

MIGRANT LEGAL ACTION

England & Wales - Charity number 1152073

Details

Other names AFRO-ASIAN ADVISORY SERVICE

Status Registered

Legal form Charitable company

Company number [07879053](#)

Registered 2013-05-17

Register [View on the Charity Commission register](#)

Contact

Address Migrant Legal Action
53 Addington Square
London
SE5 7LB

Phone 02077010141

Email info@migrantlegalaction.org.uk

Website www.migrantlegalaction.org.uk

Activities

Objects: 1)THE RELIEF OF POVERTY OR FINANCIAL HARDSHIP AMONGST PERSONS WHOSE IMMIGRATION STATUS IN THE UNITED KINGDOM REMAINS UNRESOLVED, BY THE PROVISION OF FREE LEGAL ADVICE AND ADVOCACY SERVICES RELATING TO IMMIGRATION, REFUGEE AND/OR NATIONALITY LAW.2) TO PROMOTE HUMAN RIGHTS (AS SET OUT IN THE UNIVERSAL DECLARATION OF HUMAN RIGHTS AND SUBSEQUENT UNITED NATIONS CONVENTIONS AND DECLARATIONS AND UNITED KINGDOM LAW) BY THE PROVISION OF FREE LEGAL ADVICE AND ADVOCACY SERVICES AS A MEANS OF:- RELIEVING NEED AMONG THE VICTIMS OF HUMAN RIGHTS ABUSE;- ELIMINATING INFRINGEMENTS OF HUMAN RIGHTS.3) THE PROMOTION OF SOCIAL INCLUSION FOR THE PUBLIC BENEFIT AMONG THOSE PERSONS WHO ARE SOCIALLY EXCLUDED BY VIRTUE OF THEIR UNRESOLVED IMMIGRATION STATUS IN THE UNITED KINGDOM BY THE PROVISION OF FREE LEGAL ADVICE AND ADVOCACY SERVICES RELATING TO IMMIGRATION, REFUGEE AND/OR NATIONALITY LAW.

Activities: To enable:1.The relief of poverty/financial hardship and ending social exclusion of those whose immigration status is unresolved.2. British and foreign nationals and asylum seekers to have their human rights recognised in accordance with British and EU law and under the UN Conventions. 3. Persons who

have been trafficked to the UK by the provision of legal advice and representation.

Classification

- **How:** Provides Advocacy/advice/information
- **What:** General Charitable Purposes
- **Who:** People Of A Particular Ethnic Or Racial Origin

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£258,833	£173,142	-	-
2023-12-31	£174,979	£174,717	-	-
2022-12-31	£184,154	£218,291	-	-
2021-12-31	£217,262	£198,495	-	-
2020-12-31	£242,362	£231,406	-	-

Trustees

Name	Role	Appointed
Bhavesh Kalayanji Kapadia		2025-10-30
Bim Evasdotter Wagner		2018-12-14
Bina Manilal Monji		2024-02-01
Lili Negahbani		2018-12-14
Sheila Kaur Grewal		2024-12-01

MIGRANT LEGAL ACTION

England & Wales - Charity number 1152073

Accounts

Company registration number: 07879053

Charity registration number: 1152073

Migrant Legal Action

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2024

Smartax Limited
38 Station Road
North Harrow
Harrow
HA2 7SE

Migrant Legal Action

Contents

Reference and Administrative Details	1
Trustees' Report	5 to 18
Independent Examiner's Report	19
Statement of Financial Activities	20
Balance Sheet	21
Notes to the Financial Statements	22 to 33

Migrant Legal Action

Reference and Administrative Details

Chairman	S K Grewal
Chief Executive Officer	Anna Kouma
Trustees	S K Grewal B E Wagner L Negahbani B M Monji B K Kapadia
Charity Registration Number	1152073
Company Registration Number	07879053
Registered Office	The charity is incorporated in England. 53 Addington Square London SE5 7LB
Independent Examiner	Smartax Limited 38 Station Road North Harrow Harrow HA2 7SE
Bankers	Natwest 70 Denmark Hill Camberwell London SE5 8SD

Migrant Legal Action

Chairman's statement

Welcome to our annual report

I am happy to present you with Migrant Legal Action's Annual Report for year 2024. Since 1978 Migrant Legal Action and its staff have been working determinedly to help our clients to find the best solutions to their immigration issues, this work continued during 2024.

The most important aim of Migrant Legal Action has always been to defend the rights of the most vulnerable members of our community through the taking of legal action. In the recent years new financial demands and cost of living has had an immense impact on our clients as well as our work in that it financial management have more and more become a focus. During 2023, we took the decision to downscale our office spaces and therefore approached our landlord, Multi Racial Trust, who agreed for us to approach other organisations in an effort to find an agency who will be suitable to share the building that we occupy. It was our assessment that downscaling the offices will have as an effect that our overheads costs would be reduced and thus the finances of the organisation would become more sustainable. During 2024 we came to an agreement with Southwark Law Centre to start sharing the office premises.

Our landlord, Multi Racial Trust (MRT), agreed to refresh and rebuild certain parts of the premises in order to make space for interview rooms and to accommodate both organisations. MRT requested us to manage the refurbishment, which commenced in March 2024 and continued throughout the year. Despite the building work, during 2024, Migrant Legal Action has continued assisting clients and this report is a testament to the impact of the organisation's efforts. Migrant Legal Action, together with our funders, partners, and supporters, have continued to pursue its mission to defend the rights of the immigrant community.

This annual report demonstrates how we have continued to work to meet our aims, setting out the measurable results that we have achieved and illustrates how we have continued to work towards financial sustainability of the organisation.

We work to enable and empower our clients, who face immigration, asylum or nationality issues, to better understand their rights as well as obligations. We believe that access to legal advice is an essential tool necessary to empower those in our communities who face multiple disadvantage and complex needs. Provision of appropriate advice, guidance and representations has as its objective to enable clients to take appropriate action to improve their lives. We work toward achieving this by providing high quality specialist legal advice and representation, which is free or affordable.

Many of our funders continued to step up to help meet the challenges caused by the cost-of-living crisis, including additional flexible funding. Migrant Legal Action is very grateful to Multi Racial Trust for its continued support.

As you will be able to readily see from the report Migrant Legal Action has continued to achieve excellent results and is cost effective. We measure our impact by recording the outcomes that we achieve for individual clients and measuring our performance. This in turn shows the effect that our work has in our local community and in the wider society. We work towards ever increasing effectiveness by the use of technologies, whilst ensuring that we work ethically and protect the privacy of our clients.

We were fortunate to continue receiving the assistance of our volunteer bookkeeper, who during the year has continued to implement internal financial controls as well as reporting and making sure that we increase our financial resilience.

Our work continues to be made possible by our generous and dedicated funders and supporters. Migrant Legal Action has, since it was established more than 40 years ago, been fortunate to have a strong and stable basis of donors and supporters. We remain grateful for your continued trust and generosity and recognise that we would not have been able to continue our work without your support.

Migrant Legal Action

Chairman's statement

I would like to take this opportunity to thank everyone for your continued support during 2024. On behalf of the board of trustees, I would like to extend particular appreciation to our excellent team of staff and volunteers for their continued commitment to the people we serve. I am very pleased that the team has continued to achieve exceptional results for our clients.

The following pages feature our work over the last financial year. During this year we provided specialist casework and representation, including advocacy in court, in 359 cases. We provided advice to 1984 clients on the phone and 2nd tier advice on 82 cases to generalist advisers and community organisations. A very high percentage of our clients, 98%, continue to report that they were happy with our service. During the year we have continued with our dedicated specialist anti-trafficking project.

Working in Partnership

At Migrant Legal Action we are of the view that it is essential that we continue working in partnership with local and national organisations and councils. Such partnerships help us to better respond to our clients' needs, share information and resources. During 2024 we have continued to work together with other agencies both nationally and locally to find the best response and to continue providing the much-needed services to clients who had been affected by the cost-of-living crisis. We continue being a core member of Southwark Legal Advice Network (SLAN) where advice agencies located in the borough work together to establish objectives for the advice sector in Southwark whilst identifying particular areas of need and concern.

During 2024 in partnership with Southwark Law Centre and Cambridge House Law Centre we continued to provide specialist advice services to the residents of Southwark in accordance with our contract with the Borough of Southwark. We also worked closely together with our colleagues at Citizen Advice from whom we continued to accept regular referrals of complex cases. Citizen Advice nationally continues to be the highest referral source to our telephone advice service. Additionally, during 2024, we started actively approaching our partner organisations who might be interested to share the office spaces with us and to agree a redevelopment project of the building that we occupy.

During the year we have received referrals from our partners at Refuge, Hestia, Hackney Migrant Centre, CORAM, PRAXIS, Red Cross, Refugee Council, the No Recourse to Public Funds Team in Southwark, various GP surgeries as well as our local MPs.

During the year, together with other organisations in Southwark we continued to be a referral agency in the community referral pathway to the Southwark Cost of Living Fund.

We have also continued to support frontline workers who assist service users with their immigration queries and in particular those who are impacted by the NRPF condition. We have also continued to work with frontline agencies to identify and support those who have unresolved immigration status, enabling them to access advice and representations in making applications to regularise their status in the UK.

Migrant Legal Action

Chairman's statement

Acknowledgements

Migrant Legal Action fundraises for all its work with the most vulnerable clients. We rely on relationships with many partners throughout the country and internationally.

Our trustees sincerely thank all our supporters and donors who make our work possible, including:

- London Borough of Southwark
- The Legal Aid Agency
- Mult-Racial Trust

Finally, we want to thank our partners, staff and volunteers who during 2024 have contributed to our work.

S K Grewal
Chairman and Trustee

Migrant Legal Action

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2024.

Objectives and activities

Objects and aims

We deliver specialist advice and representation to people facing multiple disadvantages.

We are based in Camberwell, Southwark but work regionally, nationally and internationally. We nevertheless remain firmly rooted in our local community and work closely with the community and other organisations and agencies in Southwark.

Our aim is to tackle social injustice and poverty by:

- Delivering specialist legal assistance, promoting social justice and empowerment to vulnerable people with multiple disadvantages
- Improving the resilience and self-sufficiency of people who are vulnerable and marginalised
- Empowering excluded people to become active participants and contributors in society

Objectives, strategies and activities

During the year, supported by our stakeholders and advisers, we worked towards delivering our business plan which was updated in January 2024. We continued working towards developing and implementing financial systems and controls with the aim of strengthening the organisation's financial resilience. After reviewing the organisation's finances, it was concluded that reducing our overhead costs, alongside establishing financial reserves, would contribute to the sustainability of the organisation in the face of continued adverse financial climate.

The plan's key strategic objectives continue to be:

- Enhance organisational capacity, resilience and sustainability
- Design and provide services that deliver positive impact for individuals, families and communities focusing on those that face severe and multiple disadvantages

Migrant Legal Action

Trustees' Report

Strategic Objective 1

To enhance organisational capacity, resilience and sustainability

Our key achievements in relation to business development targets included:

1. Ensuring that the organisation limits the impact of the cost of living crisis, both in terms of financial sustainability and capacity:

a) Maintained our financial position as follows:

- Continues to limit the financial impact on the organisation inflicted by the impact of living crisis by reducing overheads
- Increased our reserves

b) Improved our resilience:

- Continued to implement monitoring of the organisation's performance and develop measurements of impact
- Continued to implement mixed working environment for all members of staff enabling them to work remotely as well as in the office
- Ensuring the efficient implementation of the refurbishment project.

Strategic Objective 2

Design and provide services that deliver positive impact for individuals, families and communities focusing on those that face severe and multiple disadvantage

Helping people obtain leave to remain, obtain jobs and reunite with their families is at the heart of this objective. During 2023 we continued to focus on clients who have been affected by the increased cost of living and in particular on those who are additionally prejudiced by having NRPf condition imposed on their immigration status.

