,660
Paul Hamlyn Foundation	-	14,550	(13,702)	-	848
Esmée Fairbairn Foundation	24,375	30,000	(43,900)	-	10,475
Joseph Rowntree Charitable Trust	-	27,500	(27,500)	-	-
Baring Foundation	-	30,000	(30,000)	-	-
National Lottery Community Fund	-	10,000	(10,000)	-	-
The Evans Cornish Foundation	-	10,160	(10,160)	-	-
Therium	-	30,000	(30,000)	-	-
AB Charitable Trust	-	40,000	(17,233)	-	22,767
Other	-	1,450	(1,450)	-	-
Total restricted funds	302,890	1,363,101	(1,428,756)	-	237,235
Unrestricted funds:					
Designated funds:					
Migrants' Law Project	284,149	144,716	(39,996)	-	388,869
WIP	441,438	75,809	-	-	517,247
Total designated funds	725,587	220,525	(39,996)	-	906,116
General funds	285,111	548,153	(270,187)	-	563,077
Total unrestricted funds	1,010,698	768,678	(310,183)	-	1,469,193
Total funds	1,313,588	2,131,779	(1,738,939)	-	1,706,428

Purposes of restricted funds

General social welfare and core services includes core funding for General Legal Advice Services and the Three Advice Projects.

The Migrant and Refugee Children's Legal Unit was funded to work for social justice by changing policy and practice to ensure respect for the rights, and improve the lives, of migrant and refugee children in the UK through strategic casework, training, consultancy and policy work. The Migrant and Refugee Children's Legal Unit received restricted funding from Paul Hamlyn Foundation, Kids in Need of Defence, AB Charitable Trust and the National Lottery.

The Migrants' Law Project is a legal and public legal education project, which aims to improve the rights of migrants, refugees and asylum seekers through the use of public law. The Migrants' Law Project received restricted funding from Joseph Rowntree Foundation, Esmée Fairbairn, Therium and Trust for London.

17 Movements in funds (continued)**Purposes of designated funds****Migrants' Law Project**

Funds have been set aside by the Management Committee for the work of the Migrants' Law Project at the Law Centre to further the project objectives.

18 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property	
	2023	2022
	£	£
Less than one year	22,500	22,500
Between 1-5 Years	82,500	90,000
Over 5 years	-	15,000
	105,000	127,500

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

20 Related party transactions

There are no related party transactions to disclose for 2023 (2022: none).

21 Post balance sheet event

From 16 June 2023 the Migrant Law Project at Islington Law Centre transferred to another organisation, Asylum Aid. The transfer included staff working on the project, £200,000 in unrestricted funds, unspent restricted project funding allocated to the project, and work in progress on project files totalling approximately £200,000.

Accounts

Report and financial statements For the year ended 31 March 2022



Company number: 1302947
Charity number: 268468

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Reference and administrative information

For the year ended 31 March 2022

Company number Incorporated in the United Kingdom 1302947

Charity number Registered in England and Wales 268468

Registered office and operational address 38 Devonian Road, London, N1 8JH

Members of the board Members, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Marian Ellingworth Chair

Susan Lee
Onika Adams
Jemima Joll
Lindsay Edkins
Michael Collins
Paul Lowenberg
Russell Smith-Becker
Steven Lorber

Key management personnel Stuart Hearne Director
Matthew Brown Deputy Director

Bankers Lloyds Bank
Highbury Corner
31-33 Holloway Road
London
N7 8JU

Reference and administrative information

For the year ended 31 March 2022

Solicitors	Russell-Cooke LLP 2 Putney Hill London SW15 6AB
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House 108-114 Golden Lane LONDON EC1Y 0TL

Trustees' annual report

For the year ended 31 March 2022

The Trustees present their report and the audited financial statements for the year ended 31 March 2022.

No employee earned more than £60,000 during the year (2021: nil).

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The Trustees review the aims, objectives and activities of the charity each year at a planning session. Following a review, the charity's articles of association were fully updated on 9 December 2019 and the objects were set out as follows:

- (a) The relief of poverty amongst persons resident or working in England and Wales in particular the London Borough of Islington and the surrounding area by providing such persons with legal advice services and representation which they could not otherwise obtain or which it would not be reasonably practicable or appropriate for them to obtain elsewhere; including by the provision of legal advice services and representation to help migrants, refugees and asylum seekers to take steps towards the regularization of immigration status where appropriate;
- (b) To advance the education of the public in the law of England and Wales and the application thereof

The Law Centre has established a range of services in furtherance of these aims, which have been carried out during the year in question.

The review also helps the Trustee Board ensure the charity's aims, objectives and activities remained focused on its stated purposes. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help.

Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, they consider how planned activities will contribute to the aims and objectives that have been set.

Organisational Structure

The Charity has an active Trustee Board, which meets at least 6 times a year.

Staff team

The Charity employs a team that includes: –

Director and Deputy Director

Supervisors (including solicitors) – 8 covering all areas of the Law Centre's work

Solicitors – 15

Caseworkers – 11

Paralegals – 2

Reception and Referral team – 2

Interim Office Manager – 1

The Covid Pandemic and the Cost of Living Crisis

The community along with clients and users of the Law Centre have had to deal with the covid pandemic over the past two years and are now facing the Cost of Living Crisis. Throughout the pandemic the Law Centre managed to maintain all of our services and adapted the way that we provide the services to meet the circumstances and our clients needs. Organisations across Islington have come together to try to ensure that services are adapted and provided to our clients and the Law Centre has taken a full part in this process – building on the strengths and the relationships that exist across the community and voluntary sector and Local Authority in Islington.

For many of our clients and service users the Cost of Living Crisis is nothing new. We have worked with people and families who have been struggling to make ends meet for many years. What is new is the scale of the crisis facing those on low and middle incomes. Many of the issues now facing the community are the result of previous policy changes brought about during the austerity that followed the 2008 financial crash. In particular, the changes to housing benefit, the bedroom tax, the cap on benefits and the fact that the local housing allowance no longer meets the costs of housing for many in the community which reduces the available income to support families and children.

Even with the Energy Price Guarantee electricity and gas prices increased by 27% higher from October 2022 compared to the year before. With inflation rising, interest rates rising and the government now talking of the need for renewed tax rises and spending cuts there is a further period of austerity on the horizon. As more people will be pushed into poverty there will be an increasing slide into deprivation for many of those in our community who were previously just managing. The Law Centre will continue to work with the community to provide services and legal advice to help the community to deal with the effects of poverty and to enable people to take a full part in civil society.

Achievements and performance

The charity's main activities and who we assist are described below. The Law Centre is focused on assisting people to overcome the effects of poverty and inequality. All its charitable activities focus on people on low incomes and are undertaken to further Islington Law Centre's charitable purposes for the public benefit.

Primary activities include: –

- An open-door reception and referral service available 5 days a week to help people identify the key legal issues they are facing and to link them with appropriate support (both within the organisation and via other agencies)
- Specialist casework teams in debt, education, housing, immigration/asylum, public law and welfare benefits.
- An outreach programme delivering **15 specialist legal advice sessions each week**, normally based in front line services and community venues, but mostly operating remotely at the moment
- A pro bono programme which includes **3 evening advice sessions each week**, providing direct assistance with the help of volunteer lawyers, as well as other pro bono activity linked to specific projects and other casework teams
- **Specialist projects** focussing on target client groups – the Migrants' Law Project (MLP) and the Migrant and Refugee Children's Legal Unit (MiCLU).



495 new
cases opened
in the past
year

All areas of the charity's activities have been well used by clients and have made an impact during the year.



3,964 cases &
enquiries
worked on in
2021/2022

Reception and Referral Service

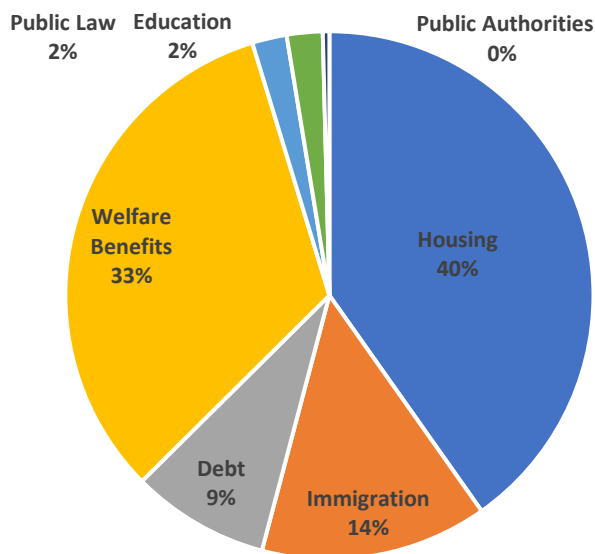


7041
reception
enquiries

In the year 2021/22, the service dealt with 7,041 enquiries, which is a **20% increase** on the previous year. Of these enquiries **1,410 came from people contacting the Law Centre for the first time**. Our reception is now staffed in-person again, rather than remotely during the Covid-19 pandemic.

Casework, advocacy and representation

The Law Centre worked on **3964** cases during the year, a **18%** increase on the previous year, including:



Housing – 1,594
Welfare Benefits – 1,297
Immigration – 551
Debt – 335
Education – 84
Public Law – 87
Claims Against Public Authorities – 16

Case study– Joel

Joel is a young Albanian man, who came to the UK 9 years ago as a 16 year–old Unaccompanied Asylum–Seeking Child.

