

REGISTERED COMPANY NUMBER: 02838845 (England and Wales)
REGISTERED CHARITY NUMBER: 1123908

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
GREATER MANCHESTER IMMIGRATION AID UNIT**



Greater Manchester
IMMIGRATION AID UNIT

GREATER MANCHESTER IMMIGRATION AID UNIT

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GREATER MANCHESTER IMMIGRATION AID UNIT

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2023**

Registered Company number
02838845 (England and Wales)

Registered Charity number
1123908

Registered office
1 Delaunays Road
Crumpsall Green
Manchester
M8 4QS

Auditors
Sedulo Audit Limited
Statutory Auditors
605 Albert House
256-260 Old St
London
EC1V 9DD

Bankers
The Co-operative Bank PLC
1 Balloon Street
Manchester
M60 4EP

Charities Aid Foundation
25 Kings Hill Avenue
Kent
ME19 4TA

Trustees
Steven Errol Grant
Bernadette Rudman
Chris Harrop
Ian Haworth
Amy Lythgoe
Mohamed Traore (resigned 15 November 2022)
Mehboob Gulam Vadiya (resigned 17 January 2023)
Mohammed Haimed (appointed 13 September 2022)
Monisola Joshua (appointed 13 September 2022)
Karl Tonks (appointed 7 June 2022)
Lisa Jowrey (appointed 7 June 2022)
Anum Ahmed (appointed 14 March 2023)
Judith Nyanjowa (appointed 14 March 2023)

GREATER MANCHESTER IMMIGRATION AID UNIT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The Trustees have adopted the provisions of 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).

AIM, OBJECTIVES AND ACTIVITIES

Greater Manchester Immigration Aid Unit (GMIAU) is a voluntary organisation supporting people subject to immigration control. We offer free legal immigration advice, representation and support services to people seeking asylum, refugees, and children and adults who are at risk.

Our team of trustees, staff, and volunteers contribute skills, knowledge, and experience which enables us to deliver high quality legal and support services.

GMIAU has a 3-year strategic business plan, and a written annual plan which sets out specific activities to be undertaken in each year.

Our Aim

To ensure people in need in the North West have access to high-quality immigration legal advice, representation, and support.

Our Objectives

- To deliver immigration legal advice and representation to those most in need.
- To deliver associated services, if required, to support people we work with.
- To deliver strategic and operational partnerships to have greater impact.
- To be a credible voice influencing local and national strategies and policies to make immigration practice humane and accessible.
- To be an effective, efficient, resilient, sustainable, well-resourced organisation.

Our Activities

In pursuit of these objectives, GMIAU undertakes the following:

- To provide individual advice and representation, at all stages of the legal process, to those most in need who are subject to immigration control.
- To provide additional support to particular groups affected by immigration control. Our current focus being on supporting people who are homeless and destitute, women at risk, unaccompanied children and young people, refugees with a right to family reunion, and people newly arrived and seeking asylum.
- To promote and raise awareness of the issues affecting people subject to immigration control. We provide training, workshops, and events to highlight these issues and promote improved understanding and practice.
- To work with others to secure and develop advice provision in the North West.
- To develop policy responses and campaign to support people subject to immigration control and under threat of deportation.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Public Benefit

With reference to the duty in section 17(5) of the Charities Act 2011 the Trustees of GMIAU have paid due regard to the Charity Commission guidance on public benefit when deciding what activities the charity should undertake.

The aims of GMIAU are carried out for public benefit. We provide free legal advice, representation, and support to many people who are subject to immigration control, their friends and family, and those who are in poverty. Our achievements listed below show the ways in which we have furthered the aims and objects of the charity. Members of the public can contact us 5 days a week to seek advice and support. This includes individuals as well as agencies contacting us on behalf of others.

The benefits that arise from the aims of the organisation are as follows:

- People get a successful outcome to their case. This means that for many they become entitled to work, support themselves independently, and find a way out of poverty. It also means that people can settle into the local community, feel safe and secure, and start to rebuild their lives in the UK.
- People receive the advice and support that they need which allows them to make decisions that affect their lives and their future.
- Any campaign or policy activity attempts to improve the situation for the people who benefit from the organisation and its work. Specifically, this means improvements in the asylum or immigration process and the ways in which people are treated by the authorities to ensure fair and equitable treatment and respect for human rights.

The achievements and activities outlined in this report demonstrate the public benefit arising from the charity's activities.

ACHIEVEMENTS AND PERFORMANCE

During the year we have:

- Provided advice and support to over 4,300 individuals and agencies. Many of the people we see are vulnerable due to their circumstance and include people with health problems, those who are destitute, people who have been subject to torture, trafficking, forced labour and other forms of ill-treatment, and children and young people who are in the UK on their own.
- Taken on over 700 new legal cases and provided support to 764 people around homelessness and destitution.
- Undertaken strategic litigation research which contributed to our recent report on the effect of delays in decision making for unaccompanied asylum-seeking children. This was made possible with help from the Sam and Bella Sebba Charitable Foundation and the Strategic Legal Fund.
- Delivered a contract with Manchester City Council to provide an immigration advice service to Manchester residents who are in need. This includes one-off advice as well as complex casework and is particularly geared towards families with no recourse to public funds and unaccompanied and trafficked children.
- Continued to work in partnership with law firm Freshfields Bruckhaus Deringer to develop volunteering opportunities for their paralegals to assist with asylum support appeals.
- We continued our Refugee Family Reunion project working alongside the British Red Cross and others to make sure that refugees have the right to bring their families to the UK. This work has been kindly supported by the Talent Fund and Justice Together.
- Represented a significant and increased number of children who are claiming asylum.
- We continue to run the All 4 One group for children and young people who are in the UK on their own.
- Further developed our work, funded by the Esmée Fairbairn Foundation, to work with children and young people in care and in leaving care in Manchester.
- Provided a number of successful social work student placements from Salford University. The student's focus is on people who are in need including families with no recourse to public funds, people who are homeless and destitute, young people, and people with mental health needs.

