

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

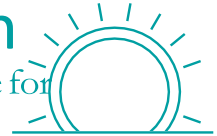
Islington Law Centre supports members of the community to take an active part in Civil Society and to have positive and effective engagement with Civil Society institutions – this includes dealing with the Local Authority, the Department of Work and Pensions, the Courts and Tribunals, the Education Services,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

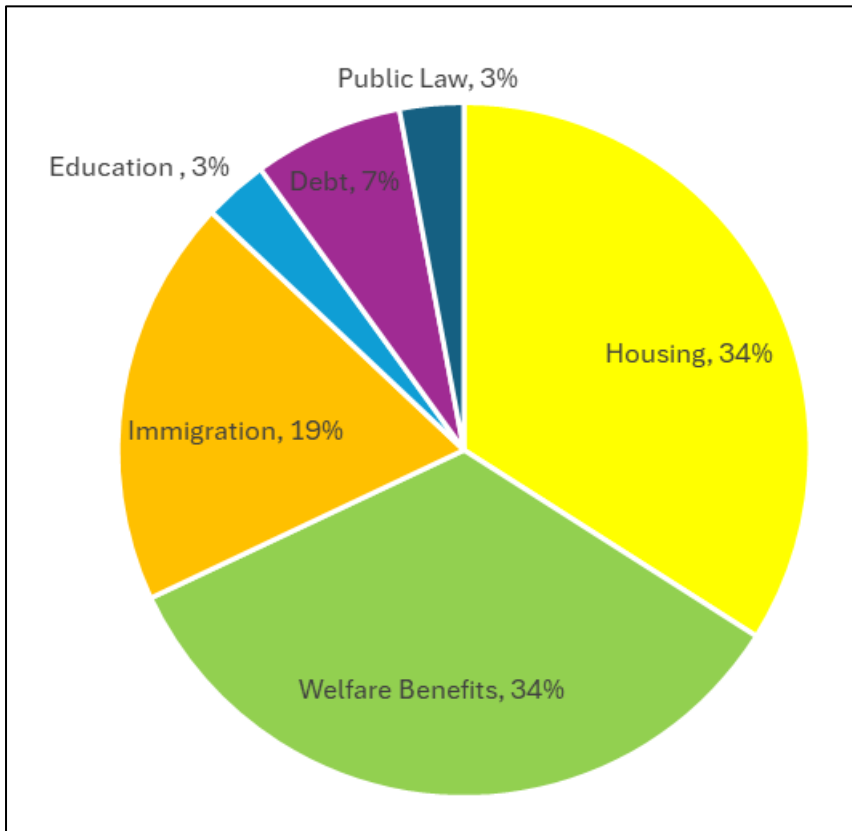
Adam was a young 24-year-old man with autism and mental health issues. He had been evicted from supported accommodation as they were not able to meet his level of needs. He applied for accommodation from the Local Authority as he had nowhere to go. He was refused on the basis that he was “not vulnerable”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

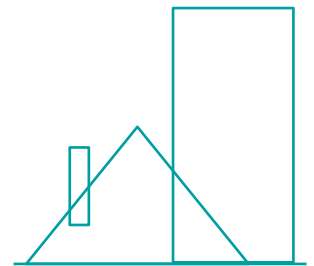
We assisted Adam to seek a review of the negative housing decision and with our knowledge of housing law and the evidence in support of his application, we were able to persuade the Local Authority to accept a duty to provide Adam with suitable accommodation.

*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:

<input type="checkbox"/> Leasehold improvements	15 years straight-line
<input type="checkbox"/> Fixtures and fittings	25% reducing balance
<input type="checkbox"/> Other fixed assets (e.g., Office equipment)	25% reducing balance
<input type="checkbox"/> 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.