He claimed asylum as he was a victim of trafficking in Albania and forced to work on a cannabis farm. He was physically and emotionally abused by armed traffickers, resulting in a later diagnosis of PTSD and a broken limb. He also had a history of extreme domestic violence at the hands of his father.

Joel had a number of different solicitors, including those who failed to advise him he was eligible for legal aid, resulting in him accruing debts in order to fund fresh claims which were unsuccessful. His case was repeatedly refused by the Home Office before ILC took conduct of the same.

We instructed an expert psychologist who diagnosed our client with complex Post Traumatic Stress Disorder. We witnessed our client's deterioration and active suicidal ideation and as a result took swift action to challenge the delay of the Home Office to make a decision in our client's fresh asylum claim. In August this year our client was finally granted refugee status.

We have since liaised with our client's support worker and he is accessing benefits and has started the long road to recovery.

We also continued to manage the **Clerkenwell and Shoreditch County Court Possession Duty scheme**, continuing to provide a vital and urgent service to tenants and borrowers facing possession proceedings and eviction.

There were significant casework successes in all areas of law, with a reduction in poverty as a result of increased household income, lower indebtedness, as well as improvements in clients' housing, employment and educational situations and resolution of immigration status.

The Law Centre also undertook both legal education and social policy work – for example **providing training to local community organisations** and responding to government consultations. We have also recently worked closely with the Housing Law Practitioners Association in regard to proposed government changes to housing provision as well as responding to numerous consultations from the Home Office relating to immigration.

Outreach

The welfare benefits team have continued to operate their form filling clinic at the Law Centre office and in the past year had 203 appointments. The ILC core immigration team have continued to offer weekly remote advice sessions to clients from Hackney Migrant Centre and Haringey Migrants' Support Centre and have had 179 advice appointments in the past year.

This is an **increase of 184%** on the previous year.



203
form filling
clinic
appointments



179
Immigration
outreach
appointments

Specialist Advisors also delivered remote outreach advice via Help on Your Doorstep, Islington Bangladesh Association and Community Language Support Services. These sessions enable the Law Centre to **continue to meet the needs of people who may not be able to access mainstream provision**, and to maximise the impact of solicitors and caseworkers' time by building strong partnerships with other agencies.

Pro bono activity

The Law Centre continued to run **three evening advice sessions each week**, with volunteer lawyers providing initial advice and assistance in drafting documents. The service involves teams of pro bono lawyers from seven City law firms and in-house teams and has assisted clients with issues such as reclaiming deposits from landlords, Criminal Injuries Compensation and small claims proceedings. The pro bono evening clinics had 354 appointments during the year. This was a 48% decrease on the year in part as a result of changes caused by covid.



354
pro bono
appointments

The Law Centre has also worked been able to sustain a pro bono immigration project, working with law students and two City law firms. The Law Centre is a London partner in a new initiative led by Central England Law Centre and Kids in Need of Defence UK, which works with children and young people to secure pro bono legal assistance around issues of immigration status.

Specialist projects

The Law Centre's specialist projects had a highly successful year with not only a range of casework successes but also wider impact on behalf of vulnerable groups.

The Migrants' Law Project (MLP) is a legal and public legal education project that promotes fair treatment and access to justice for migrants, refugees and asylum seekers in the UK. They currently work on many complex refugee family reunion cases, in which relatives abroad are often in positions of extreme hardship.

The Migrant and Children's Refugee Legal Unit (MiCLU) has continued with their 'Breaking the Chains' project in partnership with Shpresa Programme, a charity and refugee community group working with the Albanian speaking community in London.

The project has provided direct representation to 30 children and young people from Albania to assist them with the asylum and trafficking claims throughout the year. The project has also provided a weekly advice surgery as part of the project seeing about 3 young people per week to provide them with advice on their circumstances– offering around 120 advice sessions via that. The team have also run **education and empowerment sessions** for young Albanians engaged in Shpresa Programme to support their understanding of the asylum system.



100% success
rate for KiND
applications

The Kids in Need of Defence (KiND UK) project also continues– providing training, mentoring and supervision to pro bono partners assisting children who have lived in the UK for 7 years or more to regularise their status in the UK. The total number of KiND cases in the past year was **169**.

KiND continue to hold a 100% success rate to date for their applications.

The organisation's infrastructure

The Law Centre has put in place improved financial arrangements and have moved to a new cloud-based accounting system. We have also **improved the IT facilities** at the Law Centre by moving to a cloud-based case management system and have upgraded the organisation's IT hardware along with a move to Office 365.

In addition the Law Centre has created new training space and facilities to increase the emphasis on training for staff and for other community organisations.

This improvement in the foundation of the Law Centre should build in increased resilience into the organisation and enable us to assist clients in a professional manner into the future. These changes

also assisted the organisation to deal with effects of Covid 19 and to make it easier for us to move to remote working following the Government's Lockdown.

The Law Centre holds the Law Society's **Lexcel Quality Standard** and was re-awarded this following a full reassessment in April 2022. We received very positive feedback including that 'the centre should continue to be highly commended for sustaining an **extremely high level of compliance** against the Lexcel standard'.

The charity's main activities and who it tries to help are described below. All its charitable activities focus on tackling poverty and improving access to justice and are undertaken to further Islington Law Centre's charitable purposes for the public benefit.

Beneficiaries of our services

The Law Centre works with low-income clients, who are often facing extreme hardship.

The majority of clients are women (around 60%) and a large proportion are from black and minority ethnic communities.

Clients increasingly have legal issues that involve more than one matter, or one area of law, and over the last couple of years there has been a sustained increase in the percentage of welfare benefits clients who require assistance with an appeal.

For the Law Centre as a whole, two thirds of our clients have some form of ill-health or disability.



Two thirds of
our clients have
some form of
ill-health/
disability

Beneficiaries can self-refer, or are referred or signposted from other agencies, and a number of referrals are received from mental health professionals, as well as community organisations, children's centres and the local authority.

Clients are asked about their experience of the service via a questionnaire, as well as contacting us independently with feedback, and 96% of clients said that they were very happy. Clients frequently comment on the impact that the service has had on them, not only in terms of their legal issues, but wider access to justice and health, wellbeing and quality of life.

I have nothing but praise for the law centre, especially Gail, who has the patience of a saint. She was incredibly support to me, a great listener and made my complaint and my comments about the DWP feel important. What I said mattered. I will miss her input and her help. Praise must also be given to the reception staff who, in my experience, have always demonstrated patience and composure with their clients.

It was an amazing assistance to our family very detailed and courteous...informative ..my family shall recommend this first class efforts to others in our situation

I had no trust or belief in people at the beginning of my first encounter with Anna Skehan. She was very calm even though I had given her reasons to not have taken my case with my anger and attitude, above all that she saw something and got to working on my case. The fight and struggles has been real hard but we made it with all the legal team working together to make mine and others life more bearable. I thank the law centre and all that you do.

Financial review

The Law Centre has undertaken considerable work in recent years to strengthen its foundations. This has included improving our financial accounting systems, reducing our expenditure and improving our income. We have also undertaken work to improve our billing procedures in regard to our legal aid income. This work has resulted in improved internal systems and has increased the Law Centre's resilience and has given us a stronger structure. As a result of this improved performance we are now building some reserves and are in a better place to deal with any financial issues that we may face in the future.

Our income for the year increased to £2,131,779 with expenditure of £1,738,939. We have managed to increase our unrestricted funds less work in progress to £951,946 and our overall funds to £1,706,428.

The Trustees have taken this action to build unrestricted income and reserves and to ensure that the organisation has between 3 and 6 months reserves at any one time. The target for reserves is therefore between £435 and £869,000.

The remuneration of the key management personnel is decided by the Board. No employee earned more than £60,000 in the year.

Principal risks and uncertainties

This is an extremely difficult time for specialist legal advice charities. Legal Aid is not available for many of the legal issues for which the Law Centre's clients are seeking help, and Legal Aid rates have been frozen for many years, which has led to a significant reduction in other sources of assistance for our beneficiary group.

The primary risks to the organisation are loss of key management and other personnel and risks associated with running legal aid contracts. We are managing these risks by having brought in a Deputy Director to expand the senior management team and by employing a Director with a solid track record in managing legal aid contracts over many years.

Trustees' annual report

For the year ended 31 March 2022

There is increasing competition for funding from Trusts and Foundations, and many of these funds are targeted at discrete client groups and/or areas of work, rather than “open door” services.

The Government is undertaking a full review of LASPO (Legal Aid and the Sentencing and Punishment of Offenders act) in the autumn of 2022, and we will participate in this with a view to highlighting the significant levels of unmet need and the potential for legal aid to assist in reducing the need for other services.

We expect that the increase in poverty, and in particular child poverty and in-work poverty, combined with the reduction in the amount of Universal Credit, will increase demand for our services further over the coming period. We are also preparing for an increased need for our services as we come out of the pandemic with the end of the furlough scheme and the ending of the stay on possessions and evictions. The community is also seeing a huge increase in fuel costs and a squeeze on household budgets along with an increase in national Insurance coming in next year – all of which disproportionately affect those on lower incomes.

Reserves policy and going concern

The Trustees are committed to ensuring reserves are between three months' and six month's normal running costs. The free reserves (unrestricted general funds less unrestricted fixed assets) at the year-end were £466,976. The designated funds at year end were £906,116.