GREATER MANCHESTER IMMIGRATION AID UNIT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

- Supported Suzie Mahoney to qualify as a solicitor through the Justice First Fellowship scheme. Thanks to the Legal Education Foundation for providing this opportunity.
- Supported Max Goddard to become a qualified immigration caseworker. His position has been kindly funded by Justice Together, who are helping further our aim of increasing capacity in the immigration legal advice sector.
- Supported Joe Power to become a qualified immigration caseworker with the support of the Balcombe Trust.
- Continued our work as part of Kids in Need of Defence (KIND) – led by Central England Law Centre – to work with private law firms to provide pro bono support to children to make nationality applications.
- Supporting people who are homeless and destitute has always been one of our priorities and we were very pleased to support efforts in Greater Manchester's A Bed Every Night scheme to reduce rough sleeping and support people with 'no recourse to public funds'. We have worked closely with The Booth Centre and other organisations to provide face-to-face outreach support.
- Strengthened our policy team with support from the Paul Hamlyn Foundation. We have participated in local and national campaigns and received wide press coverage.
- Continued our work with destitute people, in particular those affected by the no recourse to public funds restrictions with thanks to The National Lottery and The Henry Smith Charity.
- Provided support to people fleeing domestic abuse with funding from Independent Choices, The Pankhurst Trust and Rochdale Borough Council.
- Collaborated with 11 other not-for-profit organisations as part of the Step Change Consortium. The Consortium was formed to create a joined-up and collaborative ecosystem of support for refugees and people seeking asylum.

Participation and work with others

We continue to work with a wide range of agencies, to provide advice and to develop policy responses to immigration and asylum issues.

We have been active members of networks of advice agencies, legal aid providers, and others to campaign against the cuts to legal aid and to try to find ways to support people to make their own applications.

FINANCIAL REVIEW

Financial position

Income for the year amounted to £1,602,720 (2022: £1,236,420) of which £683,735 (2022: £641,497) was unrestricted and £918,985 (2022: £594,923) was restricted. Total expenditure totalled £1,410,701 (2022: £1,051,382) of which £496,647 (2022: £442,444) was unrestricted and £914,054 (2022: £608,938) was restricted.

Income increased by 30% year on year due to a number of one-off grants, increases in ongoing grant income driven largely by one funder, two large donations and increases in legal aid income being billed coming out of lockdown. Included in one-off grants were a number of cost-of-living grants. These represented discretionary top-ups to existing grants in recognition of increased salary and overhead costs.

Overall, expenditure increased 34% year on year, representing both inflationary increases in existing costs and an expansion in our activities. In the long term, these costs will need to be covered by our regular income and we have set our fundraising targets for 2023/24 and beyond with this mind, with the expectation that our activity will remain at least at the level it was during 2022/23 and that a similar level of income will need to be raised. The number of multi-year grants ending in 2023/24 totals 45% of our total 2022/23 grant income and we are mindful that we will also need to replace this funding. We continue to face challenges to our overall funding and sustainability but we are effective and efficient with our resources. We are very grateful to the funders and others who recognise the value of the work that we do and have given their support throughout the year.

GREATER MANCHESTER IMMIGRATION AID UNIT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Funds carried forward at the end of the period totalled £1,387,636 (2022: £1,195,617) of which £1,352,297 (2022: £1,165,209) was unrestricted and £35,339 (£30,408) was restricted. Detailed accounts are attached to this report.

Reserves policy

The trustees recognise the need of the organisation to have free reserves and set aside an amount relating to approximately 6 months running costs. Any money not required for working capital is deposited in an interest-bearing account.

Free reserves (unrestricted reserves less the value of designated funds) at 31 March 2023 amounted to £550,925 or 4.7 months of expenditure. Once funds designated towards salary increases (£70,000) are included, reserves amount to 5.3 months. The trustees are therefore satisfied that sufficient reserves are currently held by the charity.

Prior Year Restatement

The Financial Statements contain the following restatements relating to the prior year:

- Amounts for the prior year have been adjusted for the re-classification of activities on the Statement of Financial Activities. This has been done to ensure that charitable activity expenditure amounts remain comparable for users of the accounts following a change of allocation basis by management.
- Amounts for the prior year have been adjusted for the reallocation of unrestricted funds spent.

Full details of the restatement can be found in the Notes to the Financial Statements.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

For this reason, they continue to adopt the going concern basis in preparing the financial statements. The charity is continuously monitoring its expected income levels and operational targets are set in order to ensure the charity secures sufficient funding to fulfil its on-going obligations. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies (1. Notes to the Financial Statements, page 18).

Funding sources

Our main funding sources in 2022-23 were:

AB Charitable Trust
Access to Justice
Aurum Charitable Trust
Balcombe Trust
Community Justice Fund
Disrupt Foundation
Esmée Fairbairn Foundation
Greater Manchester Mayors Fund
Greater Manchester Law Centre/Oak Foundation
Independent Choices
Justice Together
Kids In Need of Defence (KIND)
Legal Aid Agency contract (Legal Aid)
Legal Aid Agency certificated work
Legal Education Foundation
Manchester City Council
Paul Hamlyn Foundation
Rochdale Borough Council
Sam and Bella Sebba Charitable Foundation

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Strategic Legal Fund
The Henry Smith Charity
The National Lottery Community Fund
The Pankhurst Trust/Manchester Women's Aid
The Talent Fund
Student placements
Independent fundraising and donations

Future Plans

Our priorities are:

- To work with others to increase capacity to provide free, independent, legal Immigration advice and representation to meet the needs of people in the north west.
- To invest time and effort into training and developing immigration caseworkers for the future.
- To ensure that the services we provide are relevant and effective.
- To be a source of information and support to agencies supporting people subject to immigration control including children, family teams within local authorities, and housing and homelessness services.
- To challenge decisions that wrongly deny access to services for people in need on the basis of immigration status.
- To increase and develop our work in policy and influencing to improve the situation for immigrants/people seeking asylum, by increasing our networks to strengthen the work and improving our ability to draw upon our day-to-day casework to inform policy.
- To increase the involvement of volunteers, including people who have been through the immigration and asylum process.
- To contribute towards increasing connections between people, decreasing isolation, and making the North West a region that welcomes and supports refugees and all people whose lives are restricted by immigration control.
- To make sure that GMIAU is an effective, well managed and sustainable organisation, true to our values, and that we communicate our impact and the difference we make more widely.
- To maximise our ability to report on the wider outcomes of our work and to produce more analytical reports.
- To secure enough free reserves to withstand threats to statutory funding.

MEMBERS AND SUPPORTERS

We would like to thank all our members, volunteers and supporters for their continued support of Greater Manchester Immigration Aid Unit. You keep us going with your encouragement and validation for the work that we do and for your energy and commitment to all that GMIAU stands for.

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Principal risks and uncertainties

The trustees have reviewed the major risks to which the charitable company is exposed and have established systems to review and mitigate those risks. The charity maintains a risk register outlining key organisational risks and mitigating steps. The most significant risks identified are:

Cash flow risk

The charity faces risks relating to the availability of cash for operating expenditure. Decision-making relating to Legal Aid cases has slowed considerably since the pandemic and therefore the timing of payments relating to this work is uncertain. A significant slowdown in the cash receipts would put the charity at risk of being unable to meet its immediate financial commitments including payroll and project costs.

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES - continued

Cash flow risk – continued

To mitigate the risks identified, management prepare cashflow forecasts covering 3 years as part of annual budget setting and a rolling 12-month cashflow is updated as part of monthly management accounts. We also operate with a diverse income base – including grant funding, donations, Legal Aid income and other contractual income – thereby mitigating the cash flow impact should any one of our individual funding streams be disrupted or discontinued.

Work in Progress recovery risk

This relates to monies due from the Legal Aid Agency for work completed on cases for which we are awaiting a Home Office decision. Uncertainties relating to the rate of recovery for this Legal Aid work mean that the charity is at risk of overstating its debtor balance, which in turn would mean that management would be at risk of over-committing the charity financially. Additionally, overestimating the recovery rate of work in progress would mean that the charity is at risk of overestimating the profitability of its Legal Aid work thereby meaning that management are unable to make informed decisions about the viability of these activities.

To mitigate these risks the charity applies recovery rate calculations to adjust its work in progress balances and the trustees have also elected to hold the value of these debtor balances in designated funds, thereby ensuring reserves calculations take into account any potential debtor risk. Further details of these judgements and estimates are detailed in 1A of the Notes to the Financial Statements (pages 22-23).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, the Articles of Association (as amended on 28 June 2023), and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Greater Manchester Immigration Aid Unit is a charitable company (no. 02838845) registered in England and Wales and limited by guarantee, incorporated on 23 July 1993 and registered as a charity (no. 1123908) on 29 April 2008. The company's members are its Trustees. The guarantee of each Trustee is limited to £1.

Greater Manchester Immigration Aid Unit is registered at 1 Delaunays Road, Crumpsall Green, Manchester, M8 4QS.

Governance

As a registered charity Greater Manchester Immigration Aid Unit (GMIAU) is administered by a Board of voluntary trustees. The Board meets every six to eight weeks and delegate a number of functions to sub-committees including a finance sub-committee.

Trustee selection, appointment and competence

Trustees are elected by the membership or co-opted by the Board for terms of up to 2 years (renewable) in accordance with the Articles of Association. All persons wishing to put themselves forward for election/co-option must undergo a preliminary selection process following which the Board decides whether to recommend them to the membership as suitable candidates.

New trustees receive an induction programme which includes introductions to the organisation's policies and practice, its aims and activities, the staff and other members of the Board.

The Board maintains the competence of its members through verbal and written briefings, presentations, and opportunities to attend training courses and events.

Staff Team

The Trustees employ a Chief Executive who is responsible for the day-to-day management of 34 staff at GMIAU. We have a team of 18 specialist solicitors and caseworkers in addition to an Operations Director, Finance Manager, Policy team, and 2 Service Managers. The Service Managers are responsible for managing staff working on projects and services to children and other vulnerable people, those who are homeless and destitute and also our family reunion project.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

STATEMENT OF RESPONSIBILITIES

The Trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the income and expenditure of the charity for that period. In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP 2015 (FRS 102);
- Make judgements and accounting 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


Disclosure to auditors

In so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Appointment of auditor

Sedulo Audit Limited have not been re-appointed as auditors of the charity for the year ending 31 March 2024. The appointment of Wyatt, Morris, Golland Ltd as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

Report of the Trustees, approved by order of the Board of Trustees, as the company directors, on
19 September and signed on the Board's behalf by:
2023


.....
Amy Lythgoe - Trustee

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREATER MANCHESTER IMMIGRATION AID UNIT
FOR THE YEAR ENDED 31 MARCH 2023**

Opinion

We have audited the financial statements of Greater Manchester Immigration Aid Unit (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report.