Our key achievements in relation to affordable, independent, and expert legal services included the following:

- 1984 beneficiaries during the year comprising 258 clients advised face to face and an estimated further 859 family members and children out of which 52% were affected by NRPf status:

1. 98% were "Very Satisfied" with overall level of service
2. 98% also reported increased awareness of their rights and responsibilities because of the advice given

Users were:

1. 56% female and 44% male
2. 73% Black and Minority Ethnic and 27% British White and White Other
3. 52% Living in social housing
4. 17% Homeless
5. 31% Privately renting
6. 64% Lone parents with children
7. 36% Couples with children
8. 42% Unemployed
9. 56% Working [full-time and part-time]

Asylum:

1. 19 new asylum cases opened
2. 9 specialist one-off advice sessions
3. 3 clients represented at Court

Migrant Legal Action

Trustees' Report

4. 9 grants of refugee status
5. 5 successful appeals

Immigration:

1. 181 new immigration cases opened
2. 14 specialist one-off advice sessions
3. 8 clients successfully represented at Appeals Tribunals
4. 152 clients granted leave to remain or indefinite leave to remain

Nationality:

1. 62 new nationality cases opened
2. 4 specialist one-off advice sessions
3. 59 grants of citizenship

Public benefit

Charity trustees have a duty to report in the trustees' annual report on their charity's public benefit. The trustees should demonstrate the following:

- They are clear about what benefits are generated by the activities of the charity. This report sets out the activities carried out by Migrant Legal Action to further its mission.
- The benefits must be related to the objects of the charity: all activities are intended to further Migrant Legal Action's charitable objects, as detailed in the Articles of Association.

The people who receive support are entitled to do so according to criteria set out in the charity's objects: wherever possible, the views and opinions of beneficiaries are sought in the design and implementation of Migrant Legal Action's activities. This approach helps to ensure that projects are targeted at people in need, and that beneficial changes to the lives of people from disadvantaged and excluded communities can be evaluated and assessed.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Migrant Legal Action

Trustees' Report

Use of volunteers

Volunteers have always been vital in delivering our work and bring their time, energy and enthusiasm to Migrant Legal Action's activities. We aim to ensure that as many people as possible are aware of the volunteering opportunities we offer. We also aim to provide our volunteers with opportunities to acquire skills and experiences that will help them improve their quality of life, develop their professional knowledge and or progress into further education, employment or training.

The majority of our volunteers find out about us through personal recommendation. Our volunteers are not paid for their time, but they are reimbursed for out-of-pocket expenses they incur. All of our volunteers are provided with a confidentiality agreement and a volunteer agreement, defining their goals, our needs, and the level of support or training they will receive.

Because of the continued implementation of remote working, engaging volunteers has become more challenging. During 2024, two volunteers worked with us to provide support in the following areas:

- Book keeping/accounting
- Administrative support

Achievements and performance

During 2024 European Nationals continued to be able to make applications under the EU Settlement Scheme only in exceptional cases, as such applications are now made out of time. This type of applications thus becomes increasingly complex. This resulted in advice calls on our advice line from European nationals and their family members needing casework support as opposed to one off advice with the process. Following the closure of the EUSS, we have continued to receive a considerable number of enquiries to submit late applications to the Scheme and note that there remain many family members of EEA citizens who were unaware of the requirement that they had to make an application under the Scheme. Additionally, many individuals previously granted pre-settled status are now applying for settled status. Enquiries further relate to application for family permits where family members reside outside the UK and wish to seek to join the EEA family members in the UK.

We have seen a continued high demand in callers referred to us by other organisations and those wanting advice on their right to lift limitation on access to public funds or who require assistance in obtaining fee waivers, as many clients reported financial impact of which meant that they were not able to meet the increased application fees and Immigration Health Surcharge imposed on all application for further leave to remain.

ASYLUM AND FAMILY REUNION

Migrant Legal Action remains dedicated to assisting refugees in obtaining status and security in the UK. During 2024, the Home Office continued to try to deal with the large backlog of unresolved asylum cases. We have, however, started to see that applications are being progressed and have continue to be particularly proud of the large percentage of grants made by the Secretary of State without the need to appeal, which this year reached 90%. Unfortunately, clients who had pending asylum claims continued to experience delays due to the large backlog. Particularly extensive delays continue to be faced by those who are referred into National Referral Mechanism, as being potential victims of trafficking. It appears that capacity in relation to representatives able to assist with asylum and family reunion claims is now a real concern.

During the year we continued to receive a large number of referrals of asylum and family reunion clients who following a grant of asylum needed assistance with family reunion applications. This work remains particularly difficult because of the unavailability of Legal Aid and the need to apply for Exceptional Funding. We are pleased that our applications for exceptional funding on behalf of our vulnerable clients continue to be successful.

Migrant Legal Action

Trustees' Report

IMMIGRATION

We represented 35 clients who were seeking entry clearance for their family members to join them in the United Kingdom. Moreover, we continued assisting clients who face difficulties in obtaining British passport for their children who were born outside the UK. We continued to provide advice and assistance with applications for elderly parents to be allowed to remain in the United Kingdom with their children. This category of applicants continues to be particularly challenging, as since July 2012 the immigration rules for adult dependent relatives have been, in practice, almost impossible to meet. We therefore are experiencing a growing number of clients who require advice in relation to their elderly relatives. We are moreover extremely happy that all our applications for this category of clients have been successful.

We represented 95 clients during 2024 who required assistance with their leave to remain applications where they were unable to afford paying the application fee. We now experience that 85% of our clients who are making human rights-based claims, are not able to meet the Home Office application fees and require assistance with obtaining fee waivers. These applications continue to be challenging because of the high level of scrutiny into client's financial situations. However, many caseworkers continue use of email and telephone during the consideration, which hugely facilitate our ability to resolve queries quickly. We were pleased that almost all of our fee waiver requests during 2024 were successful.

ANTI-TRAFFICKING PROJECT

During 2024 we continued to offer specialist advice to potential victims of trafficking, as part of our anti-trafficking project, which we have run since 2012. We continued to offer free legal advice and representation to victims of trafficking and servitude. During the year we also provided contributed to London Borough of Southwark's Community Safety Team's Modern Slavery Partnership.

The aim of the project continues to be the breaking of the cycle of human trafficking and forced labour by increasing the provision of legal advice, improving the awareness of the issues and contribute to the development of policy in this area.

Victims of trafficking are a group of clients who are often particularly vulnerable, as they are victims of exploitation and often face multiple disadvantages. The delays and poor decision making often lead their re-traumatisation and the biggest challenge is cultivating a relationship of trust between the client and the advisor. As a result of the Home Office's delays in decision making, during 2024 the project resulted in 5 successful outcomes.

JUDICIAL REVIEW

We continue dealing with judicial review claims. During 2024 these consisted of challenges of Home Office's decision to certify our client's human rights' and asylum claims and refusals of fee waivers. All of these continue to be settled in our clients' favour. We have also continued in challenging the Upper Tribunal's refusals of permission to appeal through judicial review.

DEPORTATION

We continue representing clients that face deportation following criminal convictions. These clients are often facing lengthy detention under immigration powers and are at high risk of deportation, if unrepresented. Clients we represent have families and children in the UK following very lengthy residence. Some of our clients have received sentences of more than 4 years imprisonment, making their appeals particularly difficult.

Migrant Legal Action

Trustees' Report

Most deportation cases are particularly challenging because of the lack of Legal Aid funding and the need to apply for exceptional funding from the Legal Aid Agency. Deportation cases require particularly detailed preparation and obtaining of detailed expert reports. During 2024 Migrant Legal Action continued its work in assisting this vulnerable group and has made a number of successful exceptional funding applications to be able to represent clients.

CONCLUSION

It has been yet another demanding year, but we have settled in well to a mixed way of working, using our office resources in a flexible manner. We have further continued to achieve exceptionally good results for our clients.

We look forward to next year with cautious confidence that we will be able to continue working in assisting clients, bringing hope to those who continue to be affected by the cost of living crisis in combination with the complex immigration system. We aim to continue fighting for justice for the most vulnerable and marginalised.

Key non-financial performance indicators

We reached a total of 1,984 clients in 2024. Consequently, the number of our service users has remained stable.

Our reach this year was calculated by:

- Recording the numbers of individual people and families who accessed frontline casework service and project during the year: 359 beneficiaries.
- Recording the number of individual people and families who accessed our specialist advice line. This saw an increase this year which is probably due to the unavailability of such service from other providers: 1,992 beneficiaries.
- Recording the numbers of generalist advisers and community organisations that have contacted us during the year to seek advice in relation to their service users: 82 beneficiaries.

Further analysis of performance indicators can be found within the trustee's report under objectives, strategies and activities section.

Financial review

The statement of financial activities shows net income of £85,691 (2023 - 262) for the period.

Funds as at 31 December 2024 stand at £74,963 (2023 - £2,641) as unrestricted and £13,369 (2023: £NIL) as restricted funds.

The details between restricted and unrestricted funds are given in note 12. The trustees consider the state of the charity's affairs to be satisfactory. The trustees were particularly pleased that despite the continued impact of the pandemic and the cost of living crisis, Migrant Legal Action has been able to maintain the level of reserves.

Migrant Legal Action

Trustees' Report

Policy on reserves

The trustees have reviewed the reserves policy to ensure that it is aligned to Migrant Legal Action's strategic plan, and set a policy that requires reserves in a readily realisable form be built to a level that:

- Continuity Planning:

- a) Protects the continuity of the organisation's services for beneficiaries in the event of a large variation of income
- b) Bridges cash flow problems
- c) Provides a buffer to allow contingency actions
- d) Addresses spending commitments and potential liabilities in the event of a winding up

- Asset Planning:

- a) Provides the funds needed to replace capital assets
- b) Provides funds to overlap shortfall of income caused by new recruitment
- c) Addresses risks associated with emergencies

- Innovation and Service Investment:

- a) Provide funds to enable the organisation to respond to new beneficiaries and/or needs as quickly as possible
- b) Enables the organisation to take advantage of opportunities

Having previously drawn from the reserves to grow and deliver Migrant Legal Action's charitable objectives, and implement a business turnaround plan, the trustees recognise that the current level of reserves remains considerably below the desired amount. The risks associated with this lack of reserves have become apparent as a result of the impact of increased overheads, at the same time as the organisation faced a decrease in income from the Legal Aid Agency as well as from fee earning activity. This impact, has however been mitigated by:

- A diversified income portfolio which reduces reliability on any one source of income
- An increase in income sources that, though variable, are more reliable

To address long-term financial sustainability, the trustees have further approached our landlord, Multi Racial Trust, to seek their permission to find another organisation who can share the premises. They have further updated the following liquid reserve targets based on an assessment of the risks and opportunities facing Migrant Legal Action, as well as the current and future needs of beneficiaries:

31-12-2025	£35000	15% of annual expenditure, representing 2-months operating costs
31-12-2026	£51,000	24% of annual expenditure, representing 3-months operating costs
31-12-2027	£68,000	32% of annual expenditure, representing 4-months operating costs

Migrant Legal Action

Trustees' Report

Policy on reserves (cont'd)

At the end of 2024 the organisation has not reached the desired level of reserves set last year. This was partly caused by the impact of increased overheads caused by the cost of living crisis. The trustees have, however, continued with the assistance of volunteer bookkeeper to implement new financial controls. The Trustees are pleased to note that the organisation's reserve at the end of 2024 have been maintained at £24,000. Trustees will continue to closely monitor the reserves situation, ensuring that further efforts are put in place during 2025 including:

- a) Continued implementation of new accounting and control systems to enable more effective use of financial resources
- b) Apply for further funding for core operating costs
- c) Reducing work in progress

The trustees will review the required level of reserves on an annual basis, alongside the operating budget. The assessment will take account of income and expenditure risk within the budget, commitments to repay liabilities, and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

Funds in deficit

Annual budgets are prepared for all activities and we carefully monitor performance against these on a monthly basis in order to ensure that any activity operating at a deficit is carefully supervised and opportunities are taken to mitigate risks and increase unrestricted funds.

Migrant Legal Action

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

Our future plans are to:

1. Enhance organisational capacity, resilience and sustainability by:

- a) Completing a business transformation process including:
 - Finding a partner organisation who is suitable to share our premises
 - Financial analysis and appraisal of existing services
 - Implementation of financial monitoring and controls

b) Reviewing and updating our future plans and our Office Manual

c) Updating business plan for the period 2025-2027

d) Continuing to diversify our income profile with particular regard to unrestricted earned income

e) Continuing to rebuild our reserves

f) Recruiting further members of staff following reduction in staffing

2. Design and provide services that deliver positive impact for individuals, families and communities facing severe and multiple disadvantages, by:

a) Increasing our impact and reach by:

- Continuing to use our experience gained by delivering frontline services to influence policy in favour of community-led solutions to reach communities facing multiple disadvantages and complex needs
- Continuing to assist families affected by cost of living crisis

b) Improve efficiency by:

- Better use of technology and administrative support services

Going concern

The trustees are of the view that the charity is a going concern for at least the next twelve months from the date of signing these accounts; the charity has neither the intention nor the need to liquidate or curtail materially the scale of its operations.