Trustees closely monitor the level of reserves and are committed to ensuring that the reserves are at least three months of normal running costs in order to enable the organisation to meet operational cash flow needs, be flexible enough to manage changes in funding streams and to meet staff costs in the event of long term sickness, maternity leave and/or redundancy.

Fundraising

The Law Centre has increased the capacity of the Senior Management Team so that there is a greater level of focus on fundraising.

Fundraising activity undertaken by the Law Centre currently includes the preparation and submission of applications to a range of Trusts and Foundations, and this is undertaken by paid staff and often in conjunction with other partner agencies and networks.

The Law Centre has participated in events organised by the London Legal Support Trust, such as an annual sponsored walk and has received donations from corporate law firms, individuals and Trusts.

The Law Centre's fundraising aims are to sustain and enhance existing services, and to build on these to meet new and/or additional needs, and to improve accessibility to those in greatest need.

The Law Centre has not engaged professional fundraisers or commercial participators, and has not undertaken activities which involve targeting members of the general public. It has not received any complaints in relation to fundraising activities nor has it acted in breach of any relevant codes.

Plans for the future

The Law Centre is committed to continuing to work for access to justice, and to ensuring a solid financial base for its services.

The Law Centre holds Legal Aid contracts in housing, debt and welfare benefits, public law and immigration and asylum law.

In 2022/23, our aims include increasing the levels of publicly funded work that we do, thus increasing our percentage of unrestricted income, and to seek additional funds to enable us to respond to local needs, whilst retaining our strategic work and impact. We also intend to develop our training provision to start to train the new generation of social welfare lawyers.

Structure, governance and management

The organisation is a charitable company limited by guarantee, it was founded in 1973 and incorporated on 16 March 1977 and registered as a charity on 23 November 1977.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All members of the board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Appointment of trustees

The Law Centre has a full Trustee Board having brought in new Trustees in the recent past.

Trustee induction and training

New Trustees receive an induction pack (which includes, for example, our safeguarding and other similar policies) and are invited to attend various training courses.

Bespoke training is also provided for Trustees as a group from time to time.

Statement of responsibilities of the trustees

The Trustees (who are also directors of Islington Law Centre for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the Trustee Board is aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The members have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report has been approved by the trustees on 22 November 2022 and signed on their behalf by

Russell Smith-Becker
Trustee

Independent auditor's report

To the members of

Islington Law Centre

Opinion

We have audited the financial statements of Islington Law Centre (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2022 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
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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

Independent auditor's report

To the members of

Islington Law Centre

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.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

Independent auditor's report

To the members of

Islington Law Centre

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Use of our report

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

Noelia Serrano (Senior statutory auditor)

9 December 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

		Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
	Note						
Income from:							
Donations and legacies	2	107,410	-	107,410	81,053	200,000	281,053
Charitable activities	3	661,268	1,363,101	2,024,369	583,079	1,413,204	1,996,283
Total income		768,678	1,363,101	2,131,779	664,132	1,613,204	2,277,336
Expenditure on:							
Charitable activities	5a	310,183	1,428,756	1,738,939	157,399	1,450,114	1,607,513
Total expenditure		310,183	1,428,756	1,738,939	157,399	1,450,114	1,607,513
Net income / (expenditure) for the year	6	458,495	(65,655)	392,840	506,733	163,090	669,823
Transfers between funds		-	-	-	(2,036)	2,036	-
Net movement in funds		458,495	(65,655)	392,840	504,697	165,126	669,823
Reconciliation of funds:							
Total funds brought forward		1,010,698	302,890	1,313,588	506,001	137,764	643,765
Total funds carried forward		1,469,193	237,235	1,706,428	1,010,698	302,890	1,313,588

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16a to the financial statements.

Balance sheet

Company no. 1302947

As at 31 March 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	10		96,101		101,074
			96,101		101,074
Current assets:					
Stock	11	517,247		441,438	
Debtors	12	388,775		348,322	
Cash at bank and in hand		846,366		580,176	
		1,752,388		1,369,936	
Liabilities:					
Creditors: amounts falling due within one year	13	(142,061)		(157,422)	
Net current assets			1,610,327		1,212,514
Total net assets			1,706,428		1,313,588
The funds of the charity:	16a				
Restricted income funds			237,235		302,890
Unrestricted income funds:					
Designated funds		906,116		284,149	
General funds		563,077		726,549	
Total unrestricted funds			1,469,193		1,010,698
Total charity funds			1,706,428		1,313,588

Approved by the management committee on 22 November 2022 and signed on their behalf by

Russell Austin Smith-Becker
Trustee

Statement of cash flows

For the year ended 31 March 2022

	Note	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by operating activities	(a)	278,695		465,454	
Cash flows from investing activities:					
Interest paid		(768)		(2,603)	
Purchase of fixed assets		<u>(11,737)</u>		<u>(94,737)</u>	
Net cash used in investing activities		(12,505)		(97,340)	
Change in cash and cash equivalents in the year		266,190		368,114	
Cash and cash equivalents at the beginning of the year		580,176		212,062	
Cash and cash equivalents at the end of the year	(b)	846,366		580,176	

(a) Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	392,840	669,823
Depreciation charges	16,710	14,875
Interest paid	768	2,603
Increase in stocks	(75,809)	(84,553)
Increase in debtors	(40,453)	(88,452)
Decrease in creditors	(15,361)	(48,842)
Net cash provided by operating activities	278,695	465,454

(b) Analysis of cash and cash equivalents

	At 1 April 2021 £	Cash flows £	Other changes £	At 31 March 2022 £
Cash at bank and in hand	580,176	266,190	-	846,366
Total cash and cash equivalents	580,176	266,190	-	846,366

1 Accounting policies

Statutory information

Islington Law Centre is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 38 Devonian Road, London, N1 8JH.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Key judgements that the charitable company has made which have a significant effect on the accounts include estimation of the value of work in progress.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

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 that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

Income from legal contracts is recognised on the accruals basis. An asset is recognised for work done under legal contracts where the criteria of measurement, probability and entitlement are met.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor or which has been raised by the charity for particular purposes. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

Expenditure and irrecoverable VAT

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

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Resources expended are 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 the basis of staff time.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. Governance costs are allocated to each activity based on staff time.

Operating leases

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

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

☐ Leasehold improvements	15 years straight-line
☐ Fixtures and fittings	25% reducing balance
☐ Office equipment	25% reducing balance
☐ Computer equipment	3 - 5 years straight-line

Stock

Stock is work in progress and is valued at the net realisable value. Provision is made where necessary for irrecoverable amount of work in progress.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

Creditors and provisions

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

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.

Finance leases

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities as they fall due.

Pensions

The charity operates a defined contribution pension scheme. Costs are allocated between restricted and unrestricted funds in accordance with the time spent on restricted and unrestricted work by staff members. There are no liabilities at year end.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Donations	107,410	-	107,410	81,053	200,000	281,053
	107,410	-	107,410	81,053	200,000	281,053

3 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
LB Islington	-	450,000	450,000	-	457,500	457,500
Cripplegate Foundation	-	162,918	162,918	-	115,000	115,000
City Bridge Trust	-	63,800	63,800	-	61,900	61,900
Three Guineas Trust	-	58,000	58,000	-	48,833	48,833
Richard Cloudesley Foundation	-	29,308	29,308	-	80,528	80,528
BBC Children in Need	-	-	-	-	42,951	42,951
Big Lottery	-	57,180	57,180	-	57,076	57,076
Haringey Migrant Centre	-	26,244	26,244	-	26,765	26,765
Hackney Migrant Centre	-	10,000	10,000	-	10,000	10,000
'London Legal Support Trust	-	-	-	-	10,000	10,000
Strategic Legal Fund (SLF)	-	7,266	7,266	-	23,690	23,690
Open Society Foundations	-	31,760	31,760	-	26,466	26,466
The Law Centres Network (LCN)	-	-	-	-	7,114	7,114
Trust for London	-	15,000	15,000	-	46,636	46,636
Comic Relief	-	-	-	-	56,667	56,667
Kids in Need of Defence UK (KIND)	-	150,014	150,014	-	139,743	139,743
Paul Hamlyn Foundation	-	14,550	14,550	-	36,461	36,461
Big Lottery - Breaking Chains	-	107,951	107,951	-	55,874	55,874
Esmée Fairbairn Foundation	-	30,000	30,000	-	45,000	45,000
Joseph Rowntree Charitable Trust	-	27,500	27,500	-	35,000	35,000
Baring Foundation	-	30,000	30,000	-	30,000	30,000
Therium	-	30,000	30,000	-	-	-
AB Charitable Trust	-	40,000	40,000	-	-	-
National Lottery Community Fund	-	10,000	10,000	-	-	-
The Evans Cornish Foundation	-	10,160	10,160	-	-	-
Other	-	1,450	1,450	-	-	-
Islington Children's Services	41,667	-	41,667	-	-	-
Fees and other income	619,601	-	619,601	583,079	-	583,079
Total income from charitable activities	661,268	1,363,101	2,024,369	583,079	1,413,204	1,996,283

4 Local and Government and Housing Act 1989

The company received financial assistance from the London Borough of Islington. As required by Section 37 of the Local Government and Housing Act 1989 the following information is given.

London Borough of Islington provided funding towards the legal advice services in the following areas;

£450,000 (2021: £457,500) was for the provision of independent advice for residents of London Borough of Islington housing in the areas of welfare benefits and housing law.