We are independent of the group and parent 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. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREATER MANCHESTER IMMIGRATION AID UNIT
FOR THE YEAR ENDED 31 MARCH 2023**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report (incorporating the Directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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 by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement included 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 group's and parent 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 group or the parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREATER MANCHESTER IMMIGRATION AID UNIT
FOR THE YEAR ENDED 31 MARCH 2023

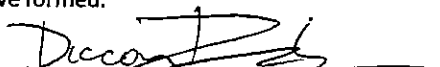
- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the design and implementation of control systems in place.
- Testing the operational effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias.
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of this 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.



Diccon Thornely (Senior Statutory Auditor)

for and on behalf of **Sedulo Audit Limited**

Statutory Auditors

605 Albert House

256-260 Old St

London

EC1V 9DD

Date: 8 November 2023

GREATER MANCHESTER IMMIGRATION AID UNIT

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds	Restricted funds	31.03.23 Total funds	<i>Restated</i> 31.03.22 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations, grants and legacies	2	266,976	912,985	1,179,961	797,739
Charitable activities	3	415,755	6,000	421,755	438,656
Investment Income		1,004	-	1,004	25
Total		<u>683,735</u>	<u>918,985</u>	<u>1,602,720</u>	<u>1,236,420</u>
EXPENDITURE ON					
Charitable activities	4	496,647	914,054	1,410,701	1,051,382
Total		<u>496,647</u>	<u>914,054</u>	<u>1,410,701</u>	<u>1,051,382</u>
NET INCOME/(EXPENDITURE)		<u>187,088</u>	<u>4,931</u>	<u>192,019</u>	<u>185,038</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,165,209</u>	<u>30,408</u>	<u>1,195,617</u>	<u>1,010,579</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,352,297</u></u>	<u><u>35,339</u></u>	<u><u>1,387,636</u></u>	<u><u>1,195,617</u></u>

All income and expenditure derive from continuing activities. The statement of financial activities includes all gains and losses recognised in the year.

The notes form part of these financial statements

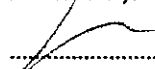
GREATER MANCHESTER IMMIGRATION AID UNIT

BALANCE SHEET
31 MARCH 2023

		Unrestricted funds	Restricted funds	31.03.23 Total funds	Restated 31.03.22 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	9	114,681	-	114,681	113,204
CURRENT ASSETS					
Debtors	10	662,298	299,507	961,805	557,966
Cash at bank and in hand		698,431	203,781	902,212	803,454
		<u>1,360,729</u>	<u>503,288</u>	<u>1,864,017</u>	<u>1,361,420</u>
CREDITORS					
Amounts falling due within one year	11	(100,960)	(467,949)	(568,909)	(279,007)
PROVISIONS FOR LIABILITIES	17	(22,153)	-	(22,153)	-
NET CURRENT ASSETS		<u>1,237,616</u>	<u>35,339</u>	<u>1,272,955</u>	<u>1,082,413</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,352,297</u>	<u>35,339</u>	<u>1,387,636</u>	<u>1,195,617</u>
NET ASSETS		<u>1,352,297</u>	<u>35,339</u>	<u>1,387,636</u>	<u>1,195,617</u>
FUNDS	13				
Unrestricted funds					
General Fund				550,925	432,565
Designated Fund – Freehold Property				106,644	110,204
Designated Fund – Property Refurbishments				120,000	120,000
Designated Fund – Work in Progress				259,005	250,797
Designated Fund – Cost of Living Pay Increases				70,000	70,000
Designated Fund – Disbursements				245,723	181,643
Restricted funds				<u>35,339</u>	<u>30,408</u>
TOTAL FUNDS				<u>1,387,636</u>	<u>1,195,617</u>

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

The financial statements were approved by the Board of Trustees on 19 SEPTEMBER and were signed on its behalf by: 2023


Amy Lythgoe - Trustee

GREATER MANCHESTER IMMIGRATION AID UNIT

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31.03.23 £	31.03.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>105,309</u>	<u>145,773</u>
Net cash provided by operating activities		<u>105,309</u>	<u>145,773</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(6,551)</u>	<u>-</u>
Net cash used in investing activities		<u>(6,551)</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		98,758	145,773
Cash and cash equivalents at the beginning of the reporting period		<u>803,454</u>	<u>657,681</u>
Cash and cash equivalents at the end of the reporting period		<u>902,212</u>	<u>803,454</u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2023**1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.02.23 £	31.03.22 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	192,019	185,038
Adjustments		
Depreciation charges	5,074	4,060
Increase in debtors	(403,839)	(89,903)
Increase in creditors	312,055	46,578
Net cash provided by operations	<u>105,309</u>	<u>145,773</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.03.23 £
Net cash			
Cash at bank and in hand	<u>803,454</u>	<u>98,758</u>	<u>902,212</u>
Total	<u>803,454</u>	<u>98,758</u>	<u>902,212</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Charity status

Greater Manchester Immigration Aid Unit is a charitable company limited by guarantee registered in England and Wales with registered company number no. 02838845 and charity number no. 1123908. The company's Registered address is 1 Delaunays Road, Crumpsall Green, Manchester, M8 4QS.

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention.

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

Going concern

The trustees have considered charity's current and future financial position.

The trustees have reviewed cash flow forecasts covering a period of 3 years from the balance sheet date, ensuring that they have considered cash flows for the 12 months from the date of approval of these financial statements ("the going concern period") prepared by the charity's management. These forecasts considered the risks to the charity's business model, particularly the reliability of the charity's fundraising forecasts, cost and wage increases due to high inflation and likely freehold property maintenance costs, risks relating to the recoverability of work in progress and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period. The planning process, including financial and cashflow projections, has considered alternate scenarios and the trustees have reviewed mitigating steps that can be taken, including the designation of funds to meet significant upcoming expenditure.