In assessing whether Migrant Legal Action will continue to have adequate resources available to fund the charity's activities for the foreseeable future, trustees have considered the following:

- The charity has limited general reserves as at the year-end but increased the amount of work in progress.
- More than 50% of income required for 2025 has been secured at the date of signing these accounts
- Our fundraising success continues to be 60%, which is above the sector norm
- The charity has had the benefit of free accommodation provided by the Multi-Racial Trust at 53 Addington Square, this has been confirmed as continuing until at least 31 December 2026.

Migrant Legal Action

Trustees' Report

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

- S K Grewal (appointed 1 December 2024)
- S Lakhani (resigned 1 December 2024)
- C V Patel (resigned 30 October 2025)
- B E Wagner
- L Negahbani
- V K Baxi (Resigned 1 February 2024)
- B M Monji (appointed 1 February 2024)
- B K Kapadia (appointed 30 October 2025)

Chairman: S K Grewal (appointed 1 December 2024)

Chief Executive Officer: Anna Kouma

Structure, governance and management

Nature of governing document

Migrant Legal Action is a registered charity (registration number 1152073) and is constituted as a company registered in England and Wales and limited by guarantee (registration number 07879053). The company does not have share capital and is limited by the guarantee of the members to a maximum of £1 each. The objects and powers are set out in the Articles of Association.

Recruitment and appointment of trustees

Migrant Legal Action is governed by the charity's trustees, who are also the company's directors (and are collectively called the Board). The Board meets a minimum of four times per year to manage the business of the organisation. It can appoint sub-committees and working groups to operate with delegated responsibilities.

The delegated responsibilities and accountabilities of the Chief Executive, General Secretary and other managers are currently set out in the Organisation's Handbook and in individual job descriptions.

The trustees concentrate on strategic matters, setting overall direction for the organisation, ensuring clear organisational objectives and holding the senior management team to account. This is affected through reporting, both on performance and strategic matters, and formal appraisal of the Chief Executive's performance.

The trustees have reserved certain powers, which only they can exercise. These include those statutory powers that cannot be delegated, such as policies on investment and reserves, and decisions linked to major policy or programme initiatives, strategic planning, and changes to organisational structure.

Migrant Legal Action

Trustees' Report

Induction and training of trustees

The Board completes skills audits in order to assess the skills of the existing trustees, identifies any 'skills gaps' and assesses any skills being lost by the retirement of a trustee. New trustees are recruited through advertising and direct approaches to professionals and other voluntary organisations.

The induction process for new trustees is based on Migrant Legal Action's induction pack, and is designed to acquaint them with our purposes, financial position, work structure, staff and current issues. The induction process includes:

- Meetings with the existing trustees and others involved with the charity such as the CEO, members of staff, beneficiaries and stakeholders.
- One-to-one meetings with the Chair and the CEO after the first few trustees meetings, in order to discuss any questions or issues that may have arisen.

In order to ensure continued development, the trustees are offered the opportunity to attend training on key areas, such as risk and accountability.

Staffing and remuneration

Migrant Legal Action promotes the following standards to ensure our human resource policies:

- Are underpinned by a rigorous assessment methodology and a framework which reflects the very latest workplace trends, essential skills and effective structures required to perform effectively.
- Promote increased awareness of mental health and disability at work and provide ongoing support for the organisation in the recruitment and retention of staff.

Performance Management

We have a performance management and appraisal policy that:

- Promotes a consistent approach to workforce supervision throughout Migrant Legal Action.
- Ensures that supervision is geared to achieving the organisation's objectives.
- Enhances the quality of workforce performance.
- Addresses the personal impact of work on all Migrant Legal Action's staff, volunteers and trainees.

Staff Remuneration

We recognise the importance of being transparent and accountable in all aspects of our work, including how we reward and recognise our staff. Every employee in our organisation earns at least the Living Wage.

The London Living Wage is an hourly rate set independently and updated annually, based on the cost of living in London.

Migrant Legal Action

Trustees' Report

Staffing and remuneration (cont'd)

Staff remuneration (cont'd)

Migrant Legal Action is committed to ensuring that we pay our staff fairly and, in a way, which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. In deciding on levels of pay the following factors are taken into account:

- The mission, aims, objectives and values of Migrant Legal Action.
- How any decision might impact on the overall pay policy for all staff.
- The type of skills, experience, competences, etc. that our organisation needs.
- A significant increase in responsibilities or major change in job description.
- Our current strategic business plan and how this might affect future needs.
- Our ability to pay.
- Assessment of the individual's performance against expectations, where possible with clear evidence and targets.
- Appropriate available information on pay levels in other charities relative to size, budgets, responsibilities, etc.
- Our track record in recruiting and retaining high-performing staff.
- The likely impact of any decision on our public reputation, especially amongst our service users and stakeholders.

Salaries

During 2024 we had a staff team of 4 full-time and 2 part-time staff (4 FTE). Two members of staff work full time from the office whilst remaining four work remotely part of the week.

For Migrant Legal Action to run successfully, a large range of skills and disciplines are required, and we need to pay appropriately to ensure that we can recruit people with the right skills. We also need to retain them in a competitive market for the long-term, developing them and benefiting from their growing knowledge. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. Our staff pay scales are set with this in mind.

The salary of the chief executive is approved by our Board. Every three years the chief executive's salary is reviewed to benchmark it against other charities in London relative to size, budgets, responsibilities and the competitiveness of the employment market. At the same time, we seek to keep salary costs under control.

All other staff salaries are set by our management team, using comparisons with charities of our size in London and taking into account factors including inflation and Migrant Legal Action's financial position. Salaries are openly stated in job adverts. The same benefits, including pensions, and terms and conditions apply to the chief executive as all other staff. We don't apply any form of performance-related pay, nor do we have a bonus scheme.

Migrant Legal Action

Trustees' Report

Major risks and management of those risks

The trustees regularly review and assess the risks faced by Migrant Legal Action in all areas of its work, and plan for the management of those risks. The management ensure that all plans and decisions take into account the possibility of negative outcomes. There is a Risk Register which is supervised and monitored monthly by the ECO, reported on quarterly at meetings of the Board of trustees and reviewed annually by the Board in order to ensure that the material risks to which the charity is exposed are properly evaluated and managed.

Appropriate mitigating actions are implemented by management to address the residual risks, mitigating them to a level the Board considers acceptable.

The Board recognises that, to achieve the objectives of the charity, the nature of some of Migrant Legal Action's work requires acceptance of some risks which are outside our control, that is, risks which cannot be eliminated, so where this happens there is active and clear monitoring of the risk.

The trustees consider that appropriate systems and controls are in place to monitor, manage and mitigate Migrant Legal Action's exposure to risks. These include, among other control mechanisms, maintaining staff awareness of risks by embedding suitable approaches in the budgeting process, the maintaining of reserves and the review of key systems and processes.

Principal Risks and Uncertainties

Our risk assessment and mitigation strategy approach is proactive and:

- Involves the whole organisation in the identification of business risks
- Increases our capability to respond to unforeseen events by integrating risk management with business continuity management
- Provides a register of prioritised risks, ranked for likelihood and impact
- Provides a framework for operational risk management and quarterly reporting
- Integrates scenario planning and disaster recovery
- Updates our risk assessment methodology every 2 years

Principle risks and uncertainties are assessed for impact and likelihood. The highest risk areas have been identified as follows:

- Failure to generate sufficient income
- Failure to effectively manage budget and liquidity
- Loss of staff, resulting in reduction to services
- Major unforeseen expenditure creating significant overspend or a need to make significant and unplanned increase in expenditure
- Failure to maintain day-to-day service provision where service quality, availability and continuity of service is affected by partial or total loss of resources such as staff, equipment, systems, information and premises, which would result in reduced levels of service provision and additional cost, dissatisfied clients and lost business

Migrant Legal Action

Trustees' Report

Statement of trustees' responsibilities

The trustees (who are also the directors of Migrant Legal Action 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 31 October 2025 and signed on its behalf by:

.....
S K Grewal
Chairman and Trustee

Migrant Legal Action

Independent Examiner's Report to the trustees of Migrant Legal Action ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Chartered Certified Accountants and Statutory Auditors, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Migrant Legal Action as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....

Sajjad Rajan
Smartax Limited
Chartered Certified Accountants and Statutory Auditors

38 Station Road
North Harrow
Harrow
HA2 7SE

31 October 2025

Migrant Legal Action

Statement of Financial Activities for the Year Ended 31 December 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	3	13,635	70,025	83,660	2,494
Other trading activities	4	131,878	42,396	174,274	171,625
Investment income	5	899	-	899	860
Total income		<u>146,412</u>	<u>112,421</u>	<u>258,833</u>	<u>174,979</u>
Expenditure on:					
Charitable activities	15	(130,746)	(42,396)	(173,142)	(174,717)
Total expenditure		<u>(130,746)</u>	<u>(42,396)</u>	<u>(173,142)</u>	<u>(174,717)</u>
Net income		15,666	70,025	85,691	262
Transfers between funds		56,656	(56,656)	-	-
Net movement in funds		72,322	13,369	85,691	262
Reconciliation of funds					
Total funds brought forward		2,641	-	2,641	2,379
Total funds carried forward	12	<u>74,963</u>	<u>13,369</u>	<u>88,332</u>	<u>2,641</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 12.

The notes on pages 22 to 33 form an integral part of these financial statements.

Migrant Legal Action
(Registration number: 07879053)
Balance Sheet as at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	8	55,642	517
Current assets			
Debtors	9	23,791	17,583
Cash at bank and in hand	10	<u>76,062</u>	<u>18,435</u>
		99,853	36,018
Creditors: Amounts falling due within one year	11	<u>(67,163)</u>	<u>(33,894)</u>
Net current assets		<u>32,690</u>	<u>2,124</u>
Net assets		<u>88,332</u>	<u>2,641</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		13,369	-
Unrestricted income funds			
Unrestricted funds		<u>74,963</u>	<u>2,641</u>
Total funds	12	<u>88,332</u>	<u>2,641</u>

For the financial year ending 31 December 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 20 to 33 were approved by the trustees, and authorised for issue on 31 October 2025 and signed on their behalf by:

.....
S K Grewal
Chairman and Trustee

The notes on pages 22 to 33 form an integral part of these financial statements.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2024

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £3 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

53 Addington Square
London
SE5 7LB

These financial statements were authorised for issue by the trustees on 31 October 2025.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Migrant Legal Action meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2024

Exemption from preparing a cash flow statement

The charity has taken advantage of reporting exemptions under FRS 102 and therefore not included a cash flow statement in these financial statements.

Judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Income and endowments

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

Donations and legacies

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.

Donated services and facilities

Where services or facilities are provided to the charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated 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.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2024

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.

Support costs

Support costs include central functions such as governance cost, finance and information technology incurred directly in support of expenditure on the objects of the charity. They have been allocated to activity cost categories on a basis consistent with the use of resources.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

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.

Tangible fixed assets

Individual fixed assets costing £50.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Furniture and equipment	20% Reducing balance

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2024

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The aims and use of each material restricted fund are set out in note 14 of the financial statements.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method, and investments which are held at fair value.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2024

3 Income from donations and legacies

	Unrestricted funds £	Restricted £	Total 2024 £	Total 2023 £
Donations and legacies;				
Grants from institutions	-	70,025	70,025	-
General donations	4,035	-	4,035	2,494
Donated services and facilities	9,600	-	9,600	-
	13,635	70,025	83,660	2,494

4 Income from other trading activities

	Unrestricted funds £	Restricted £	Total 2024 £	Total 2023 £
Trading income;				
Legal representation	131,878	42,396	174,274	171,625
	131,878	42,396	174,274	171,625

5 Investment income

	Unrestricted funds £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	899	899	860
	899	899	860

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2024

6 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	124,875	130,125
Social security costs	5,784	5,912
Pension costs	2,420	2,431
Other staff costs	228	674
	<u>133,307</u>	<u>139,142</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Case workers	5	5
Administration	1	1
	<u>6</u>	<u>6</u>

No employee received emoluments of more than £60,000 during the year.

7 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2024

8 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2024	-	4,085	4,085
Additions	55,050	883	55,933
At 31 December 2024	55,050	4,968	60,018
Depreciation			
At 1 January 2024	-	3,568	3,568
Charge for the year	-	808	808
At 31 December 2024	-	4,376	4,376
Net book value			
At 31 December 2024	55,050	592	55,642
At 31 December 2023	-	517	517

Included within the net book value of land and buildings above is £Nil (2023 - £Nil) in respect of freehold land and buildings and £55,050 (2023 - £Nil) in respect of leaseholds.

The leasehold costs relate to refurbishment works that were still in progress as at the year end and, therefore, have not been depreciated during the period.