5a Analysis of expenditure - current year

	Charitable activities £	Governance costs £	Support costs £	2022 Total £	2021 Total £
Staff costs (Note 7)	1,376,222	-	-	1,376,222	1,274,277
Other staff costs	11,088	-	-	11,088	15,659
Professional costs	13,658	-	10,441	24,099	15,913
Project costs	38,425	-	-	38,425	14,628
General office costs	6,302	-	106,611	112,913	113,107
Premises costs	55,446	-	2,709	58,155	51,528
Depreciation	-	-	16,710	16,710	14,875
Audit and accountancy	-	31,797	-	31,797	33,875
Irrecoverable VAT	-	-	15,530	15,530	23,919
Bad debt	-	-	54,000	54,000	49,732
	1,501,141	31,797	206,001	1,738,939	1,607,513
Support costs	31,797	(31,797)	-	-	-
Governance costs	206,001	-	(206,001)	-	-
Total expenditure 2022	1,738,939	-	-	1,738,939	1,607,513

Of the total expenditure, £310,183 was unrestricted (2021: £157,399) and £1,428,756 was restricted (2021: £1,450,114).

5b Analysis of expenditure - prior year

	Charitable activities £	Governance costs £	Support costs £	2021 Total £
Staff costs (Note 7)	1,274,277	-	-	1,274,277
Other staff costs	15,659	-	-	15,659
Professional overheads	14,947	814	152	15,913
Project costs	6,843	-	7,785	14,628
General office costs	7,381	-	105,726	113,107
Premises costs	37,746	-	13,782	51,528
Depreciation	-	-	14,875	14,875
Audit and accountancy	-	33,875	-	33,875
Irrecoverable VAT	-	-	23,919	23,919
Bad debt	-	-	49,732	49,732
	1,356,853	34,689	215,971	1,607,513
Support costs	215,971	-	(215,971)	-
Governance costs	34,689	(34,689)	-	-
Total expenditure 2021	1,607,513	-	-	1,607,513

Notes to the financial statements

For the year ended 31 March 2022

6 Net income for the year

This is stated after charging / (crediting):

	2022	2021
	£	£
Depreciation	16,710	14,875
Interest payable	768	2,603
Operating lease rentals:		
Property	22,500	22,500
Auditor's remuneration (excluding VAT):		
Audit	10,600	9,900
Under provision for earlier years	-	4,500
	=====	=====

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	1,222,464	1,120,907
Social security costs	119,824	110,849
Employer's contribution to defined contribution pension schemes	28,478	33,584
Other staff costs	-	3,000
Staff training	5,456	5,937
	=====	=====
	1,376,222	1,274,277

No employee earned more than £60,000 during the year (2021: nil).

The total employee benefits including employer NI and pension contributions of the key management personnel were £119,567 (2021: £62,479).

The trustees were not paid and received no other benefits from employment with the charity in the year (2021: £nil). No member received payment for professional or other services supplied to the charity (2021: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2022	2021
	No.	No.
Average staff	39	38
	=====	=====
	39	38

Notes to the financial statements

For the year ended 31 March 2022

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation				
At the start of the year	111,339	79,382	10,345	201,066
Additions in year	9,369	1,338	1,030	11,737
At the end of the year	<u>120,708</u>	<u>80,720</u>	<u>11,375</u>	<u>212,803</u>
Depreciation				
At the start of the year	21,113	68,534	10,345	99,992
Charge for the year	6,202	10,251	258	16,710
At the end of the year	<u>27,315</u>	<u>78,785</u>	<u>10,603</u>	<u>116,702</u>
Net book value				
At the end of the year	<u>93,393</u>	<u>1,935</u>	<u>773</u>	<u>96,101</u>
At the start of the year	<u>90,226</u>	<u>10,848</u>	<u>-</u>	<u>101,074</u>

All of the above assets are used for charitable purposes.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £	2021 £
Computer equipment	<u>1,935</u>	<u>10,848</u>

All of the above assets are used for charitable purposes.

11 Stock

	2022 £	2021 £
Work in progress	<u>517,247</u>	<u>441,438</u>
	<u>517,247</u>	<u>441,438</u>

Notes to the financial statements

For the year ended 31 March 2022

12 Debtors

	2022 £	2021 £
Trade debtors	357,472	261,376
Other debtors	4,571	2,708
Prepayments	20,824	24,107
Grants receivable	5,908	60,131
	388,775	348,322

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	16,769	18,892
Amounts due under finance leases	-	12,512
Other creditors	86,460	38,540
Accruals	30,500	10,500
Deferred income	8,332	76,978
	142,061	157,422

14 Deferred income

	2022 £	2021 £
Balance at the beginning of the year	76,978	101,667
Amount released to income in the year	(76,978)	(101,667)
Amount deferred in the year	8,332	76,978
	8,332	76,978

15a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	96,101	-	-	96,101
Net current assets	466,976	906,116	237,235	1,610,327
Net assets at 31 March 2022	563,077	906,116	237,235	1,706,428

15b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	101,074	-	-	101,074
Net current assets	625,475	284,149	302,890	1,212,514
Net assets at 31 March 2021	726,549	284,149	302,890	1,313,588

16a Movements in funds (current year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
City Bridge Trust	-	63,800	(63,800)	-	-
Cripplegate Foundation	-	162,918	(115,000)	-	47,918
LB Islington	100,910	450,000	(534,699)	-	16,211
Three Guineas Trust	32,222	58,000	(47,121)	-	43,101
Richard Cloudesley Foundation	32,221	29,309	(61,530)	-	-
Big Lottery	37,186	165,131	(165,131)	-	37,186
Haringey Migrant Centre	-	26,244	(26,244)	-	-
Hackney Migrant Centre	-	10,000	(10,000)	-	-
Strategic Legal Fund (SLF)	-	7,266	(7,266)	-	-
Open Society Foundations	-	31,760	(30,692)	-	1,068
Islington Children's Services	-	-	-	-	-
Trust for London	-	15,000	(15,000)	-	-
Kids in Need of Defence UK (KIND UK)	75,976	150,013	(168,328)	-	57,660
Paul Hamlyn Foundation	-	14,550	(13,702)	-	848
Esmée Fairbairn Foundation	24,375	30,000	(43,900)	-	10,475
Joseph Rowntree Charitable Trust	-	27,500	(27,500)	-	-
Baring Foundation	-	30,000	(30,000)	-	-
National Lottery Community Fund	-	10,000	(10,000)	-	-
The Evans Cornish Foundation	-	10,160	(10,160)	-	-
Therium	-	30,000	(30,000)	-	-
AB Charitable Trust	-	40,000	(17,233)	-	22,767
Other	-	1,450	(1,450)	-	-
Total restricted funds	302,890	1,363,101	(1,428,756)	-	237,235
Unrestricted funds:					
Designated funds:					
Migrants' Law Project	284,149	144,716	(39,996)	-	388,869
WIP	441,438	75,809	-	-	517,247
Total designated funds	725,587	220,525	(39,996)	-	906,116
General funds	285,111	548,153	(270,187)	-	563,077
Total unrestricted funds	1,010,698	768,678	(310,183)	-	1,469,193
Total funds	1,313,588	2,131,779	(1,738,939)	-	1,706,428

The narrative to explain the purpose of each fund is given at the foot of the note below.

Notes to the financial statements

For the year ended 31 March 2022

16b Movements in funds (prior year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
LB Islington	-	457,500	(356,590)	-	100,910
Cripplegate Foundation	-	115,000	(115,000)	-	-
City Bridge Trust	-	61,900	(61,900)	-	-
Three Guineas Trust	-	48,833	(16,611)	-	32,222
Richard Cloudesley Foundation	-	80,528	(48,307)	-	32,221
BBC Children in Need	-	42,951	(42,951)	-	-
Big Lottery	-	57,076	(19,890)	-	37,186
Haringey Migrant Centre	-	26,765	(26,765)	-	-
Hackney Migrant Centre	-	10,000	(10,000)	-	-
'London Legal Support Trust	-	10,000	(10,000)	-	-
Strategic Legal Fund (SLF)	-	23,690	(23,690)	-	-
Open Society Foundations	-	26,466	(26,466)	-	-
The Law Centres Network (LCN)	-	7,114	(7,114)	-	-
Trust for London	-	46,636	(46,636)	-	-
Comic Relief	17,134	56,667	(73,801)	-	-
Kids in Need of Defence UK (KIND UK)	98,492	139,743	(164,295)	2,036	75,976
Paul Hamlyn Foundation	22,138	36,461	(58,599)	-	-
Big Lottery - Breaking Chains	-	55,874	(55,874)	-	-
Esmée Fairbairn Foundation	-	45,000	(20,625)	-	24,375
Joseph Rowntree Charitable Trust	-	35,000	(35,000)	-	-
Baring Foundation	-	30,000	(30,000)	-	-
Justice Foundation Grant	-	200,000	(200,000)	-	-
Total restricted funds	137,764	1,613,204	(1,450,114)	2,036	302,890
Unrestricted funds:					
Designated funds:					
Migrants' Law Project	146,681	182,366	(42,862)	(2,036)	284,149
WIP	-	-	-	441,438	441,438
Total designated funds	146,681	182,366	(42,862)	439,402	725,587
General funds	359,320	481,766	(114,537)	(441,438)	285,111
Total unrestricted funds	506,001	664,132	(157,399)	(2,036)	1,010,698
Total funds	643,765	2,277,336	(1,607,513)	-	1,313,588

Purposes of restricted funds

General social welfare and core services includes core funding for General Legal Advice Services and the Three Advice Projects.