The trustees consider that the charity holds sufficient free reserves to provide cover for unexpected changes in income and expenditure to allow it time to adjust its cost base and continue activities. The trustees continually monitor actual and forecasted financial performance and manage the charity's finances accordingly. Consequently, the trustees have concluded that there are no material uncertainties that could cast significant doubt over the charity's ability to continue as a going concern for at least 12 months from the date of approval of the financial statements, and therefore, have prepared the financial statements on a going concern basis.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Donations

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

1. ACCOUNTING POLICIES - continued

Grants

Income from government and other grants, whether 'capital' grants or 'revenue' grants, are 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.

Where the charity determines that a grant agreement does not impose specified future performance-related conditions income is recognised when the grant proceeds are received or receivable.

Where the charity determines that a grant agreement imposes specified future performance-related conditions, funds are initially recognised as deferred income within creditors and released to income as the conditions are met and the charity has entitlement to the funds.

Casework

Income from legal aid casework is claimed when a decision has been made on a case by the Home Office. Any time spent on casework before income is claimed is recognised as work in progress and included within debtors.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Disbursements, e.g. interpreter and counsel fees, incurred in relation to legal aid casework are paid as they become due and included in debtors until a decision has been made by the Home Office and they are able to be claimed from the Legal Aid Agency.

Support and governance costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management. Where support costs cannot be directly attributed to particular headings, they have been allocated to expenditure on raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Governance costs are those incurred in connection with the running of the Charity and compliance with constitutional and statutory requirements.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES - continued

Pension contributions

The charity operates a defined contribution pension scheme for those staff who have opted into auto-enrolment.

The charity also makes payments into a defined benefit scheme as part of a fund administered by Greater Manchester Pension Fund. This scheme ceased to be open to new members in April 2006 and eligible employees are now enrolled into the charity's defined contribution scheme. Although the defined benefit scheme is closed to new members, the charity currently makes payments into the scheme for 2 employees who entered prior to closure.

The pension cost is charged to the Statement of Financial Activities in the year and represents contributions payable by the charity to the pension funds.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Additions of a single item or group of similar assets exceeding £1,000 are capitalised at cost.

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

Land and Buildings	- 2% on cost
Building Improvements	- 10% on cost
Fixtures, Fittings and Office Equipment	- 25% on cost
Computer Equipment	- 33.3% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to the income statement.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Impairment of fixed assets -- continued

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial Instruments

Basic financial assets

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

Basic financial liabilities

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

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

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

Provisions

Provisions are recognised when the charitable company has a present obligation resulting from a past event that will probably result in the transfer in funds to a third party and the amount due to settle this obligation can be measured or estimated reliably. Provisions are normally recognised at the settlement amount due.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular purpose.

1A. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies.

1A. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY - continued

The following are the key judgements and sources of uncertainty in the estimates that have the most significant effect on the amounts recognised in the Financial Statements:

Performance-related grants

Judgement is applied by the charity when considering how grant income is recognised under section 5 of the Charities Statement of Recommended Practice (FRS 102). For each grant the charity considers whether any performance-related conditions exist which impact when and over what period income becomes receivable or can be recognised. Performance-related conditions are understood to be those which specify that goods, services or other outputs that must be delivered by the charity in order for it to have entitlement to the grant funds.

Work in progress

Estimates are used by the charity when calculating the value of work in progress included as a debtor on the charity's balance sheet.

The charity's work in progress consists of unbilled immigration law work undertaken in relation to the charity's Legal Aid Agency (LAA) contract. Uncertainty arises due to the fee structure relating to such work and judgements are involved in adjusting the figure for billable time obtained from the charity's case management system accordingly.

Fixed fee cases

Fixed fees apply to majority of work undertaken by the charity regardless of time spent or costs incurred. Additional 'Escape Fees' may become billable when costs accrued reach a certain threshold. Uncertainty therefore arises in relation to whether an active case will reach the threshold for Escape Fee billing and, therefore, whether time recorded on the case management system will become billable or not. Additionally, while the charity uses sector standard case management software to monitor time and costs relating to Legal Aid work, all Escape Fee claims are subject to LAA review and there is potential for claims to be disallowed.

Hourly rate cases

Certain types of work are paid on an hourly basis but are also subject to limits on billing. Limits may be raised on a case-by-case basis but this is subject to approval by the LAA. Uncertainty therefore arises in relation to whether all the time recorded in relation to an active case will be considered as allowable by the LAA.

Estimates used

The charity currently applies a recoverability percentage to the carrying value of work in progress to account for uncertainty outlined above.

For fixed fee cases 65% of the time recorded is considered recoverable and is included as work in progress in debtors. For hourly rate fee cases 90% of the time recorded is considered recoverable and is included as work in progress in debtors. The figures used are based on historical averages of actual fee recovery and management consider that they still represent an accurate estimate of likely billing.

Management have considered the effect of amending the estimates relating to fixed fee work recoverability. A 5% increase in estimated recoverability would increase the charity's debtor balance by £10,178 as at the balance sheet date, while a 10% increase would increase debtors by £20,356. Conversely, a 5% decrease and 10% decrease in estimated recoverability would reduce debtors at the balance sheet date by £10,178 and £20,356 respectively.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

1A. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY - continued

Management have also considered the effect of adjusting recovery rates in light of changing LAA policy, including a reduction of the threshold for Escape Fee billing as of 1 April 2023 which will increase recoverability. While this does not affect work in progress at the current balance sheet date, over the course of the year ending 31 March 2024 actual recovery will be monitored by management and judgements will be made as to whether rates need to be amended for forthcoming periods.

No other significant judgements, further to that surrounding going concern, have been made by management in preparing these financial statements.