9 Debtors

	2024 £	2023 £
Trade debtors	23,791	17,583

10 Cash and cash equivalents

	2024 £	2023 £
Cash at bank	76,062	18,435

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2024

11 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	19,685	23,127
Other taxation and social security	3,587	7,078
Other creditors	43,891	3,689
	67,163	33,894

12 Funds

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2024 £
Unrestricted					
General funds	2,641	146,412	(130,746)	56,656	74,963
Restricted funds					
People of Southwark	-	42,396	(42,396)	-	-
Leasehold project	-	70,025	-	(56,656)	13,369
	-	112,421	(42,396)	(56,656)	13,369
Total funds	2,641	258,833	(173,142)	-	88,332

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
Unrestricted				
General funds	2,379	142,911	(142,649)	2,641
Restricted funds				
People of Southwark	-	32,068	(32,068)	-
	-	32,068	(32,068)	-
Total funds	2,379	174,979	(174,717)	2,641

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2024

The specific purposes for which the funds are to be applied are as follows:

Women trafficking - Tackling matters with trafficking specifically involving with women.

People of Southwark - Providing legal assistance to those within the London Borough of Southwark.

Leasehold project - Renovation and maintenance of leasehold premises occupied by the charity.

During the year there were transfers in the sum of £56,656 (2023 - £NIL) from the restricted leasehold project to unrestricted funds. This was to reflect that these funds had been fully spent on their restricted purpose in the payment of the refurbishment of the leasehold premises.

13 Analysis of net assets between funds

	Unrestricted funds £	Restricted £	Total funds 2024 £
Tangible fixed assets	55,642	-	55,642
Current assets	86,484	13,369	99,853
Current liabilities	(67,163)	-	(67,163)
Total net assets	74,963	13,369	88,332
		Unrestricted funds £	Total funds 2023 £
Tangible fixed assets		517	517
Current assets		36,018	36,018
Current liabilities		(33,894)	(33,894)
Total net assets		2,641	2,641

14 Analysis of net funds

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	18,435	57,627	76,062
Net funds	18,435	57,627	76,062
		Cash flows £	At 31 December 2023 £
Cash at bank and in hand	19,260	(825)	18,435
Net funds	19,260	(825)	18,435

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2024

15 Expenditure on charitable activities

	Note	Unrestricted funds £	Restricted £	Total 2024 £	Total 2023 £
Direct costs		2,032	-	2,032	4,917
Staff costs		92,517	40,790	133,307	139,142
Allocated support costs	16	33,782	1,606	35,388	28,358
Governance costs	16	2,415	-	2,415	2,300
		130,746	42,396	173,142	174,717

	Activity undertaken directly £	Activity support costs £	2024 £
Tackling asylum	22,814	13,455	36,269
Tackling trafficking	23,183	13,673	36,856
Tackling immigration	62,912	37,105	100,017
	108,909	64,233	173,142

	Activity undertaken directly £	Activity support costs £	2023 £
Tackling asylum	28,302	13,945	42,247
Tackling trafficking	23,748	11,703	35,451
Tackling immigration	64,993	32,026	97,019
	117,043	57,674	174,717

In addition to the expenditure analysed above, there are also governance costs of £2,415 (2023 - £2,300) which relate directly to charitable activities. See note 16 for further details.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2024

16 Analysis of governance and support costs

Support costs allocated to charitable activities

	Governance costs £	Finance costs £	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Total 2024 £
Tackling asylum	506	203	461	5,537	3,344	3,404	13,455
Tackling trafficking	514	207	468	5,626	3,398	3,460	13,673
Tackling immigration	1,395	561	1,270	15,269	9,222	9,388	37,105
	<u>2,415</u>	<u>971</u>	<u>2,199</u>	<u>26,432</u>	<u>15,964</u>	<u>16,252</u>	<u>64,233</u>

	Governance costs £	Finance costs £	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Total 2023 £
Tackling asylum	556	144	793	6,535	4,326	1,591	13,945
Tackling trafficking	467	121	665	5,484	3,631	1,335	11,703
Tackling immigration	1,277	332	1,821	15,008	9,934	3,654	32,026
	<u>2,300</u>	<u>597</u>	<u>3,279</u>	<u>27,027</u>	<u>17,891</u>	<u>6,580</u>	<u>57,674</u>

The support costs have been allocated in proportion to the staff costs incurred on each activity. The trustees are of the opinion that this represents a fair use of resources.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2024

Governance costs

	Unrestricted funds £	Total 2024 £	Total 2023 £
Accountancy fees	2,100	2,100	2,000
Independent examiner's fee	315	315	300
	<u>2,415</u>	<u>2,415</u>	<u>2,300</u>

17 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

18 Net incoming/outgoing resources

Net incoming resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	<u>809</u>	<u>258</u>

MIGRANT LEGAL ACTION

England & Wales - Charity number 1152073

Accounts

Company registration number: 07879053

Charity registration number: 1152073

Migrant Legal Action

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2023

Smartax Limited
38 Station Road
North Harrow
Harrow
HA2 7SE

Migrant Legal Action

Contents

Reference and Administrative Details	1
Trustees' Report	5 to 18
Independent Examiner's Report	19
Statement of Financial Activities	20
Balance Sheet	21
Notes to the Financial Statements	22 to 33

Migrant Legal Action

Reference and Administrative Details

Chairman	S Lakhani
Chief Executive Officer	Anna Kouma
Trustees	S Lakhani C V Patel B E Wagner L Negahbani B M Monji
Charity Registration Number	1152073
Company Registration Number	07879053
Registered Office	The charity is incorporated in England. 53 Addington Square London SE5 7LB
Independent Examiner	Smartax Limited 38 Station Road North Harrow Harrow HA2 7SE
Bankers	Natwest 70 Denmark Hill Camberwell London SE5 8SD

Migrant Legal Action

Chairman's statement

Welcome to our annual report

I am very delighted to be able to present you with Migrant Legal Action's Annual Report for year 2023. Since 1978 Migrant Legal Action and its staff have been working determinedly to help our clients to find the best solutions to their immigration issues, this work continued during 2023.

The most important aim of Migrant Legal Action has always been to defend the rights of the most vulnerable members of our community through the taking of legal action. Over the last 3 years, the pandemic has had an immense impact on our work in that it has become increasingly digitalised and remote working is now an integral part of how we are able to assist our client. During 2023, we took the decision to downscale our office spaces and therefore approached our landlord, Multi Racial Trust, who agreed for us to approach other organisations in an effort to find an agency who will be suitable to share the building that we occupy. It was our assessment that downscaling the offices will have as an effect that our overheads costs would be reduced and thus the finances of the organisation would become more sustainable. Throughout 2023 Migrant Legal Action has continued assisting clients and this report is a testament to the impact of the organisation's efforts. Migrant Legal Action, together with our funders, partners, and supporters, have continued to pursue its mission to defend the rights of the immigrant community.

This annual report demonstrates how we have continued to work to meet our aims, setting out the measurable results that we have achieved and illustrates how we have continued to work towards financial sustainability of the organisation.

We work to enable and empower our clients, who face immigration, asylum or nationality issues, to better understand their rights as well as obligations. We believe that access to legal advice is an essential tool necessary to empower those in our communities who face multiple disadvantage and complex needs. Provision of appropriate advice, guidance and representations has as its objective to enable clients to take appropriate action to improve their lives. We work toward achieving this by providing high quality specialist legal advice and representation, which is free or affordable.

Many of our funders continued to step up to help meet the challenges caused by the pandemic and the cost-of-living crisis, including additional flexible funding. Migrant Legal Action is very grateful to Multi Racial Trust for its continued support.

As you will be able to readily see from the report Migrant Legal Action has continued to achieve excellent results and is cost effective. We measure our impact by recording the outcomes that we achieve for individual clients and measuring our performance. This in turn shows the effect that our work has in our local community and in the wider society. We work towards ever increasing effectiveness by the use of technologies, whilst ensuring that we work ethically and protect the privacy of our clients.

We were fortunate to continue receiving the assistance of our volunteer bookkeeper, who during the year has assisted us in developing internal financial controls and making sure that we increase our financial resilience.

Our work continues to be made possible by our generous and dedicated funders and supporters. Migrant Legal Action has, since it was established more than 40 years ago, been fortunate to have a strong and stable basis of donors and supporters. We remain grateful for your continued trust and generosity and recognise that we would not have been able to continue our work without your support.

I would like to take this opportunity to thank everyone for your continued support during 2023. On behalf of the board of trustees, I would like to extend particular appreciation to our excellent team of staff and volunteers for their continued commitment to the people we serve. I am very pleased that the team has continued to achieve exceptional results for our clients.

Migrant Legal Action

Chairman's statement

The following pages feature our work over the last financial year. During this year we provided specialist casework and representation, including advocacy in court, in 327 cases. We provided advice to 1966 clients on the phone and 2nd tier advice on 96 cases to generalist advisers and community organisations. A very high percentage of our clients, 98%, continue to report that they were happy with our service. During the year we have continued with our dedicated specialist anti-trafficking project.

Working in Partnership

At Migrant Legal Action we are of the view that it is essential that we continue working in partnership with local and national organisations and councils. Such partnerships help us to better respond to our clients' needs, share information and resources. During 2023 we have continued to work together with other agencies both nationally and locally to find the best response and to continue providing the much-needed services to clients who had been affected by the cost-of-living crisis. We continue being a core member of Southwark Legal Advice Network (SLAN) where advice agencies located in the borough work together to establish objectives for the advice sector in Southwark whilst identifying particular areas of need and concern.

During 2023 in partnership with Southwark Law Centre and Cambridge House Law Centre we continued to provide specialist advice services to the residents of Southwark in accordance with our contract with the Borough of Southwark. We also worked closely together with our colleagues at Citizen Advice from whom we continued to accept regular referrals of complex cases. Citizen Advice nationally continues to be the highest referral source to our telephone advice service. Additionally during 2023, we started actively approaching our partner organisations who might be interested to share the office spaces with us and to agree a redevelopment project of the building that we occupy.

During the year we have received referrals from our partners at Refuge, Hestia, Hackney Migrant Centre, CORAM, PRAXIS, Red Cross, Refugee Council, the No Recourse to Public Funds Team in Southwark, various GP surgeries as well as our local MPs.

During the year, together with other organisations in Southwark we continued to be a referral agency in the community referral pathway to the Southwark Cost of Living Fund.

We have also continued to support frontline workers who assist service users with their immigration queries and in particular those who are impacted by the NRPF condition. We have also continued to work with frontline agencies to identify and support those who have unresolved immigration status, enabling them to access advice and representations in making applications to regularise their status in the UK.

Migrant Legal Action

Chairman's statement

Acknowledgements

Migrant Legal Action fundraises for all its work with the most vulnerable clients. We rely on relationships with many partners throughout the country and internationally.

Our trustees sincerely thank all our supporters and donors who make our work possible, including:

- London Borough of Southwark
- The Legal Aid Agency
- Mult-Racial Trust

Finally, we want to thank our partners, staff and volunteers who during 2023 have contributed to our work.

S Lakhani
Chairman and Trustee

Migrant Legal Action

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2023.

Objectives and activities

Objects and aims

We deliver specialist advice and representation to people facing multiple disadvantages.

We are based in Camberwell, Southwark but work regionally, nationally and internationally. We nevertheless remain firmly rooted in our local community and work closely with the community and other organisations and agencies in Southwark.

Our aim is to tackle social injustice and poverty by:

- Delivering specialist legal assistance, promoting social justice and empowerment to vulnerable people with multiple disadvantages
- Improving the resilience and self-sufficiency of people who are vulnerable and marginalised
- Empowering excluded people to become active participants and contributors in society

Objectives, strategies and activities

During the year, supported by our stakeholders and advisers, we worked towards delivering our business plan which was updated in January 2023. We continued working towards developing and implementing financial systems and controls with the aim of strengthening the organisation's financial resilience. After reviewing the organisation's finances, it was concluded that reducing our overhead costs, alongside establishing financial reserves, would contribute to the sustainability of the organisation in the face of continued adverse financial climate.