The Migrant and Refugee Children's Legal Unit was funded to work for social justice by changing policy and practice to ensure respect for the rights, and improve the lives, of migrant and refugee children in the UK through strategic casework, training, consultancy and policy work. The Migrant and Refugee Children's Legal Unit received restricted funding from Paul Hamlyn Foundation, Kids in Need of Defence, AB Charitable Trust and the National Lottery.

The Migrants' Law Project is a legal and public legal education project, which aims to improve the rights of migrants, refugees and asylum seekers through the use of public law. The Migrants' Law Project received restricted funding from Joseph Rowntree Foundation, Esmée Fairbairn, Therium and Trust for London.

Notes to the financial statements

For the year ended 31 March 2022

17 Movements in funds (continued)

Purposes of designated funds

Migrants' Law Project

Funds have been set aside by the Management Committee for the work of the Migrants' Law Project at the Law Centre to further the project objectives.

18 Finance lease commitments

The charity's total future minimum lease payments under non-cancellable finance leases is as follows for each of the following periods

	Property	
	2022	2021
	£	£
Less than one year	-	12,512
Between 1-5 Years	-	-
	<u>-</u>	<u>12,512</u>
	<u><u>-</u></u>	<u><u>12,512</u></u>

19 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property	
	2022	2021
	£	£
Less than one year	22,500	22,500
Between 1-5 Years	90,000	90,000
Over 5 years	15,000	37,500
	<u>127,500</u>	<u>150,000</u>
	<u><u>127,500</u></u>	<u><u>150,000</u></u>

20 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

21 Related party transactions

There are no related party transactions to disclose for 2022 (2021: none).

Accounts

Report and financial statements

For the year ended 31 March 2021



Company number: 1302947
Charity number: 268468

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Reference and administrative information

For the year ended 31 March 2021

Company number 1302947

Charity number 268468

Registered office and operational address 38 Devonian Road, London, N1 8JH

Members of the board Members, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Marian Ellingworth Chair

Susan Lee

Onika Adams

Jemima Joll

Lindsay Edkins

Michael Collins

Paul Lowenberg

Russell Smith-Becker

Jemima Joll

Steven Lorber Appointed 8 March 2021

Paula Alessandro Resigned 20 July 2020

Key management personnel Stuart Hearne Director
Matthew Brown Deputy Director

Bankers Lloyds Bank
Highbury Corner
31-33 Holloway Road
London
N7 8JU

Reference and administrative information

For the year ended 31 March 2021

Solicitors	Russell-Cooke LLP 2 Putney Hill London SW15 6AB
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House 108-114 Golden Lane LONDON EC1Y 0TL

The Trustees present their report and the audited financial statements for the year ended 31 March 2021.

No employee earned more than £60,000 during the year (2020: nil).

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The Trustees review the aims, objectives and activities of the charity each year at a planning session. Following a review, the charity's articles of association were fully updated on 9 December 2019 and the objects were set out as follows:

- (a) The relief of poverty amongst persons resident or working in England and Wales in particular the London Borough of Islington and the surrounding area by providing such persons with legal advice services and representation which they could not otherwise obtain or which it would not be reasonably practicable or appropriate for them to obtain elsewhere; including by the provision of legal advice services and representation to help migrants, refugees and asylum seekers to take steps towards the regularization of immigration status where appropriate;
- (b) To advance the education of the public in the law of England and Wales and the application thereof

The Law Centre has established a range of services in furtherance of these aims, which have been carried out during the year in question.

The review also helps the Trustee Board ensure the charity's aims, objectives and activities remained focused on its stated purposes. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help.

Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, they consider how planned activities will contribute to the aims and objectives that have been set.

Organisational Structure

The Charity has an active Trustee Board, which meets at least 6 times a year. During the course of the year, the Trustee Board reviewed its terms of reference and governance procedures and made some changes to ensure that the entire Trustee board was involved in shaping the direction of the work.

Staff team

The Charity employs a team that includes: –

Director and Deputy Director

Supervisors (including solicitors) – 8 covering all areas of the Law Centre's work

Solicitors – 15

Caseworkers – 10

Paralegals – 2

Reception and Referral team – 2

Interim Office Manager – 1

Achievements and performance

The charity's main activities and who we assist are described below. The Law Centre is focused on assisting people to overcome the effects of poverty and inequality. All its charitable activities focus on people on low incomes and are undertaken to further Islington Law Centre's charitable purposes for the public benefit.

Primary activities include: –

- An open-door reception and referral service available 5 days a week to help people identify the key legal issues they are facing and to link them with appropriate support (both within the organisation and via other agencies)
- Specialist casework teams in debt, education, housing, immigration/asylum, public law and welfare benefits.
- An outreach programme delivering **15 specialist legal advice sessions each week**, normally based in front line services and community venues, but mostly operating remotely at the moment
- A pro bono programme which includes **3 evening advice sessions each week**, providing direct assistance with the help of volunteer lawyers, as well as other pro bono activity linked to specific projects and other casework teams
- **Specialist projects** focussing on target client groups – the Migrants' Law Project (MLP) and the Migrant and Refugee Children's Legal Unit (MiCLU).



£1 million+
recouped in
welfare
benefits for
clients

All areas of the charity's activities have been well used by clients and have made an impact during the year.



3349 cases & enquiries
worked on in
2020/2021

The Covid 19 Pandemic

The Law Centre had in place a business continuity plan which assisted in the move to remote working which took place on 20 March 2020. **All services have continued to be provided by the Law Centre throughout the pandemic** with most services being provided by telephone or zoom. All the existing outreach services have continued with the same level of support provided to clients but provided through remote working. No staff were furloughed during the pandemic.

We would like to thank our partners in the Islington Strategic Advice Partners, particularly Islington People's Rights, Help on Your Doorstep, Citizen's Advice, Cripplegate Foundation, Cloudesley and Islington Council for all of the work that has been done to help us to come together during the pandemic to work to ensure that services across the Borough have worked to meet the needs of the community during this difficult time.

Throughout the pandemic we have continued to work closely with the Islington Coronavirus Response Forum and one of the most positive aspects of this very difficult situation for so many people is the way that all of the statutory and voluntary organisations across Islington have come together to work to help to support the residents of Islington and adjoining Boroughs.

As we have come out of lockdown we are resuming **more face-to-face appointments with clients** in the office– with appropriate precautions in place. Many staff have also returned to working some days in the office, especially when they need to meet clients or to have team meetings. We have instigated a rota system so that the rooms are not overcrowded and so that staff can safely distance.

Reception and Referral Service

In the year 2020/21, the service dealt with 5857 enquiries, of which **2,762 came from people contacting the Law Centre for the first time**. Reception has now begun to be staffed in-person again, rather than remotely.

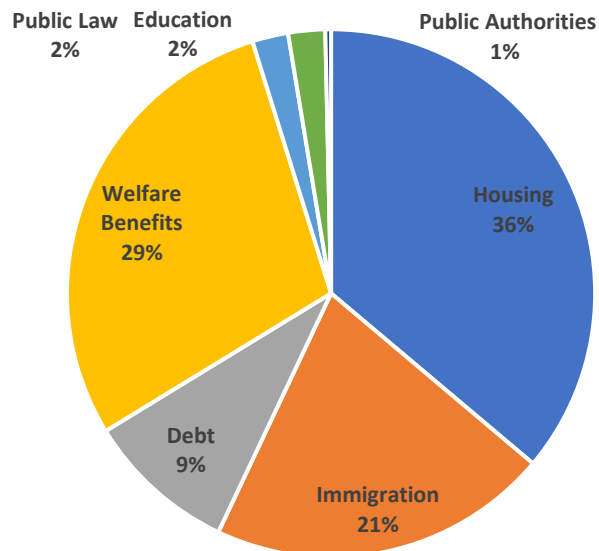


5857
enquiries

The Law Centre has undertaken work to improve the reception and interview facilities for clients and staff. The upgraded facilities provide **a welcoming and professional environment** in which our clients can feel assured that they are receiving the very best service.

Casework, advocacy and representation

The Law Centre worked on **3,349** cases during the year, including –



Housing – 1210
Welfare Benefits – 968
Immigration – 699
Debt – 310
Education – 74
Public Law – 76
Claims Against Public Authorities – 12

We also managed **the Clerkenwell and Shoreditch County Court Possession Duty scheme**, continuing to provide a vital and urgent service to tenants and borrowers facing possession proceedings and eviction.

There were significant casework successes in all areas of law, with a reduction in poverty as a result of increased household income, lower indebtedness, as well as improvements in clients' housing, employment and educational situations and resolution of immigration status.

The Law Centre also undertook both legal education and social policy work – for example **providing training to local community organisations** and responding to government consultations.

Case study– Prisha

Prisha has been an Islington resident for 17 years. A year ago she made an appointment with her GP for mental health issues. She was getting letters from creditors for historic debts, and this compounded the mental health issues that she was experiencing. The GP referred Prisha to Age UK, who then referred on to ILC. Prisha met Shabnam at ILC, who helped Prisha to apply for a debt relief order. In the middle of this Prisha's Personal Independence Payments (PIP) stopped and Shabnam recommended Gail at ILC to help with the PIP. Thankfully, following Gail's work on the case, Prisha's PIP was reinstated, and she ended up getting £90 more per week than she had been at the beginning.