2. DONATIONS, GRANTS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	<i>Restated</i> Total 2022 £
Donations from individuals and institutions	43,325	-	43,325	11,998
Grants	223,651	912,985	1,136,636	785,741
	<u>266,976</u>	<u>912,985</u>	<u>1,179,961</u>	<u>797,739</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	<i>Restated</i> Total 2022 £
Legal services and casework	460,613	6,000	466,613	438,656

4. CHARITABLE ACTIVITIES COSTS

	Staff Costs (see note 8 below) £	Direct Costs £	Support Costs (see note 5 below) £	Total 2023 £
Legal services and casework	1,138,478	140,035	132,188	1,410,701

	Staff Costs (see note 8 below) £	Direct Costs £	Support Costs (see note 5 below) £	<i>Restated</i> Total 2022 £
Legal services and casework	885,458	76,991	88,933	1,051,382

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

5. SUPPORT COSTS

	31.03.23	<i>Restated</i> 31.03.22
Support costs	£	£
Audit fees	6,500	5,000
Bank charges	430	469
Depreciation	5,073	4,060
Governance and board costs	3,719	317
Insurance	5,451	4,187
IT	20,322	17,986
Legal and professional	17,430	11,713
Premises costs	30,656	20,018
Telephone	15,415	18,763
Sundry	5,040	6,420
Irrecoverable VAT	22,152	-
	<u>132,188</u>	<u>88,933</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.03.23	<i>Restated</i> 31.03.22
	£	£
Depreciation - owned assets	5,074	4,060
Auditor's remuneration	6,500	5,000
Accountancy fees	17,430	11,713
Operating leases	<u>2,431</u>	<u>1,852</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

Expenses totalling £143 were paid to 2 trustees for the year ended 31 March 2023 (2022: £317).

GREATER MANCHESTER IMMIGRATION AID UNIT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

8. STAFF COSTS

	31.03.23	<i>Restated</i> 31.03.22
	£	£
Wages and salaries	984,772	765,031
Social security costs	96,324	72,183
Pensions costs	57,382	48,244
	<u>1,138,478</u>	<u>885,458</u>

The average monthly number of employees during the year was as follows:

	31.03.23	<i>Restated</i> 31.03.22
Legal Advice	18	16
Non Legal Support	10	8
Management and Administration	6	4
	<u>34</u>	<u>28</u>

Highest Paid Employees

No employees received emoluments of more than £60,000 for the year ended 31 March 2023 (2022: Nil).

Key Management Personnel

The Key Management Personnel in the year ended 31 March 2023 were the Chief Executive Officer, Operations Director and Senior Solicitor (2022: Chief Executive Officer and Senior Solicitor). The total amount of employee benefits (including employer's national insurance and pensions contributions) received by Key Management Personnel was £159,065 (2022: £102,246).

GREATER MANCHESTER IMMIGRATION AID UNIT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

9. TANGIBLE FIXED ASSETS

	Freehold property	Improvements to property	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£
COST					
At 1 April 2022	178,000	22,104	22,699	18,796	241,599
Additions	-	-	-	6,551	6,551
Disposals	-	-	-	-	-
At 31 March 2023	<u>178,000</u>	<u>22,104</u>	<u>22,699</u>	<u>25,347</u>	<u>248,150</u>
DEPRECIATION					
At 1 April 2022	67,796	19,104	22,699	18,796	128,395
Charge for year	<u>3,560</u>	<u>500</u>	<u>-</u>	<u>1,014</u>	<u>5,074</u>
At 31 March 2023	<u>71,356</u>	<u>19,604</u>	<u>22,699</u>	<u>19,810</u>	<u>133,469</u>
NET BOOK VALUE					
At 1 April 2022	<u>110,204</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>113,204</u>
At 31 March 2023	<u>106,644</u>	<u>2,500</u>	<u>-</u>	<u>5,537</u>	<u>114,681</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	Restated 31.3.22
	£	£
Trade debtors	440,864	110,759
Prepayments and accrued income	261,838	196,410
Other debtors	<u>259,103</u>	<u>250,797</u>
	<u>961,805</u>	<u>557,966</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	Restated 31.3.22
	£	£
Trade creditors	3,323	1,805
VAT	6,853	5,990
Other creditors	16,588	9,645
Accruals and deferred income	<u>542,145</u>	<u>261,567</u>
	<u>568,909</u>	<u>279,007</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

	31.03.23	<i>Restated</i> 31.03.22
Analysis of movement in deferred income	£	£
Brought forward	182,795	830,397
Released in the year	(182,795)	(830,397)
Deferred in the year	517,769	260,272
	<u>517,769</u>	<u>260,272</u>

12. LEASING ARRANGEMENTS

	31.03.23	<i>Restated</i> 31.03.22
Minimum lease payments under non-cancellable operating leases fall due as follows:	£	£
Within one year	1,237	1,833
Between one and five years	3,780	4,829
After more than 5 years	-	188
	<u>5,017</u>	<u>6,850</u>

13. MOVEMENT IN FUNDS

	At 1.4.22 <i>Restated</i> £	Net movement in funds £	At 31.03.23 £
Unrestricted funds			
General Fund	432,565	118,360	550,925
Designated Fund – Freehold Property	110,204	(3,560)	106,644
Designated Fund – Property Refurbishments	120,000	-	120,000
Designated Fund – Work in Progress	250,797	8,208	259,005
Designated Fund – Cost of Living Pay Increases	70,000	-	70,000
Designated Fund – Disbursements	<u>181,643</u>	<u>64,080</u>	<u>245,723</u>
	<u>1,165,209</u>	<u>187,088</u>	<u>1,352,297</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. MOVEMENT IN FUNDS - continued