The plan's key strategic objectives continue to be:

- Enhance organisational capacity, resilience and sustainability
- Design and provide services that deliver positive impact for individuals, families and communities focusing on those that face severe and multiple disadvantages

Migrant Legal Action

Trustees' Report

Strategic Objective 1

To enhance organisational capacity, resilience and sustainability

Our key achievements in relation to business development targets included:

1. Ensuring that the organisation limits the impact of the cost of living crisis, both in terms of financial sustainability and capacity::

a) Maintained our financial position as follows:

- Continues to limit the financial impact on the organisation inflicted by the impact of living crisis by reducing overheads
- Increased our reserves

b) Improved our resilience:

- Continued to implement monitoring of the organisation's performance and develop measurements of impact
- Continued to implement mixed working environment for all members of staff enabling them to work remotely as well as in the office
- Actively working towards finding a partnership organisation who can share our office space and working towards redeveloping the offices

Strategic Objective 2

Design and provide services that deliver positive impact for individuals, families and communities focusing on those that face severe and multiple disadvantage

Helping people obtain leave to remain, obtain jobs and reunite with their families is at the heart of this objective. During 2023 we continued to focus on clients who have been affected by the increased cost of living and in particular on those who are additionally prejudiced by having NRPf condition imposed on their immigration status.

Our key achievements in relation to affordable, independent, and expert legal services included the following:

- 1966 beneficiaries during the year comprising 258 clients advised face to face and an estimated further 618 family members and children out of which 60% were affected by NRPf status:

1. 98% were "Very Satisfied" with overall level of service
2. 98% also reported increased awareness of their rights and responsibilities because of the advice given

Users were:

1. 53% female and 47% male
2. 75% Black and Minority Ethnic and 25% British White and White Other
3. 48% Living in social housing
4. 16% Homeless
5. 37% Privately renting
6. 65% Lone parents with children
7. 35% Couples with children
8. 35% Unemployed
9. 52% Working [full-time and part-time]

Asylum:

1. 22 new asylum cases opened
2. 18 specialist one-off advice sessions

Migrant Legal Action

Trustees' Report

3. 6 clients represented at Court
4. 12 grants of refugee status
5. 6 successful appeals

Immigration:

1. 170 new immigration cases opened
2. 14 specialist one-off advice sessions
3. 8 clients successfully represented at Appeals Tribunals
4. 147 clients granted leave to remain or indefinite leave to remain

Nationality:

1. 67 new nationality cases opened
2. 6 specialist one-off advice sessions
3. 56 grants of citizenship

Public benefit

Charity trustees have a duty to report in the trustees' annual report on their charity's public benefit. The trustees should demonstrate the following:

- They are clear about what benefits are generated by the activities of the charity. This report sets out the activities carried out by Migrant Legal Action to further its mission.
- The benefits must be related to the objects of the charity: all activities are intended to further Migrant Legal Action's charitable objects, as detailed in the Articles of Association.

The people who receive support are entitled to do so according to criteria set out in the charity's objects: wherever possible, the views and opinions of beneficiaries are sought in the design and implementation of Migrant Legal Action's activities. This approach helps to ensure that projects are targeted at people in need, and that beneficial changes to the lives of people from disadvantaged and excluded communities can be evaluated and assessed.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Migrant Legal Action

Trustees' Report

Use of volunteers

Volunteers have always been vital in delivering our work and bring their time, energy and enthusiasm to Migrant Legal Action's activities. We aim to ensure that as many people as possible are aware of the volunteering opportunities we offer. We also aim to provide our volunteers with opportunities to acquire skills and experiences that will help them improve their quality of life, develop their professional knowledge and or progress into further education, employment or training.

The majority of our volunteers find out about us through personal recommendation. Our volunteers are not paid for their time, but they are reimbursed for out-of-pocket expenses they incur. All of our volunteers are provided with a confidentiality agreement and a volunteer agreement, defining their goals, our needs, and the level of support or training they will receive.

Because of the continued implementation of remote working, engaging volunteers has become more challenging. During 2023, two volunteers worked with us to provide support in the following areas:

- Book keeping/accounting
- Administrative support

Achievements and performance

During 2023 European Nationals continued to be able to make applications under the EU Settlement Scheme. However, such applications are now made out of time and have become more complex. This resulted in advice calls on our advice line from European nationals and their family members needing casework support as opposed to one off advice with the process. Following the closure of the EUSS, we have continued to receive a substantial amount of enquiries to submit late applications to the Scheme and note that there remain many family members of EEA citizens who were unaware of the requirement that they had to make an application under the Scheme. Enquiries further relate to application for family permits where family members reside outside the UK and wish to seek to join the EEA family members in the UK.

We have seen a continued high demand in callers referred to us by other organisations and those wanting advice on their right to lift limitation on access to public funds or who require assistance in obtaining fee waivers, as many clients reported financial impact of which meant that they were not able to meet the increased application fees and Immigration Health Surcharge imposed on all application for further leave to remain.

ASYLUM AND FAMILY REUNION

Migrant Legal Action remains dedicated to assisting refugees in obtaining status and security in the UK. During 2023, the Home Office continued to try to deal with the large backlog of unresolved asylum cases. We have, however, started to see that applications are being progressed and have continue to be particularly proud of the large percentage of grants made by the Secretary of State without the need to appeal, which this year reached 97%. Unfortunately, clients who had pending asylum claims continued to experience delays due to the large backlog. Extensive delays continue to be faced by those who are referred into National Referral Mechanism, as being potential victims of trafficking. It appears that capacity in relation to representatives able to assist with asylum and family reunion claims is now a real concern.

During the year we continued to receive a large number of referrals of asylum and family reunion clients who following a grant of asylum needed assistance with family reunion applications. This work remains particularly difficult because of the unavailability of Legal Aid and the need to apply for Exceptional Funding. We are pleased that our applications for exceptional funding on behalf of our vulnerable clients continue to be successful.

Migrant Legal Action

Trustees' Report

IMMIGRATION

We represented 38 clients who were seeking entry clearance for their family members to join them in the United Kingdom. Moreover, we continued assisting clients who face difficulties in obtaining British passport for their children who were born outside the UK. We continued to provide advice and assistance with applications for elderly parents to be allowed to remain in the United Kingdom with their children. This category of applicants continues to be particularly challenging, as since July 2012 the immigration rules for adult dependent relatives have been, in practice, almost impossible to meet. We therefore are experiencing a growing number of clients who require advice in relation to their elderly relatives. We are moreover extremely happy that all our applications for this category of clients have been successful.

We represented 104 clients during 2023 who required assistance with their leave to remain applications where they were unable to afford paying the application fee. We now experience that 85% of our clients who are making human rights-based claims, are not able to meet the Home Office application fees and require assistance with obtaining fee waivers. These applications continue to be challenging because of the high level of scrutiny into client's financial situations. However, many caseworkers continue use of email and telephone during the consideration, which hugely facilitate our ability to resolve queries quickly. We were pleased that almost all of our fee waiver requests during 2023 were successful.

ANTI-TRAFFICKING PROJECT

During 2023 we continued to offer specialist advice to potential victims of trafficking, as part of our anti-trafficking project, which we have run since 2012. We continued to offer free legal advice and representation to victims of trafficking and servitude. During the year we also provided contributed to London Borough of Southwark's Community Safety Team's Modern Slavery Partnership.

The aim of the project continues to be the breaking of the cycle of human trafficking and forced labour by increasing the provision of legal advice, improving the awareness of the issues and contribute to the development of policy in this area. During 2023 we continued to contribute to the University of Nottingham research project 'Pathways Through Liberation: Revealing Survivors' Support Journeys Outside of the UK National Referral Mechanism'. This is a project looking at the experiences of victims of trafficking who either do not enter the NRM or leave it prematurely, as there is a lack of knowledge about the experiences and outcomes for this very vulnerable group.

Victims of trafficking are a group of clients who are often particularly vulnerable, as they are victims of exploitation and often face multiple disadvantages. The delays and poor decision making often lead their re-traumatisation and the biggest challenge is cultivating a relationship of trust between the client and the advisor. As a result of the Home Office's delays in decision making, during 2023 the project resulted in 6 successful outcomes.

JUDICIAL REVIEW

We continue dealing with judicial review claims. During 2023 these consisted of challenges of Home Office's decision to certify our client's human rights' and asylum claims. All of these continue to be settled in our clients' favour. We have also continued in challenging the Upper Tribunal's refusals of permission to appeal through judicial review.

Migrant Legal Action

Trustees' Report

DEPORTATION

We continue representing clients that face deportation following criminal convictions. These clients are often facing lengthy detention under immigration powers and are at high risk of deportation, if unrepresented. Clients we represent have families and children in the UK following very lengthy residence. Some of our clients have received sentences of more than 4 years imprisonment, making their appeals particularly difficult.

Most deportation cases are particularly challenging because of the lack of Legal Aid funding and the need to apply for exceptional funding from the Legal Aid Agency. Deportation cases require particularly detailed preparation and obtaining of detailed expert reports. During 2023 Migrant Legal Action continued its work in assisting this vulnerable group and has made a number of successful exceptional funding applications to be able to represent clients.

CONCLUSION

It has been yet another demanding year, but we have settled in well to a mixed way of working, using our office resources in a flexible manner. We have further continued to achieve exceptionally good results for our clients.

We look forward to next year with cautious confidence that we will be able to continue working in assisting clients, bringing hope to those who continue to be affected by the cost of living crisis in combination with the complex immigration system. We aim to continue fighting for justice for the most vulnerable and marginalised.

Key non-financial performance indicators

We reached a total of 1,966 clients in 2023. Consequently, the number of our service users has remained stable.

Our reach this year was calculated by:

- Recording the numbers of individual people and families who accessed frontline casework service and project during the year: 258 beneficiaries
- Recording the numbers of individual people and families who accessed our specialist advice line. This saw a small decrease this year due which is probably due to the closure of the EUSS, but has remained high which we attribute to the unavailability of such service from other providers: 1480 beneficiaries
- Recording the numbers of generalist advisers and community organisations that have contacted us during the year to seek advice in relation to their service users: 96 beneficiaries

Further analysis of performance indicators can be found within the Trustees' Report under objectives, strategies and activities section.

Financial review

The statement of financial activities shows net income of £262 (2022 - net expenditure £34,137) for the period. Funds as at 31 December 2023 stand at £2,641 (2022 - £2,379).

The details between restricted and unrestricted funds are given in note 14. The trustees consider the state of the charity's affairs to be satisfactory. The trustees were particularly pleased that despite the continues impact of the pandemic and the cost of living crisis, Migrant Legal Action has been able to maintain the level of reserves.

Migrant Legal Action

Trustees' Report

Policy on reserves

The trustees have reviewed the reserves policy to ensure that it is aligned to Migrant Legal Action's strategic plan, and set a policy that requires reserves in a readily realisable form be built to a level that:

- Continuity Planning:

- a) Protects the continuity of the organisation's services for beneficiaries in the event of a large variation of income
- b) Bridges cash flow problems
- c) Provides a buffer to allow contingency actions
- d) Addresses spending commitments and potential liabilities in the event of a winding up

- Asset Planning:

- a) Provides the funds needed to replace capital assets
- b) Provides funds to overlap shortfall of income caused by new recruitment
- c) Addresses risks associated with emergencies

- Innovation and Service Investment:

- a) Provide funds to enable the organisation to respond to new beneficiaries and/or needs as quickly as possible
- b) Enables the organisation to take advantage of opportunities

Having previously drawn from the reserves to grow and deliver Migrant Legal Action's charitable objectives, and implement a business turnaround plan, the trustees recognise that the current level of reserves remains considerably below the desired amount. The risks associated with this lack of reserves have become apparent as a result of the impact of increased overheads, at the same time as the organisation faced a decrease in income from the Legal Aid Agency as well as from fee earning activity. This impact, has however been mitigated by:

- A diversified income portfolio which reduces reliability on any one source of income
- An increase in income sources that, though variable, are more reliable

To address long-term financial sustainability, the trustees have further approached our landlord, Multi Racial Trust, to seek their permission to find another organisation who can share the premises. They have further updated the following liquid reserve targets based on an assessment of the risks and opportunities facing Migrant Legal Action, as well as the current and future needs of beneficiaries:

31-12-2024	£35000	15% of annual expenditure, representing 2-months operating costs
31-12-2025	£51,000	24% of annual expenditure, representing 3-months operating costs
31-12-2026	£68,000	32% of annual expenditure, representing 4-months operating costs

Migrant Legal Action

Trustees' Report

Policy on reserves (cont'd)

At the end of 2023 the organisation has not reached the desired level of reserves set last year. This was partly caused by the impact of increased overheads caused by the cost of living crisis. The trustees have, however, continued with the assistance of volunteer bookkeeper to implement new financial controls. Trustees will continue to closely monitor the reserves situation, ensuring that further efforts are put in place during 2024 including:

- a) Continued implementation of new accounting and control systems to enable more effective use of financial resources
- b) Apply for further funding for core operating costs
- c) Reducing work in progress

The trustees will review the required level of reserves on an annual basis, alongside the operating budget. The assessment will take account of income and expenditure risk within the budget, commitments to repay liabilities, and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

Funds in deficit

Annual budgets are prepared for all activities and we carefully monitor performance against these on a monthly basis in order to ensure that any activity operating at a deficit is carefully supervised and opportunities are taken to mitigate risks and increase unrestricted funds.