Prisha says;

"I was really appreciative, I didn't know of anywhere else to go. I don't have any family in London, I wouldn't of known what to do. Thanks to Shabnam I don't get letters from creditors anymore. They've been brilliant– those two ladies went above and beyond. They offered me an ear, that was really really nice. They didn't have to show empathy, but they did on lots of occasions. They've meant that I can sleep at night. Now there's light at the end of the tunnel."

Outreach

The welfare benefits team have continued to operate their form filling clinic and the ILC core immigration team have continued to offer weekly remote advice sessions to clients from Hackney Migrant Centre and Haringey Migrants' Support Centre and had 63 advice appointments in the past year.

Specialist Advisors also delivered remote outreach advice via Help on Your Doorstep, Islington Bangladesh Association and Community Language Support Services. These sessions enable the Law Centre to **meet the needs of people who may not have been able to access mainstream provision** and to maximise the impact of solicitors and caseworkers' time by building strong partnerships with other agencies.



63
Immigration
outreach
appointments

Pro bono activity

The Law Centre continued to run **three evening advice sessions each week**, with volunteer lawyers providing initial advice and assistance in drafting documents. The service involves teams of pro bono lawyers from seven City law firms and in-house teams and has assisted clients with issues such as reclaiming deposits from landlords, Criminal Injuries Compensation and small claims proceedings. The pro bono evening clinics had 685 appointments during the year.



685
pro bono
appointments

The Law Centre has also worked been able to sustain a pro bono immigration project, working with law students and two City law firms. The Law Centre is a London partner in a new initiative led by Central England Law Centre and Kids in Need of Defence UK, which works with children and young people to secure pro bono legal assistance around issues of immigration status.

Specialist projects

The Law Centre's specialist projects had a highly successful year with not only a range of casework successes but also wider impact on behalf of vulnerable groups.

The Migrants' Law Project (MLP) has had a significant success this year– they represented Safe Passage International in a successful legal challenge to Home Office policy on deciding family reunion applications under the EU's rules. The High Court found that the policies were unlawful

and misstated the law in significant ways. They continue to work on many family reunion cases as well as co-ordinating legal strategy and public legal education.

The Migrant and Children's Refugee Legal Unit (MiCLU) has continued with their 'Breaking the Chains' project in partnership with Shpresa Programme, a charity and refugee community group working with the Albanian speaking community in London. The legal team provide critical legal work, policy advocacy and immigration training in conjunction with the Shpresa team, supported by lawyers at Garden Court and a wider network of volunteers and associated organisations, working collaboratively with the young people involved. The Kids in Need of Defence (KiND UK) project also continues– providing training, mentoring and supervision to pro bono partners assisting children who have lived in the UK for 7 years or more to regularise their status in the UK. They hold a 100% success rate to date for their applications.



100%
success rate
for KiND
applications

Changes in the organisation's infrastructure

Following an extensive internal review, the Law Centre has moved to improve our accounting and finance functions and to address an underlying deficit in the organisation's day to day finances. This review and the action taken have led to a strengthening of the organisation's financial position during the year. We have put in place improved financial arrangements and have moved to a new cloud-based accounting system. In addition, we have **improved the IT facilities** at the Law Centre by moving to a new cloud-based case management system and have upgraded the organisation's IT hardware along with a move to Office 365.

This improvement in the foundation of the Law Centre should build in increased resilience into the organisation and enable us to assist clients in a professional manner into the future. These changes also assisted the organisation to deal with effects of Covid 19 and to make it easier for us to move to remote working following the Government's Lockdown.

The Law Centre holds the Law Society's **Lexcel Quality Standard** and was re-awarded this following a full reassessment in April 2021.

The charity's main activities and who it tries to help are described below. All its charitable activities focus on tackling poverty and improving access to justice and are undertaken to further Islington Law Centre's charitable purposes for the public benefit.

Beneficiaries of our services

The Law Centre works with low-income clients, who are often facing extreme hardship. The majority of clients are women (around 60%) and a large proportion are from black and minority ethnic communities.

Clients increasingly have legal issues that involve more than one matter, or one area of law, and over the last couple of years there has been a sustained increase in the percentage of welfare benefits clients who require assistance with an appeal.

For the Law Centre as a whole, over 70% of our clients have some form of ill-health or disability.



Over 70% of
our clients have
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ill-health/
disability

Beneficiaries can self-refer, or are referred or signposted from other agencies, and a number of referrals are received from mental health professionals, as well as community organisations, children's centres and the local authority.

Clients are asked about their experience of the service via a questionnaire, as well as contacting us independently with feedback, and over 95% of clients say they are satisfied or very satisfied. Clients frequently comment on the impact that the service has had on them, not only in terms of their legal issues, but wider access to justice and health, wellbeing and quality of life.

"This is the best solicitors, they fight for you and ensure you have a better and happier life"

"without the help of the Law Centre I'd have been stuck. Megan is brilliant- she is a diamond an absolute diamond, I'd be lost without her.

They know what they're doing- people like us who don't know how to deal with the DWP, it's so great to have their help and knowledge. They're so very very supportive"

"After about a year of seeing Juliane all of a sudden I was granted indefinite leave to remain. I'm on UC at the moment due to my mental health issues, and I've applied for PIP. Now everything is going well and it is all thanks to Juliane. And it was all for free at the Law Centre- if I'd had thousands of pounds I don't think I'd have got anyone as good as Juliane"

Financial review

The Law Centre has undertaken considerable work in recent years to strengthen its foundations. This has included improving our financial accounting systems, reducing our expenditure and improving our income. We have also undertaken work to improve our billing procedures in regard to our legal aid income. This work has resulted in improved internal systems and has increased the Law Centre's resilience and has given us a stronger structure. As a result of this improved performance we are now building some reserves and are in a better place to deal with any financial issues that we may face in the future.

Our income for the year increased to £2,277,336 with expenditure of £1,607,513. We have managed to increase our unrestricted funds less work in progress to £569,260 and our overall funds to £1,313,588.

The Trustees have taken this action to build unrestricted income and reserves and to ensure that the organisation has between 3 and six months reserves at any one time.

Principal risks and uncertainties

This is an extremely difficult time for specialist legal advice charities. Legal Aid is not available for many of the legal issues for which the Law Centre's clients are seeking help, and Legal Aid rates have been frozen for many years, which has led to a significant reduction in other sources of assistance for our beneficiary group.

The primary risks to the organisation are loss of key management and other personnel and risks associated with running legal aid contracts. We are managing these risks by having brought in a Deputy Director to expand the senior management team and by employing a Director with a solid track record in managing legal aid contracts over many years.

There is increasing competition for funding from Trusts and Foundations, and many of these funds are targeted at discrete client groups and/or areas of work, rather than "open door" services.

The Government is undertaking a review of the impact of LASPO (Legal Aid and the Sentencing and Punishment of Offenders act), and we have participated in this with a view to highlighting the significant levels of unmet need and the potential for legal aid to assist in reducing the need for other services.

We expect that the increase in poverty, and in particular child poverty and in-work poverty, combined with the reduction in the amount of Universal Credit, will increase demand for our services further over the coming period. We are also preparing for an increased need for our services as we come out of the pandemic with the end of the furlough scheme and the ending of the stay on possessions and evictions. The community is also seeing and increase in fuel costs

and a squeeze on household budgets along with an increase in national Insurance coming in next year – all of which disproportionately affect those on lower incomes.

Reserves policy and going concern

The Trustees are committed to ensuring reserves are between three months' and six month's normal running costs. The free reserves (unrestricted general funds less unrestricted fixed assets) at the year-end were £184,037.

Trustees closely monitor the level of reserves and are committed to ensuring that the reserves are at least three months of normal running costs in order to enable the organisation to meet operational cash flow needs, be flexible enough to manage changes in funding streams and to meet staff costs in the event of long term sickness, maternity leave and/or redundancy.

Fundraising

The Law Centre has increased the capacity of the Senior Management Team so that there is a greater level of focus on fundraising, and is adopting a new fundraising strategy.

Fundraising activity undertaken by the Law Centre currently includes the preparation and submission of applications to a range of Trusts and Foundations, and this is undertaken by paid staff and often in conjunction with other partner agencies and networks.

The Law Centre has participated in events organised by the London Legal Support Trust, such as an annual sponsored walk and has received donations from corporate law firms, individuals and Trusts.

The Law Centre's fundraising aims are to sustain and enhance existing services, and to build on these to meet new and/or additional needs, and to improve accessibility to those in greatest need.

The Law Centre has not engaged professional fundraisers or commercial participators, and has not undertaken activities which involve targeting members of the general public. It has not received any complaints in relation to fundraising activities nor has it acted in breach of any relevant codes.

Plans for the future

The Law Centre is committed to continuing to work for access to justice, and to ensuring a solid financial base for its services.

The Law Centre was awarded new Legal Aid contracts in housing, debt and welfare benefits, public law and immigration and asylum law.

In 2021/22, our aims include increasing the levels of publicly funded work that we do, thus increasing our percentage of unrestricted income, and to seek additional funds to enable us to respond to local needs, whilst retaining our strategic work and impact.