	At 1.4.22 <i>Restated</i> £	Net movement in funds £	At 31.03.23 £
Restricted funds			
Henry Smith	939	(939)	-
Justice Together - Policy	9,985	2,836	12,821
Justice Together - Service Delivery	2,066	(1,894)	172
KIND	-	7,762	7,762
Legal Education Foundation	6,250	8,333	14,583
National Lottery Community Fund	<u>11,168</u>	<u>(11,168)</u>	<u>-</u>
	<u>30,408</u>	<u>4,931</u>	<u>35,339</u>
TOTAL FUNDS	<u>1,195,617</u>	<u>236,877</u>	<u>1,432,494</u>

Net movement in funds, included in the above are as follows:

	Transfers £	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds				
General fund	(142,288)	683,735	(423,087)	118,360
Designated Fund – Freehold Property	-	-	(3,560)	(3,560)
Designated Fund – Property Refurbishments	-	-	-	-
Designated Fund – Work in Progress	8,208	-	-	8,208
Designated Fund – Cost of Living Pay Increases	70,000	-	(70,000)	-
Designated Fund – Disbursements	<u>64,080</u>	<u>-</u>	<u>-</u>	<u>64,080</u>
	<u>-</u>	<u>683,735</u>	<u>(496,647)</u>	<u>187,088</u>

GREATER MANCHESTER IMMIGRATION AID UNIT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. MOVEMENT IN FUNDS - continued

	Transfers	Incoming resources	Resources expended	Movement in funds
	£	£	£	£
Restricted funds				
Access to Justice Foundation	-	10,038	(10,038)	-
Balcombe Charitable Trust	-	22,917	(22,917)	-
Community Justice Fund	-	24,000	(24,000)	-
Disrupt Foundation	-	11,525	(11,525)	-
Esmee Fairbairn	-	74,550	(74,550)	-
Greater Manchester Combined Authority (ABEN)	-	50,000	(50,000)	-
Henry Smith	-	60,000	(60,939)	(939)
Independent Choice	-	7,000	(7,000)	-
Justice Together - Policy	-	43,518	(40,682)	2,836
Justice Together - Service Delivery	-	196,528	(198,421)	(1,894)
KIND	-	32,731	(24,969)	7,762
Legal Education Foundation (JFF)	-	32,849	(32,849)	-
Legal Education Foundation	-	62,500	(54,167)	8,333
Manchester Women's Aid	-	2,000	(2,000)	-
National Lottery Community Fund	-	106,362	(117,530)	(11,168)
Greater Manchester Law Centre (Oak Foundation)	-	6,773	(6,773)	-
Paul Hamlyn Foundation	-	77,300	(77,300)	-
Rochdale Borough Council	-	6,000	(6,000)	-
Independent Choices 2	-	3,000	(3,000)	-
Sam and Bella Sebba Charitable Foundation 5	-	52,800	(52,800)	-
Refugee Action/Step Change Consortium	-	13,464	(13,464)	-
Strategic Legal Fund	-	16,881	(16,881)	-
Talent Fund	-	6,250	(6,250)	-
	-	918,985	(914,054)	4,931
TOTAL FUNDS	-	1,647,578	(1,410,701)	236,877

Comparatives for movement in funds

	At 1.4.21	Net movement in funds	At 31.03.22
	£	£	£
Unrestricted funds			
General Fund	966,155	(533,590)	432,565
Designated Fund – Freehold Property	-	110,204	110,204
Designated Fund – Property Refurbishments	-	120,000	120,000
Designated Fund – Work in Progress	-	250,797	250,797
Designated Fund – Cost of Living Pay Increases	-	70,000	70,000
Designated Fund – Disbursements	-	181,643	181,643
	966,155	199,054	1,165,209

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. MOVEMENT IN FUNDS - continued

	At 1.4.21 £	Net movement in funds £	At 31.03.22 £
Restricted funds			
British Red Cross	10,999	(10,999)	-
Henry Smith	2,500	(1,561)	939
Justice Together - Policy	-	9,985	9,985
Justice Together - Service Delivery	-	2,066	2,066
KIND	27,045	(27,045)	-
Legal Education Foundation	-	6,250	6,250
National Lottery Community Fund	<u>3,880</u>	<u>7,288</u>	<u>11,168</u>
	<u>44,424</u>	<u>(14,016)</u>	<u>30,408</u>
TOTAL FUNDS	<u>1,010,579</u>	<u>185,038</u>	<u>1,195,617</u>

Net movement in funds, included in the above are as follows:

	Transfers £	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds				
General fund	(732,644)	641,497	(442,443)	(533,590)
Designated Fund – Freehold Property	110,204	-	-	110,204
Designated Fund – Property Refurbishments	120,000	-	-	120,000
Designated Fund – Work in Progress	250,797	-	-	250,797
Designated Fund – Cost of Living Pay Increases	70,000	-	-	70,000
Designated Fund – Disbursements	<u>181,643</u>	<u>-</u>	<u>-</u>	<u>181,643</u>
	<u>-</u>	<u>641,497</u>	<u>(442,443)</u>	<u>199,054</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. MOVEMENT IN FUNDS - continued

	Transfers	Incoming resources	Resources expended	Movement in funds
	£	£	£	£
Restricted funds				
British Red Cross	-	14,261	(25,260)	(10,999)
Esmee Fairbairn	-	58,500	(58,500)	-
Greater Manchester Combined Authority (ABEN)	-	54,600	(54,600)	-
Henry Smith	-	58,600	(60,161)	(1,561)
Justice Together - Policy	-	22,381	(12,396)	9,985
Justice Together - Service Delivery	-	78,957	(76,891)	2,066
KIND	-	31,673	(58,718)	(27,045)
Legal Education Foundation (JFF)	-	32,143	(32,143)	-
Legal Education Foundation	-	6,250	-	6,250
MAC	-	10,000	(10,000)	-
National Lottery Community Fund	-	90,383	(83,095)	7,288
Oglesby Charitable Trust	-	16,492	(16,492)	-
Oglesby Charitable Trust 2	-	9,850	(9,850)	-
Paul Hamlyn Foundation	-	67,000	(67,000)	-
Independent Choices	-	6,000	(6,000)	-
Independent Choices 2	-	2,000	(2,000)	-
Sam and Bella Sebba Charitable Foundation 4	-	14,000	(14,000)	-
Sam and Bella Sebba Charitable Foundation 5	-	8,333	(8,333)	-
Refugee Action/Step Change Consortium	-	13,200	(13,200)	-
	-	594,923	(608,939)	(14,016)
TOTAL FUNDS	-	1,236,420	1,051,382	185,038