Migrant Legal Action

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

Our future plans are to:

1. Enhance organisational capacity, resilience and sustainability by:

a) Completing a business transformation process including:

- Finding a partner organisation who is suitable to share our premises
- Financial analysis and appraisal of existing services
- Implementation of financial monitoring and controls

b) Reviewing and updating our Office Manual

c) Updating business plan for the period 2024-2026

d) Continuing to diversify our income profile with particular regard to unrestricted earned income

e) Continuing to rebuild our reserves

f) Recruiting further member of staff following reduction in staffing

2. Design and provide services that deliver positive impact for individuals, families and communities facing severe and multiple disadvantages, by:

a) Increasing our impact and reach by:

- Continuing to use our experience gained by delivering frontline services to influence policy in favour of community-led solutions to reach communities facing multiple disadvantages and complex needs
- Continuing to assist families affected by cost of living crisis

b) Improve efficiency by:

- Better use of technology and administrative support services

Going concern

The trustees are of the view that the charity is a going concern for at least the next twelve months from the date of signing these accounts; the charity has neither the intention nor the need to liquidate or curtail materially the scale of its operations.

In assessing whether Migrant Legal Action will continue to have adequate resources available to fund the charity's activities for the foreseeable future, trustees have considered the following:

- The charity has limited general reserves as at the year-end but increased the amount of work in progress.
- More than 50% of income required for 2024 has been secured at the date of signing these accounts
- Our fundraising success continues to be 60%, which is above the sector norm
- The charity has had the benefit of free accommodation provided by the Multi-Racial Trust at 53 Addington Square, this has been confirmed as continuing until at least 31 October 2025.

Migrant Legal Action

Trustees' Report

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	S Lakhani
	C V Patel
	B E Wagner
	L Negahbani
	V K Baxi (Resigned 1 February 2024)
	B M Monji (appointed 1 February 2024)
Chairman:	S Lakhani
Chief Executive Officer:	Anna Kouma

Structure, governance and management

Nature of governing document

Migrant Legal Action is a registered charity (registration number 1152073) and is constituted as a company registered in England and Wales and limited by guarantee (registration number 07879053). The company does not have share capital and is limited by the guarantee of the members to a maximum of £1 each. The objects and powers are set out in the Articles of Association.

Recruitment and appointment of trustees

Migrant Legal Action is governed by the charity's trustees, who are also the company's directors (and are collectively called the Board). The Board meets a minimum of four times per year to manage the business of the organisation. It can appoint sub-committees and working groups to operate with delegated responsibilities.

The delegated responsibilities and accountabilities of the Chief Executive, General Secretary and other managers are currently set out in the Organisation's Handbook and in individual job descriptions.

The trustees concentrate on strategic matters, setting overall direction for the organisation, ensuring clear organisational objectives and holding the senior management team to account. This is affected through reporting, both on performance and strategic matters, and formal appraisal of the Chief Executive's performance.

The trustees have reserved certain powers, which only they can exercise. These include those statutory powers that cannot be delegated, such as policies on investment and reserves, and decisions linked to major policy or programme initiatives, strategic planning, and changes to organisational structure.

Migrant Legal Action

Trustees' Report

Induction and training of trustees

The Board completes skills audits in order to assess the skills of the existing trustees, identifies any 'skills gaps' and assesses any skills being lost by the retirement of a trustee. New trustees are recruited through advertising and direct approaches to professionals and other voluntary organisations.

The induction process for new trustees is based on Migrant Legal Action's induction pack, and is designed to acquaint them with our purposes, financial position, work structure, staff and current issues. The induction process includes:

- Meetings with the existing trustees and others involved with the charity such as the CEO, members of staff, beneficiaries and stakeholders.
- One-to-one meetings with the Chair and the CEO after the first few trustees meetings, in order to discuss any questions or issues that may have arisen.

In order to ensure continued development, the trustees are offered the opportunity to attend training on key areas, such as risk and accountability.

Staffing and remuneration

Migrant Legal Action promotes the following standards to ensure our human resource policies:

- Are underpinned by a rigorous assessment methodology and a framework which reflects the very latest workplace trends, essential skills and effective structures required to perform effectively.
- Promote increased awareness of mental health and disability at work and provide ongoing support for the organisation in the recruitment and retention of staff.

Performance Management

We have a performance management and appraisal policy that:

- Promotes a consistent approach to workforce supervision throughout Migrant Legal Action.
- Ensures that supervision is geared to achieving the organisation's objectives.
- Enhances the quality of workforce performance.
- Addresses the personal impact of work on all Migrant Legal Action's staff, volunteers and trainees.

Staff Remuneration

We recognise the importance of being transparent and accountable in all aspects of our work, including how we reward and recognise our staff. Every employee in our organisation earns at least the Living Wage.

The London Living Wage is an hourly rate set independently and updated annually, based on the cost of living in London.

Migrant Legal Action

Trustees' Report

Staffing and remuneration (cont'd)

Staff remuneration (cont'd)

Migrant Legal Action is committed to ensuring that we pay our staff fairly and, in a way, which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. In deciding on levels of pay the following factors are taken into account:

- The mission, aims, objectives and values of Migrant Legal Action.
- How any decision might impact on the overall pay policy for all staff.
- The type of skills, experience, competences, etc. that our organisation needs.
- A significant increase in responsibilities or major change in job description.
- Our current strategic business plan and how this might affect future needs.
- Our ability to pay.
- Assessment of the individual's performance against expectations, where possible with clear evidence and targets.
- Appropriate available information on pay levels in other charities relative to size, budgets, responsibilities, etc.
- Our track record in recruiting and retaining high-performing staff.
- The likely impact of any decision on our public reputation, especially amongst our service users and stakeholders.

Salaries

During 2023 we had a staff team of 4 full-time and 2 part-time staff (4 FTE). Two members of staff work fulltime from the office whilst remaining four work remotely part of the week.

For Migrant Legal Action to run successfully, a large range of skills and disciplines are required, and we need to pay appropriately to ensure that we can recruit people with the right skills. We also need to retain them in a competitive market for the long-term, developing them and benefiting from their growing knowledge. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. Our staff pay scales are set with this in mind.

The salary of the chief executive is approved by our Board. Every three years the chief executive's salary is reviewed to benchmark it against other charities in London relative to size, budgets, responsibilities and the competitiveness of the employment market. At the same time, we seek to keep salary costs under control.

All other staff salaries are set by our management team, using comparisons with charities of our size in London and taking into account factors including inflation and Migrant Legal Action's financial position. Salaries are openly stated in job adverts. The same benefits, including pensions, and terms and conditions apply to the chief executive as all other staff. We don't apply any form of performance-related pay, nor do we have a bonus scheme.

Migrant Legal Action

Trustees' Report

Major risks and management of those risks

The trustees regularly review and assess the risks faced by Migrant Legal Action in all areas of its work, and plan for the management of those risks. The management ensure that all plans and decisions take into account the possibility of negative outcomes. There is a Risk Register which is supervised and monitored monthly by the ECO, reported on quarterly at meetings of the Board of trustees and reviewed annually by the Board in order to ensure that the material risks to which the charity is exposed are properly evaluated and managed.

Appropriate mitigating actions are implemented by management to address the residual risks, mitigating them to a level the Board considers acceptable.

The Board recognises that, to achieve the objectives of the charity, the nature of some of Migrant Legal Action's work requires acceptance of some risks which are outside our control, that is, risks which cannot be eliminated, so where this happens there is active and clear monitoring of the risk.

The trustees consider that appropriate systems and controls are in place to monitor, manage and mitigate Migrant Legal Action's exposure to risks. These include, among other control mechanisms, maintaining staff awareness of risks by embedding suitable approaches in the budgeting process, the maintaining of reserves and the review of key systems and processes.

Principal Risks and Uncertainties

Our risk assessment and mitigation strategy approach is proactive and:

- Involves the whole organisation in the identification of business risks
- Increases our capability to respond to unforeseen events by integrating risk management with business continuity management
- Provides a register of prioritised risks, ranked for likelihood and impact
- Provides a framework for operational risk management and quarterly reporting
- Integrates scenario planning and disaster recovery
- Updates our risk assessment methodology every 2 years

Principle risks and uncertainties are assessed for impact and likelihood. The highest risk areas have been identified as follows:

- Failure to generate sufficient income
- Failure to effectively manage budget and liquidity
- Loss of staff, resulting in reduction to services
- Major unforeseen expenditure creating significant overspend or a need to make significant and unplanned increase in expenditure
- Failure to maintain day-to-day service provision where service quality, availability and continuity of service is affected by partial or total loss of resources such as staff, equipment, systems, information and premises, which would result in reduced levels of service provision and additional cost, dissatisfied clients and lost business

Migrant Legal Action

Trustees' Report

Statement of trustees' responsibilities

The trustees (who are also the directors of Migrant Legal Action 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 31 October 2024 and signed on its behalf by:

.....
S Lakhani
Chairman and Trustee

Migrant Legal Action

Independent Examiner's Report to the trustees of Migrant Legal Action ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Migrant Legal Action as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Sajjad Rajan
Smartax Limited
Chartered Certified Accountants and Statutory Auditors

38 Station Road
North Harrow
Harrow
HA2 7SE

31 October 2024

Migrant Legal Action

Statement of Financial Activities for the Year Ended 31 December 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Donations and legacies	3	2,494	-	2,494	17,671
Other trading activities	4	139,557	32,068	171,625	166,296
Investment income	5	860	-	860	187
Total income		<u>142,911</u>	<u>32,068</u>	<u>174,979</u>	<u>184,154</u>
Expenditure on:					
Charitable activities	15	<u>(142,649)</u>	<u>(32,068)</u>	<u>(174,717)</u>	<u>(218,291)</u>
Total expenditure		<u>(142,649)</u>	<u>(32,068)</u>	<u>(174,717)</u>	<u>(218,291)</u>
Net income/(expenditure)		<u>262</u>	<u>-</u>	<u>262</u>	<u>(34,137)</u>
Net movement in funds		262	-	262	(34,137)
Reconciliation of funds					
Total funds brought forward		<u>2,379</u>	<u>-</u>	<u>2,379</u>	<u>36,516</u>
Total funds carried forward	12	<u><u>2,641</u></u>	<u><u>-</u></u>	<u><u>2,641</u></u>	<u><u>2,379</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 12.

Migrant Legal Action
(Registration number: 07879053)
Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	8	517	776
Current assets			
Debtors	9	17,583	15,973
Cash at bank and in hand	10	<u>18,435</u>	<u>19,260</u>
		36,018	35,233
Creditors: Amounts falling due within one year	11	<u>(33,894)</u>	<u>(33,630)</u>
Net current assets		<u>2,124</u>	<u>1,603</u>
Net assets		<u>2,641</u>	<u>2,379</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>2,641</u>	<u>2,379</u>
Total funds	12	<u>2,641</u>	<u>2,379</u>

For the financial year ending 31 December 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 20 to 33 were approved by the trustees, and authorised for issue on 31 October 2024 and signed on their behalf by:

.....
S Lakhani
Chairman and Trustee

The notes on pages 22 to 33 form an integral part of these financial statements.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2023

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £3 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

53 Addington Square
London
SE5 7LB

These financial statements were authorised for issue by the trustees on 31 October 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Migrant Legal Action meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2023

Exemption from preparing a cash flow statement

The charity has taken advantage of reporting exemptions under FRS 102 and therefore not included a cash flow statement in these financial statements.

Judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Income and endowments

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

Donations and legacies

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.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated 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.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

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.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2023

Support costs

Support costs include central functions such as governance cost, finance and information technology incurred directly in support of expenditure on the objects of the charity. They have been allocated to activity cost categories on a basis consistent with the use of resources.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

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.

Tangible fixed assets

Individual fixed assets costing £50.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Furniture and equipment	20% Reducing balance

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2023

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The aims and use of each material restricted fund are set out in note 14 of the financial statements.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method, and investments which are held at fair value.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2023

3 Income from donations and legacies

	Unrestricted funds £	Total 2023 £	Total 2022 £
Donations and legacies;			
Grants from institutions	-	-	12,196
General donations	2,494	2,494	5,475
	2,494	2,494	17,671
	2,494	2,494	17,671

4 Income from other trading activities

	Unrestricted funds £	Restricted £	Total 2023 £	Total 2022 £
Trading income;				
Legal representation	139,557	32,068	171,625	166,296
	139,557	32,068	171,625	166,296
	139,557	32,068	171,625	166,296

5 Investment income

	Unrestricted funds £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	860	860	187
	860	860	187
	860	860	187

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2023

6 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	130,125	139,750
Social security costs	5,912	7,427
Pension costs	2,431	2,431
Other staff costs	674	1,949
	<u>139,142</u>	<u>151,557</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Case workers	5	5
Administration	1	1
	<u>6</u>	<u>6</u>

No employee received emoluments of more than £60,000 during the year.