It is a priority for Trustees to seek to increase the level of unrestricted reserves held by the Law Centre in order to rebuild a solid financial foundation for the future.

Structure, governance and management

The organisation is a charitable company limited by guarantee, it was founded in 1973 and incorporated on 16 March 1977 and registered as a charity on 23 November 1977.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All members of the board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Appointment of trustees

The Law Centre has a full Trustee Board having brought in new Trustees in the recent past.

Trustee induction and training

New Trustees receive an induction pack (which includes, for example, our safeguarding and other similar policies) and are invited to attend various training courses.

Bespoke training is also provided for Trustees as a group from time to time.

Statement of responsibilities of the trustees

The Trustees (who are also directors of Islington Law Centre for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently

Trustees' annual report

For the year ended 31 March 2021

- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the Trustee Board is aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The members have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report has been approved by the trustees on 22 November 2021 and signed on their behalf by

Marian Ellingworth
Chair of the Trustees

Independent auditor's report

To the members of

Islington Law Centre

Independent auditor's report to the members of Islington Law Centre

Opinion

We have audited the financial statements of Islington Law Centre (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2021 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
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

Independent auditor's report

To the members of

Islington Law Centre

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.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor's report

To the members of

Islington Law Centre

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Use of our report

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

Noelia Serrano (Senior statutory auditor)

8 December 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations and legacies	2	81,053	200,000	281,053	90,569	-	90,569
Charitable activities	3						
General social welfare and core services		368,045	992,108	1,360,153	293,699	914,033	1,207,732
Migrant and Refugee Children's Legal Unit		32,668	261,978	294,646	41,340	190,141	231,481
Migrants' Law Project		182,366	159,118	341,484	104,577	125,000	229,577
Total income		664,132	1,613,204	2,277,336	530,185	1,229,174	1,759,359
Expenditure on:							
Charitable activities	5a						
General social welfare and core services		103,414	1,002,380	1,105,794	124,703	1,011,388	1,136,091
Migrant and Refugee Children's Legal Unit		11,123	286,580	297,703	14,789	210,705	225,494
Migrants' Law Project		42,862	161,154	204,016	30,177	181,067	211,244
Total expenditure		157,399	1,450,114	1,607,513	169,669	1,403,160	1,572,829
Net income / (expenditure) for the year	6	506,733	163,090	669,823	360,516	(173,986)	186,530
Transfers between funds		(2,036)	2,036	-	(84,451)	84,451	-
Net movement in funds		504,697	165,126	669,823	276,065	(89,535)	186,530
Reconciliation of funds:							
Total funds brought forward		506,001	137,764	643,765	229,936	227,299	457,235
Total funds carried forward		1,010,698	302,890	1,313,588	506,001	137,764	643,765

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

Balance sheet

Company no. 1302947

As at 31 March 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	10		101,074		21,212
			101,074		21,212
Current assets:					
Stock	11	441,438		356,885	
Debtors	12	348,322		259,870	
Cash at bank and in hand		580,176		212,062	
		1,369,936		828,817	
Liabilities:					
Creditors: amounts falling due within one year	13	(157,422)		(193,752)	
Net current assets			1,212,514		635,065
Total assets less current liabilities			1,313,588		656,277
Creditors: amounts falling due after one year	15		-		(12,512)
Total net assets			1,313,588		643,765
The funds of the charity:	17a				
Restricted income funds			302,890		137,764
Unrestricted income funds:					
Designated funds		725,587		146,681	
General funds		285,111		359,320	
Total unrestricted funds			1,010,698		506,001
Total charity funds			1,313,588		643,765

Approved by the management committee on 22 November 2021 and signed on their behalf by

Marian Ellingworth
Chair

Statement of cash flows

For the year ended 31 March 2021

	Note	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by operating activities	(a)		465,454		112,739
Cash flows from investing activities:					
Interest paid		(2,603)		(1,069)	
Purchase of fixed assets		(94,737)		-	
Net cash used in investing activities			(97,340)		(1,069)
Cash flows from financing activities:					
Repayments of borrowing		-		(15,959)	
Net cash (used in) financing activities			-		(15,959)
Change in cash and cash equivalents in the year			368,114		97,849
Cash and cash equivalents at the beginning of the year			212,062		114,213
Cash and cash equivalents at the end of the year	(b)		580,176		212,062

(a) Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	669,823	186,530
Depreciation charges	14,875	10,139
Interest paid	2,603	(1,069)
Repayments of borrowings	-	15,959
(Increase) / decrease in stocks	(84,553)	21,068
Increase in debtors	(88,452)	(21,500)
Decrease in creditors	(48,842)	(98,388)
Net cash provided by operating activities	465,454	112,739

(b) Analysis of cash and cash equivalents

	At 1 April 2020 £	Cash flows £	Other changes £	At 31 March 2021 £
Cash at bank and in hand	212,062	368,114	-	580,176
Total cash and cash equivalents	212,062	368,114	-	580,176

1 Accounting policies

Statutory information

Islington Law Centre is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 38 Devonian Road, London, N1 8JH.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Key judgements that the charitable company has made which have a significant effect on the accounts include estimation of the value of work in progress.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

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 that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

Income from legal contracts is recognised on the accruals basis. An asset is recognised for work done under legal contracts where the criteria of measurement, probability and entitlement are met.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor or which has been raised by the charity for particular purposes. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

Expenditure and irrecoverable VAT

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

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Resources expended are 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 the basis of staff time.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. Governance costs are allocated to each activity based on staff time.

Operating leases

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

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

~ Leasehold improvements	15 years straight-line
~ Fixtures and fittings	25% reducing balance
~ Office equipment	25% reducing balance
~ Computer equipment	3 - 5 years straight-line

Stock

Stock is work in progress and is valued at the net realisable value. Provision is made where necessary for irrecoverable amount of work in progress.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)**Creditors and provisions**

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

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.

Finance leases

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities as they fall due.

Pensions

The charity operates a defined contribution pension scheme. Costs are allocated between restricted and unrestricted funds in accordance with the time spent on restricted and unrestricted work by staff members. There are no liabilities at year end.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	Unrestricted	Restricted	2020 Total £
Donations	81,053	200,000	281,053	90,569	-	90,569
	<u>81,053</u>	<u>200,000</u>	<u>281,053</u>	<u>90,569</u>	<u>-</u>	<u>90,569</u>

Notes to the financial statements

For the year ended 31 March 2021

3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Grant LB Islington	-	457,500	457,500	-	450,000	450,000
Grant Cripplegate Foundation	-	115,000	115,000	-	113,313	113,313
Grant City Bridge Trust	-	61,900	61,900	-	60,100	60,100
Grant Three Guineas Trust	-	48,833	48,833	-	69,500	69,500
Grant Richard Cloudesley Foundation	-	80,528	80,528	-	74,500	74,500
Grant BBC Children in Need	-	42,951	42,951	-	48,813	48,813
Grant Legal Education Foundation	-	-	-	-	29,884	29,884
Grant - Big Lottery	-	57,076	57,076	-	27,880	27,880
Grant Haringey Migrant Centre	-	26,765	26,765	-	24,139	24,139
Grant Hackney Migrant Centre	-	10,000	10,000	-	15,904	15,904
'London Legal Support Trust	-	10,000	10,000	-	-	-
Strategic Legal Fund (SLF)	-	4,572	4,572	-	-	-
Open Society Foundations	-	13,233	13,233	-	-	-
The Law Centres Network (LCN)	-	7,114	7,114	-	-	-
Trust for London	-	16,636	16,636	-	-	-
Comic Relief	-	40,000	40,000	-	-	-
Other grants	-	-	-	15,000	-	15,000
Fees and other income	368,045	-	368,045	278,699	-	278,699
Sub-total for general social welfare and core services	368,045	992,108	1,360,153	293,699	914,033	1,207,732
Comic Relief	-	16,667	16,667	-	33,332	33,332
Kids in Need of Defence UK (KIND UK)	-	139,743	139,743	-	113,742	113,742
Paul Hamlyn Foundation	-	36,461	36,461	-	43,067	43,067
Big Lottery - Breaking Chains	-	55,874	55,874	-	-	-
Open Society Foundations	-	13,233	13,233	-	-	-
Fees and other income	32,668	-	32,668	41,340	-	41,340
Sub-total for Migrant and Refugee Children's Legal Unit	32,668	261,978	294,646	41,340	190,141	231,481
Esmée Fairbairn Foundation	-	45,000	45,000	-	30,000	30,000
Joseph Rowntree Charitable Trust	-	35,000	35,000	-	35,000	35,000
Trust for London	-	30,000	30,000	-	30,000	30,000
Baring Foundation	-	30,000	30,000	-	30,000	30,000
Strategic Legal Fund (SLF)	-	19,118	19,118	-	-	-
Fees and other income	182,366	-	182,366	104,577	-	104,577
Sub-total for Migrants' Law Project	182,366	159,118	341,484	104,577	125,000	229,577
Total income from charitable activities	583,079	1,413,204	1,996,283	439,616	1,229,174	1,668,790

4 Local and Government and Housing Act 1989

The company received financial assistance from the London Borough of Islington. As required by Section 37 of the Local Government and Housing Act 1989 the following information is given.

London Borough of Islington provided funding towards the legal advice services in the following areas;

£457,500 (2020: £450,000) was for the provision of independent advice for residents of London Borough of Islington housing in the areas of welfare benefits and housing law.