14. DESIGNATED FUNDS

As at 31 March 2023 the trustees have elected to designate the following funds:

Freehold Property Fund: £106,644

The charity owns the freehold for the premises from which it operates in Crumpsall, Greater Manchester. This property is integral to the operations of the charity, and it would be required to find alternative premises should the freehold be sold and the value of the asset be converted into cash. The trustees have therefore elected to designate a fund representing the current net book value of the freehold, given that these funds cannot easily be converted into cash.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**14. DESIGNATED FUNDS - continued***Anticipated costs relating to Building Refurbishments: £120,000*

The freehold property owned is in need of significant maintenance and refurbishment to bring it into line with current client and staff needs. The charity is currently actively developing plans to improve the building and the trustees have therefore designated £120,000 in recognition of anticipated costs.

Work In Progress Fund: £259,005

The charity holds immigration and public law Legal Aid contracts. Work under these contracts cannot normally be billed until a decision has been made by the Home Office or the relevant court on each legal case. As the date that these funds will become billable is uncertain, the trustees have elected to hold funds equating to the carrying value of work in progress at the balance sheet date in a designated reserve until these balances can be realised.

Disbursements Fund: £245,723

Disbursements, e.g. interpreter and counsel fees, expended relating to the Legal Aid immigration and public law cases referenced above are also not normally billed until a case is concluded. As the date that these funds will become billable is uncertain, the trustees have elected to hold funds equating to the carrying value of disbursements at the balance sheet date in a designated reserve until these balances can be realised.

Anticipated costs relating to Cost of Living Pay Increases: £70,000

In line with the practice of similar organisations in its sector, the charity sets its pay against the NJC pay scales. Negotiations are ongoing for 2023/24 NJC pay rises and it is likely that the charity will need to substantially increase their staff costs going forward and are therefore designating a cost-of-living increase for the staff out of their reserves.

15. PENSION CONTRIBUTIONS**Defined contribution pension scheme**

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £57,382 (2022: £48,244). The amount payable to the pension provider at the year-end was £6,293 (2022: £nil).

Defined benefit pension scheme

The charity makes payments to a defined benefit scheme as part of a fund administered by Greater Manchester Pension Fund for 2 staff who entered the scheme before its closure to new members in April 2006. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £20,821 (2022: £19,609). The amount payable to the pension provider at the year-end was £nil (2022: £nil).

16. RELATED PARTY DISCLOSURES

There were no related party transactions for year ended 31 March 2023 nor the year ended 31 March 2022.

17. PROVISIONS

At the balance sheet date, the charity recognised a provision for underpaid irrecoverable VAT relating to the period 1 April 2021 through 31 March 2023, during which partial exemption was not applied to the charity's VAT returns. The charity expects that this obligation will be settled within one year of the balance sheet date.

	Unrestricted funds	Restricted funds	Total 2023
	£	£	£
Irrecoverable VAT	22,153	-	22,153

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**18. LIMITED BY GUARANTEE**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the events of liquidation. At the balance sheet date there were 11 (2022: 7) guaranteeing members.

19. PRIOR YEAR ADJUSTMENT

The amounts for the prior year have been adjusted to account for the re-classification of activities on the Statement of Financial Activities. This has been done to ensure that charitable activity expenditure amounts remain comparable for users of the accounts following a change of allocation basis by management.

	Previous Year 2022 £	Restated Year 2022 £	Adjustment £
Charitable activity			
Raising Funds	317	-	(317)
Core Services	948,670	-	(948,670)
Support Costs	469	-	(469)
Other Services	101,926	-	(101,926)
Legal services and casework	-	1,051,382	1,051,382
	<u>1,051,382</u>	<u>1,051,382</u>	<u>-</u>

The amounts for the prior year have also been adjusted for the reallocation of unrestricted funds spent. The adjustment included the reallocation of wages costs totalling £15,921 from unrestricted funds to restricted funds, resulting in an increase in the overall restricted funds balance and a reduction in the overall unrestricted funds balance at 31 March 2023.

	Previous Year 2022 £	Restated Year 2022 £	Adjustment £
Unrestricted funds	1,181,130	1,165,209	(15,921)
Restricted funds	<u>14,487</u>	<u>30,408</u>	<u>15,921</u>
	<u>1,195,617</u>	<u>1,195,617</u>	<u>-</u>

GREATER MANCHESTER IMMIGRATION AID UNIT

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

19. PRIOR YEAR ADJUSTMENT – continued

The restated Statement of Financial Activities for the year ended 31 March 2022 is included below to enable full comparison with the current year.

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	202,816	594,923	797,739
Charitable activities	438,656	-	438,656
Investment income	25	-	25
Total	641,497	594,923	1,236,420
 EXPENDITURE ON			
Charitable activities	442,443	608,939	1,051,382
Total	442,443	608,939	1,051,382
 NET INCOME/(EXPENDITURE)	199,054	(14,016)	185,038
 RECONCILIATION OF FUNDS			
 Total funds brought forward	966,155	44,424	1,010,579
 TOTAL FUNDS CARRIED FORWARD	1,165,209	30,408	1,195,617