7 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2023

8 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2023	4,085	4,085
At 31 December 2023	4,085	4,085
Depreciation		
At 1 January 2023	3,309	3,309
Charge for the year	259	259
At 31 December 2023	3,568	3,568
Net book value		
At 31 December 2023	517	517
At 31 December 2022	776	776

9 Debtors

	2023 £	2022 £
Trade debtors	17,583	15,973

10 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	18,435	19,260

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2023

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	23,127	17,604
Other taxation and social security	7,078	12,113
Other creditors	3,689	3,913
	33,894	33,630

12 Funds

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
Unrestricted				
General funds	2,379	142,911	(142,649)	2,641
Restricted funds				
People of Southwark	-	32,068	(32,068)	-
Total funds	2,379	174,979	(174,717)	2,641

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
Unrestricted				
General funds	36,516	142,385	(176,522)	2,379
Restricted funds				
People of Southwark	-	41,769	(41,769)	-
Total funds	36,516	184,154	(218,291)	2,379

The specific purposes for which the funds are to be applied are as follows:

Women trafficking - Tackling matters with trafficking specifically involving with women

People of Southwark - Providing legal assistance to those within the London Borough of Southwark

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2023

13 Analysis of net assets between funds

	Unrestricted funds	Total funds
	£	£
Tangible fixed assets	517	517
Current assets	36,018	36,018
Current liabilities	(33,894)	(33,894)
Total net assets	2,641	2,641
	Unrestricted funds	Total funds
	£	£
Tangible fixed assets	776	776
Current assets	35,233	35,233
Current liabilities	(33,630)	(33,630)
Total net assets	2,379	2,379

14 Analysis of net funds

	At 1 January	Cash flows	At 31
	2023	£	December
	£	£	2023
	£	£	£
Cash at bank and in hand	19,260	(19,260)	-
Net funds	19,260	(19,260)	-
	At 1 January	Cash flows	At 31
	2022	£	December
	£	£	2022
	£	£	£
Cash at bank and in hand	29,095	(9,835)	19,260
Net funds	29,095	(9,835)	19,260

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2023

15 Expenditure on charitable activities

	Note	Unrestricted funds £	Restricted £	Total 2023 £	Total 2022 £
Direct costs		4,917	-	4,917	21,184
Staff costs		107,074	32,068	139,142	151,557
Allocated support costs	16	28,358	-	28,358	43,450
Governance costs	16	2,300	-	2,300	2,100
		142,649	32,068	174,717	218,291

	Activity undertaken directly £	Activity support costs £	2023 £
Tackling asylum	28,302	13,945	42,247
Tackling trafficking	23,748	11,703	35,451
Tackling immigration	64,993	32,026	97,019
	117,043	57,674	174,717

	Activity undertaken directly £	Activity support costs £	2022 £
Tackling asylum	42,000	22,143	64,143
Tackling trafficking	26,708	14,081	40,789
Tackling immigration	74,226	39,133	113,359
	142,934	75,357	218,291

In addition to the expenditure analysed above, there are also governance costs of £2,300 (2022 - £2,100) which relate directly to charitable activities. See note 16 for further details.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2023

16 Analysis of governance and support costs

Support costs allocated to charitable activities

	Governance costs £	Finance costs £	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Total 2023 £
Tackling asylum	556	144	793	6,535	4,326	1,591	13,945
Tackling trafficking	467	121	665	5,484	3,631	1,335	11,703
Tackling immigration	1,277	332	1,821	15,008	9,934	3,654	32,026
	<u>2,300</u>	<u>597</u>	<u>3,279</u>	<u>27,027</u>	<u>17,891</u>	<u>6,580</u>	<u>57,674</u>

	Governance costs £	Finance costs £	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Total 2022 £
Tackling asylum	617	239	1,149	8,758	9,440	1,940	22,143
Tackling trafficking	392	152	731	5,570	6,002	1,234	14,081
Tackling immigration	1,091	421	2,031	15,479	16,683	3,428	39,133
	<u>2,100</u>	<u>812</u>	<u>3,911</u>	<u>29,807</u>	<u>32,125</u>	<u>6,602</u>	<u>75,357</u>

The support costs have been allocated in proportion to the staff costs incurred on each activity. The trustees are of the opinion that this represents a fair use of resources.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2023

Governance costs

	Unrestricted funds £	Total 2023 £	Total 2022 £
Accountancy fees	2,000	2,000	1,800
Independent examiner's fee	300	300	300
	<u>2,300</u>	<u>2,300</u>	<u>2,100</u>

17 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

18 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2023 £	2022 £
Depreciation of fixed assets	<u>258</u>	<u>258</u>

MIGRANT LEGAL ACTION

England & Wales - Charity number 1152073

Accounts

Company registration number: 07879053

Charity registration number: 1152073

Migrant Legal Action

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2022

Smartax Limited
38 Station Road
North Harrow
Harrow
HA2 7SE

Migrant Legal Action

Contents

Reference and Administrative Details	1
Trustees' Report	5 to 18
Independent Examiner's Report	19
Statement of Financial Activities	20
Balance Sheet	21
Notes to the Financial Statements	22 to 34

Migrant Legal Action

Reference and Administrative Details

Chairman	S Lakhani
Chief Executive Officer	Anna Kouma
Trustees	S Lakhani C V Patel B E Wagner L Negahbani V K Baxi
Charity Registration Number	1152073
Company Registration Number	07879053
Registered Office	The charity is incorporated in England. 53 Addington Square London SE5 7LB
Independent Examiner	Smartax Limited 38 Station Road North Harrow Harrow HA2 7SE
Bankers	Natwest 70 Denmark Hill Camberwell London SE5 8SD

Migrant Legal Action

Chairman's statement

Welcome to our annual report

I am very delighted to once again be able to present you with Migrant Legal Action's Annual Report for year 2022. Since 1978 Migrant Legal Action and its staff have been working determinedly to help our clients to find the best solutions to their immigration issues, this work continued during 2022.

At its heart, Migrant Legal Action has the aim to defend the rights of the most vulnerable members of our community through the taking of legal action. During 2022, we started to establish a new-normal following the impact of COVID-19. This has seen a bigger use of technology and remote working for members of staff. Additionally, the conflict in Ukraine has meant a large influx of persons who are seeking protection due to its impact. Additionally, we have been affected by the cost-of-living crisis, which has given rise to an unprecedented inflation. This report is a testament to the impact of the organisation's efforts to assist our clients. Migrant Legal Action, together with our funders, partners, and supporters, have continued to pursue its mission to defend the rights of the immigrant community.

This annual report demonstrates how we have continued to work to meet our aims, setting out the measurable results that we have achieved and illustrates how we have continued to work towards financial sustainability of the organisation.

We work to enable and empower our clients, who face immigration, asylum or nationality issues, to better understand their rights as well as obligations. We believe that access to legal advice is an essential tool necessary to empower those in our communities who face multiple disadvantage and complex needs. Provision of appropriate advice, guidance and representations has as its objective to enable clients to take appropriate action to improve their lives. We work toward achieving this by providing high quality specialist legal advice and representation, which is free or affordable.

Many of our funders continued to step up to help meet the challenges caused by the pandemic and the cost-of-living crisis, including additional flexible funding. Migrant Legal Action is very grateful to Advising UK for facilitating access to the Community Justice Fund, wave 3 funding.

As you will be able to readily see from the report Migrant Legal Action has continued to achieve excellent results and is cost effective. We measure our impact by recording the outcomes that we achieve for individual clients and measuring our performance. This in turn shows the effect that our work has in our local community and in the wider society. We work towards ever increasing effectiveness by the use of technologies, whilst ensuring that we work ethically and protect the privacy of our clients.

We were fortunate to continue receiving the assistance of our volunteer bookkeeper, who during the year has assisted us in developing internal financial controls and making sure that we increase our financial resilience.

Our work continues to be made possible by our generous and dedicated funders and supporters. Migrant Legal Action has, since it was established more than 40 years ago, been fortunate to have a strong and stable basis of donors and supporters. We remain grateful for your continued trust and generosity and recognise that we would not have been able to continue our work without your support.

I would like to take this opportunity to thank everyone for your continued support during 2022. On behalf of the board of trustees, I would like to extend particular appreciation to our excellent team of staff and volunteers for their continued commitment to the people we serve. I am very pleased that the team has continued to achieve exceptional results for our clients.

Migrant Legal Action

Chairman's statement

The following pages feature our work over the last financial year. During this year we provided specialist casework and representation, including advocacy in court, in 360 cases. We provided advice to 2160 clients on the phone and 2nd tier advice on 105 cases to generalist advisers and community organisations. A very high percentage of our clients, 98%, continue to report that they were happy with our service. During the year we have continued with our dedicated specialist anti-trafficking project.

Working in Partnership

At Migrant Legal Action we are of the view that it is essential that we continue working in partnership with local and national organisations and councils. Such partnerships help us to better respond to our clients' needs, share information and resources. During 2022 we have continued to work together with other agencies both nationally and locally to find the best response and to continue providing the much-needed services to clients who had been affected by the cost-of-living crisis. We continue being a core member of Southwark Legal Advice Network (SLAN) where advice agencies located in the borough work together to establish objectives for the advice sector in Southwark whilst identifying particular areas of need and concern.

During 2022 in partnership with Southwark Law Centre and Cambridge House Law Centre we continued to provide specialist advice services to the residents of Southwark in accordance with our contract with the Borough of Southwark. We also worked closely together with our colleagues at Citizen Advice from whom we continued to accept regular referrals of complex cases. Citizen Advice nationally continues to be the highest referral source to our telephone advice service.

During the year we have also received referrals from our partners at Refuge, Hestia, Hackney Migrant Centre, CORAM, PRAXIS, Red Cross, Refugee Council, the No Recourse to Public Funds Team in Southwark as well as our local MPs.

During the year, together with other organisations in Southwark we became a referral agency in the community referral pathway to the Southwark Cost of Living Fund.

We have also continued support frontline workers to assist service users with their immigration queries and in particular to alleviate the impact of the NRPF condition. We have also continued to work with frontline agencies to identify and support those who have unresolved immigration status, enabling them to access advice and representations in making applications to regularise their status in the UK.

Migrant Legal Action

Chairman's statement

Acknowledgements

Migrant Legal Action fundraises for all its work with the most vulnerable clients. We rely on relationships with many partners throughout the country and internationally.

Our trustees sincerely thank all our supporters and donors who make our work possible, including:

- London Borough of Southwark
- Community Justice Fund
- The Legal Aid Agency
- Multi-Racial Trust

Finally, we want to thank our partners, staff and volunteers who during 2022 have contributed to our work.



S Lakhani
Chairman and Trustee

Migrant Legal Action

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2022.

Objectives and activities

Objects and aims

We deliver specialist advice and representation to people facing multiple disadvantages.

We are based in Camberwell, Southwark but work regionally, nationally and internationally. We nevertheless remain firmly rooted in our local community and work closely with the community and other organisations and agencies in Southwark.

Our aim is to tackle social injustice and poverty by:

- Delivering specialist legal assistance, promoting social justice and empowerment to vulnerable people with multiple disadvantages
- Improving the resilience and self-sufficiency of people who are vulnerable and marginalised
- Empowering excluded people to become active participants and contributors in society

Objectives, strategies and activities

During the year, supported by our stakeholders and advisers, we worked towards delivering our business plan which was updated in December 2020. We continued working towards developing and implementing financial systems and controls with the aim of strengthening the organisation's financial resilience. We realise that establishing financial reserves is our most important objective as we want to build up our sustainability in the face of continued adverse financial climate.

The plan's key strategic objectives continue to be:

- Enhance organisational capacity, resilience and sustainability.
- Design and provide services that deliver positive impact for individuals, families and communities focusing on those that face severe and multiple disadvantages.