5a Analysis of expenditure - current year

	Charitable activities					2021 Total £	2020 Total £
	General social welfare and core services £	Migrant and Refugee Children's Legal Unit £	Migrants' Law Project £	Governance costs £	Support costs £		
Staff costs (Note 7)	890,744	227,566	155,967	-	-	1,274,277	1,180,383
Other staff costs	4,244	10,894	521	-	-	15,659	22,164
Professional overheads	10,587	2,422	1,938	814	152	15,913	21,043
Expenses related to costs	-	-	-	-	-	-	3,021
Project costs	-	3,433	3,410	-	7,785	14,628	34,862
General office costs	5,371	1,117	893	-	105,726	113,107	129,765
Premises costs	25,542	6,780	5,424	-	13,782	51,528	69,580
Depreciation	-	-	-	-	14,875	14,875	10,138
Audit and accountancy	-	-	-	33,875	-	33,875	54,986
Irrecoverable VAT	-	-	-	-	23,919	23,919	19,387
Bad debt	-	-	-	-	49,732	49,732	27,500
	936,488	252,212	168,153	34,689	215,971	1,607,513	1,572,829
Support costs	145,569	39,407	30,995		(215,971)	-	-
Governance costs	23,737	6,084	4,868	(34,689)	-	-	-
Total expenditure 2021	1,105,794	297,703	204,016	-	-	1,607,513	1,572,829
Total expenditure 2020	1,136,091	225,494	211,244				

Of the total expenditure, £157,399 was unrestricted (2020: £169,669) and £1,450,114 was restricted (2020: £1,403,160).

5b Analysis of expenditure - prior year

	Charitable activities				Support costs	2020 Total £
	General social welfare and core services £	Migrant and Refugee Children's Legal Unit £	Migrants' Law Project £	Governance costs £		
Staff costs (Note 7)	855,295	160,165	164,923	-	-	1,180,383
Other staff costs	15,721	3,275	3,168	-	-	22,164
Professional overheads	13,315	2,023	2,000	3,705	-	21,043
Expenses related to costs	(4,823)	4,358	3,486	-	-	3,021
Project costs	16,464	13,720	4,678	-	-	34,862
General office costs	-	-	-	-	129,765	129,765
Premises costs	16,620	3,267	2,613	-	47,080	69,580
Depreciation	-	-	-	-	10,138	10,138
Audit and accountancy	-	-	-	54,986	-	54,986
Irrecoverable VAT	-	-	-	-	19,387	19,387
Bad debt	-	-	-	-	27,500	27,500
	912,592	186,808	180,868	58,691	233,870	1,572,829
Support costs	179,176	30,704	23,990		(233,870)	-
Governance costs	44,323	7,982	6,386	(58,691)	-	-
Total expenditure 2020	1,136,091	225,494	211,244	-	-	1,572,829

Notes to the financial statements

For the year ended 31 March 2021

6 Net income for the year

This is stated after charging / (crediting):

	2021	2020
	£	£
Depreciation - owned by the charitable group	14,875	10,138
Interest payable	2,603	1,069
Operating lease rentals:		
Property	8,611	22,500
Auditor's remuneration (excluding VAT):		
Audit	9,900	9,700
Under provision for earlier years	4,500	1,000
	=====	=====

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	1,120,907	1,048,635
Social security costs	110,849	100,095
Employer's contribution to defined contribution pension schemes	33,584	31,654
Other staff costs	3,000	-
Staff training	5,937	-
	=====	=====
	1,274,277	1,180,383

No employee earned more than £60,000 during the year (2020: nil).

The total employee benefits including employer NI and pension contributions of the key management personnel were £62,479 (2020: £59,088).

The trustees were not paid and received no other benefits from employment with the charity in the year (2020: £nil). No member received payment for professional or other services supplied to the charity (2020: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021	2020
	No.	No.
Average staff	38	36
	=====	=====
	38	36

Notes to the financial statements

For the year ended 31 March 2021

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation				
At the start of the year	16,602	79,382	10,962	106,946
Additions in year	94,737	-	-	94,737
At the end of the year	<u>111,339</u>	<u>79,382</u>	<u>10,962</u>	<u>201,683</u>
Depreciation				
At the start of the year	16,376	58,396	10,962	85,734
Charge for the year	4,737	10,138	-	14,875
At the end of the year	<u>21,113</u>	<u>68,534</u>	<u>10,962</u>	<u>100,609</u>
Net book value				
At the end of the year	<u>90,226</u>	<u>10,848</u>	<u>-</u>	<u>101,074</u>
At the start of the year	<u>226</u>	<u>20,986</u>	<u>-</u>	<u>21,212</u>

All of the above assets are used for charitable purposes.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Computer equipment	<u>10,848</u>	<u>20,986</u>

All of the above assets are used for charitable purposes.

11 Stock

	2021 £	2020 £
Work in progress	<u>441,438</u>	<u>356,885</u>
	<u>441,438</u>	<u>356,885</u>

Notes to the financial statements

For the year ended 31 March 2021

12 Debtors

	2021 £	2020 £
Trade debtors	261,376	175,910
Other debtors	2,708	59,814
Prepayments	24,107	24,146
Grants receivable	60,131	-
	<u>348,322</u>	<u>259,870</u>

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	18,892	2,366
Amounts due under finance leases	12,512	15,235
Other creditors	38,540	86,508
Accruals	10,500	60,597
Deferred income	76,978	29,047
	<u>157,422</u>	<u>193,752</u>

14 Deferred income

	2021 £	2020 £
Balance at the beginning of the year	101,667	101,667
Amount released to income in the year	(101,667)	(101,667)
Amount deferred in the year	76,978	29,047
	<u>76,978</u>	<u>29,047</u>

15 Creditors: amounts falling due after one year

	2021 £	2020 £
Amounts due under finance leases with 1-5 years	-	12,512
	<u>-</u>	<u>12,512</u>

Finance leases are secured against the assets concerned.

Notes to the financial statements

For the year ended 31 March 2021

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	101,074	-	-	101,074
Net current assets	184,037	725,587	302,890	1,212,514
Net assets at 31 March 2021	285,111	725,587	302,890	1,313,588

Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	21,212	-	-	21,212
Net current assets	350,620	146,681	137,764	635,065
Long term liabilities	(12,512)	-	-	(12,512)
Net assets at 31 March 2020	359,320	146,681	137,764	643,765

17a Movements in funds (current year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
General social welfare and core services	-	1,192,108	(1,002,380)	-	189,728
Migrant and Refugee Children's Legal Unit	137,764	261,978	(286,580)	-	113,162
Migrant's law project	-	159,118	(161,154)	2,036	-
Total restricted funds	137,764	1,613,204	(1,450,114)	2,036	302,890
Unrestricted funds:					
Designated funds:					
WIP	-	-	-	441,438	441,438
Migrants' Law Project	146,681	182,366	(42,862)	(2,036)	284,149
Total designated funds	146,681	182,366	(42,862)	439,402	725,587
General funds	359,320	481,766	(114,537)	(441,438)	285,111
Total unrestricted funds	506,001	664,132	(157,399)	(2,036)	1,010,698
Total funds	643,765	2,277,336	(1,607,513)	-	1,313,588

The narrative to explain the purpose of each fund is given at the foot of the note below.

Notes to the financial statements

For the year ended 31 March 2021

17b Movements in funds (prior year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
Restricted funds:					
General social welfare and core services	68,971	914,031	(1,011,388)	28,386	-
Migrant and Refugee Children's Legal Unit	158,328	190,141	(210,705)	-	137,764
Migrant's law project	-	125,000	(181,067)	56,067	-
Total restricted funds	227,299	1,229,172	(1,403,160)	84,453	137,764
Unrestricted funds:					
Designated funds:					
Migrants' Law Project	128,348	104,577	(30,177)	(56,067)	146,681
Total designated funds	128,348	104,577	(30,177)	(56,067)	146,681
General funds	101,588	425,608	(139,492)	(28,386)	359,320
Total unrestricted funds	229,936	530,185	(169,669)	(84,453)	506,001
Total funds	457,235	1,759,358	(1,572,829)	-	643,765

Purposes of restricted funds

General social welfare and core services includes core funding for General Legal Advice Services and the Three Advice Projects.

The Migrant and Refugee Children's Legal Unit was funded to work for social justice by changing policy and practice to ensure respect for the rights, and improve the lives, of migrant and refugee children in the UK through strategic casework, training, consultancy and policy work.

The Migrants' Law Project is a legal and public legal education project, which aims to improve the rights of migrants, refugees and asylum seekers through the use of public law.

Purposes of designated funds

Migrants' Law Project

Funds have been set aside by the Management Committee for the work of the Migrants' Law Project at the Law Centre to further the project objectives.

WIP

This fund represents the value of WIP at year-end. WIP represents the value of legal work done to the year-end and is not readily convertible to cash.

Notes to the financial statements

For the year ended 31 March 2021

19 Finance lease commitments

The charity's total future minimum lease payments under non-cancellable finance leases is as follows for each of the following periods

	Property 2021 £	2020 £
Less than one year	12,512	15,235
Between 1-5 Years	-	12,512
	<u>12,512</u>	<u>27,746</u>

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2021 £	2020 £
Less than one year	22,500	22,500
Between 1-5 Years	90,000	90,000
Over 5 years	37,500	60,000
	<u>150,000</u>	<u>172,500</u>

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.