Migrant Legal Action

Trustees' Report

Strategic Objective 1

To enhance organisational capacity, resilience and sustainability

Our key achievements in relation to business development targets included:

1. Ensuring that the organisation limits the impact of COVID-19 emergency and cost of living crisis, both in terms of financial sustainability and capacity:

a) Maintained our financial position as follows:

- Continues to limit the financial impact on the organisation inflicted by the impact of COVID-19 and cost of living crisis
- Increased our reserves

b) Improved our resilience:

- Continued to implemented monitoring of the organisation's performance and develop measurements of impact
- Continued to implemented mixed working environment for all members of staff enabling them to work remotely as well as in the office

Strategic Objective 2

Design and provide services that deliver positive impact for individuals, families and communities focusing on those that face severe and multiple disadvantage

Helping people obtain leave to remain, obtain jobs and reunite with their families is at the heart of this objective. During 2021 we continued to focus on clients who have been affected by COVID-19 in conjunction with the effect of having NRPF condition imposed on their immigration status.

Our key achievements in relation to affordable, independent, and expert legal services included the following:

- 2160 beneficiaries during the year comprising 283 clients advised face to face and an estimated further 680 family members and children out of which 60% were affected by NRPF status:

1. 98% were "Very Satisfied" with overall level of service
2. 98% also reported increased awareness of their rights and responsibilities because of the advice given

Users were:

1. 54% female and 46% male
2. 70% Black and Minority Ethnic and 30% British White and White Other
3. 45% Living in social housing
4. 19% Homeless
5. 36% Privately renting
6. 65% Lone parents with children
7. 35% Couples with children
8. 29% Unemployed
9. 56% Working [full-time and part-time]

Migrant Legal Action

Trustees' Report

Asylum:

1. 24 new asylum cases opened
2. 12 specialist one-off advice sessions
3. 8 clients represented at Court
4. 15 grants of refugee status
5. 8 successful appeals

Immigration:

1. 187 new immigration cases opened
2. 18 specialist one-off advice sessions
3. 7 clients successfully represented at Appeals Tribunals
4. 162 clients granted leave to remain or indefinite leave to remain

Nationality:

1. 72 new nationality cases opened
2. 10 specialist one-off advice sessions
3. 61 grants of citizenship

Public benefit

Charity trustees have a duty to report in the trustees' annual report on their charity's public benefit. The trustees should demonstrate the following:

- They are clear about what benefits are generated by the activities of the charity. This report sets out the activities carried out by Migrant Legal Action to further its mission.
- The benefits must be related to the objects of the charity: all activities are intended to further Migrant Legal Action's charitable objects, as detailed in the Articles of Association.

The people who receive support are entitled to do so according to criteria set out in the charity's objects: wherever possible, the views and opinions of beneficiaries are sought in the design and implementation of Migrant Legal Action's activities. This approach helps to ensure that projects are targeted at people in need, and that beneficial changes to the lives of people from disadvantaged and excluded communities can be evaluated and assessed.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Migrant Legal Action

Trustees' Report

Use of volunteers

Volunteers have always been vital in delivering our work and bring their time, energy and enthusiasm to Migrant Legal Action's activities. We aim to ensure that as many people as possible are aware of the volunteering opportunities we offer. We also aim to provide our volunteers with opportunities to acquire skills and experiences that will help them improve their quality of life, develop their professional knowledge and or progress into further education, employment or training.

The majority of our volunteers find out about us through personal recommendation. Our volunteers are not paid for their time, but they are reimbursed for out-of-pocket expenses they incur. All of our volunteers are provided with a confidentiality agreement and a volunteer agreement, defining their goals, our needs, and the level of support or training they will receive.

Because of the continued implementation of remote working, engaging volunteers has become more challenging. During 2022, two volunteers worked with us to provide support in the following areas:

- Book keeping/accounting
- Administrative support

Achievements and performance

During 2022 European Nationals continued to be able to make applications under the EU Settlement Scheme. However, such applications are now made out of time and have become more complex. This resulted in advice calls on our advice line from European nationals and their family members needing casework support as opposed to one off advice with the process. Following the closure of the EUSS, we have continued to receive a large amount of enquiries to submit late applications to the Scheme and note that there remain many family members of EEA citizens who were unaware of the requirement that they had to make an application under the Scheme. Enquiries further relate to application for family permits where family members reside outside the UK and wish to seek to join the EEA family members in the UK.

We have also seen a continued high demand in callers referred to us by other organisations and those wanting advice on their right to lift limitation on access to public funds or who require assistance in obtaining fee waivers, as many clients reported financial impact of which meant that they were not able to meet the increased application fees and Immigration Health Surcharge imposed on all application for further leave to remain.

Additionally, as a result of the continued impact of COVID-19, applications have been subjected to lengthy delays, with the result that we have been receiving many enquiries from clients who are facing financial difficulties as a result of not having documents evidencing their right to work and claim benefits.

ASYLUM AND FAMILY REUNION

Migrant Legal Action remains dedicated to assisting refugees in obtaining status and security in the UK. During 2022, the Home Office continued to try to deal with the large backlog of unresolved asylum cases created by the COVID-19 pandemic. We have, however, started to see that applications are being progressed and have continue to be particularly proud of the large percentage of grants made by the Secretary of State without the need to appeal, which this year reached 95%. Unfortunately, clients who had pending asylum claims continued to experience delays due to the large backlog. Extensive delays continue to be faced by those who are referred into National Referral Mechanism, as being potential victims of trafficking.

Migrant Legal Action

Trustees' Report

ASYLUM AND FAMILY REUNION (cont'd)

During the year we continued to receive a large number of referrals of asylum and family reunion clients who following a grant of asylum needed assistance with family reunion applications. This work remains particularly difficult because of the unavailability of Legal Aid and the need to apply for Exceptional Funding. It appears that capacity in relation to representatives able to assist with asylum and family reunion claims is now a real concern. We are pleased that our applications for exceptional funding on behalf of our vulnerable clients continue to be successful.

IMMIGRATION

We represented 45 clients who were seeking entry clearance for their family members to join them in the United Kingdom. Moreover, we continued assisting clients who face difficulties in obtaining British passport for their children who were born outside the UK. We continued to provide advice and assistance with applications for elderly parents to be allowed to remain in the United Kingdom with their children. This category of applicants continues to be particularly challenging, as since July 2012 the immigration rules for adult dependent relatives have been, in practice, almost impossible to meet. We therefore are experiencing a growing number of clients who require advice in relation to their elderly relatives. We are moreover extremely happy that all our applications for this category of clients have been successful.

We represented 107 clients during 2021 who required assistance with their leave to remain applications where they were unable to afford paying the application fee. We now experience that most of our clients who are making human rights-based claims, are not able to meet the Home Office application fees and require assistance with obtaining fee waivers. These applications continue to be challenging because of the high level of scrutiny into client's financial situations. However, following the review of the policy which now allows caseworkers to grant fee waiver to all clients who can show that they cannot afford the fee, it has been our experience that it has become easier to make the applications. Moreover, many caseworkers continue use of email and telephone during the consideration, which hugely facilitate our ability to resolve queries quickly. We were pleased that again all but two of our fee waiver requests during 2022 were successful.

ANTI-TRAFFICKING PROJECT

During 2022 we continued to offer specialist advice to potential victims of trafficking, as part of our anti-trafficking project, which we have run since 2012. We continued to offer free legal advice and representation to victims of trafficking and servitude. During the year we also provided contributed to London Borough of Southwark's Community Safety Team's Modern Slavery Partnership.

The aim of the project continues to be the breaking of the cycle of human trafficking and forced labour by increasing the provision of legal advice, improving the awareness of the issues and contribute to the development of policy in this area. During 2022 we continued to contribute to the University of Nottingham research project 'Pathways Through Liberation: Revealing Survivors' Support Journeys Outside of the UK National Referral Mechanism'. This is a project looking at the experiences of victims of trafficking who either do not enter the NRM or leave it prematurely, as there is a lack of knowledge about the experiences and outcomes for this very vulnerable group.

Victims of trafficking are a group of clients who are often particularly vulnerable, as they are victims of exploitation and often face multiple disadvantages. The delays and poor decision making often lead their re-traumatisation and the biggest challenge is cultivating a relationship of trust between the client and the advisor. As a result of the Home Office's delays in decision making, during 2022 the project resulted in 5 successful outcomes.

Migrant Legal Action

Trustees' Report

BREXIT

During 2022, EU citizens and their dependents continued to be able to make applications under the EU Settlement Scheme to secure their immigration status in the UK. Officially the Scheme closed on 30 June 2021, however the Home Office continued to accept late applications, however requiring justifications for the lateness of the claim. During the year our advice to clients has therefore increasingly focussed on assisting as many clients as possible through casework to submit successful applications. Our experience continues to be that non-EEA family members are a group where we have identified a lack of awareness of the need to apply under the EUSS.

JUDICIAL REVIEW

We continue dealing with judicial review claims. During 2022 these consisted of challenges of Home Office's decision to certify our client's human rights' and asylum claims. All of these continue to be settled in our clients' favour. We have also continued in challenging the Upper Tribunal's refusals of permission to appeal through judicial review.

DEPORTATION

We continue representing clients that face deportation following criminal convictions. These clients are often facing lengthy detention under immigration powers and are at high risk of deportation, if unrepresented. Clients we represent have families and children in the UK following very lengthy residence. Some of our clients have received sentences of more than 4 years imprisonment, making their appeals particularly difficult.

Most deportation cases are particularly challenging because of the lack of Legal Aid funding and the need to apply for exceptional funding from the Legal Aid Agency. Deportation cases require particularly detailed preparation and obtaining of detailed expert reports. During 2022 Migrant Legal Action continued its work in assisting this vulnerable group and has made a number of successful exceptional funding applications to be able to represent clients.

CONCLUSION

It has been yet another demanding year, but we have settled in well to a mixed way of working, using our office resources in a flexible manner. We have further continued to achieve exceptionally good results for our clients.

We look forward to next year with cautious confidence that we will be able to continue working in assisting clients, bringing hope to those who continue to be affected by the COVID-19 pandemic in combination with the complex immigration system. We aim to continue fighting for justice for the most vulnerable and marginalised.

Key non-financial performance indicators

We reached a total of 2,160 clients in 2022. Consequently, the number of our service users has remained stable.

Our reach this year was calculated by:

- Recording the numbers of individual people and families who accessed frontline casework service and project during the year: 283 beneficiaries.
- Recording the numbers of individual people and families who accessed our specialist advice line. This saw a small decrease this year due which is probably due to the closure of the EUSS but has remained high which we attribute to the unavailability of such service from other providers: 1626 beneficiaries.
- Recording the numbers of generalist advisers and community organisations that have contacted us during the year to seek advice in relation to their service users: 105 beneficiaries.

Further analysis of performance indicators can be found within the Trustees' Report under objectives, strategies and activities section.

Migrant Legal Action

Trustees' Report

Financial review

The statement of financial activities shows net expenditure of £34,137 (2021 - Income of £18,767) for the period. Funds as at 31 December 2022 stood at £2.379 (2021 - £36,516).

The details between restricted and unrestricted funds are given in note 15. The trustees consider the state of the charity's affairs to be satisfactory.

Policy on reserves

The trustees have reviewed the reserves policy to ensure that it is aligned to Migrant Legal Action's strategic plan, and set a policy that requires reserves in a readily realisable form be built to a level that:

- Continuity Planning:

- a) Protects the continuity of the organisation's services for beneficiaries in the event of a large variation of income
- b) Bridges cash flow problems
- c) Provides a buffer to allow contingency actions
- d) Addresses spending commitments and potential liabilities in the event of a winding up

- Asset Planning:

- a) Provides the funds needed to replace capital assets
- b) Provides funds to overlap shortfall of income caused by new recruitment
- c) Addresses risks associated with emergencies

- Innovation and Service Investment:

- a) Provide funds to enable the organisation to respond to new beneficiaries and/or needs as quickly as possible
- b) Enables the organisation to take advantage of opportunities

Having previously drawn from the reserves to grow and deliver Migrant Legal Action's charitable objectives, and implement a business turnaround plan, the trustees recognise that the current level of reserves remains considerably below the desired amount. The risks associated with this lack of reserves have become apparent as a result of the impact of COVID-19, where the organisation faced a decrease in income from the Legal Aid Agency as well as from fee earning activity. This impact, has however been mitigated by:

- Securing additional funding from the Community Justice Fund
- Enabling staff to work remotely and furlough of staff that were not able to work from home
- A diversified income portfolio which reduces reliability on any one source of income
- An increase in income sources that, though variable, are more reliable

To address long-term financial sustainability, the trustees have amended the following liquid reserve targets based on an assessment of the risks and opportunities facing Migrant Legal Action, as well as the current and future needs of beneficiaries:

31-12-2023	£35000	15% of annual expenditure, representing 2-months operating costs
31-12-2024	£51,000	24% of annual expenditure, representing 3-months operating costs
31-12-2025	£68,000	32% of annual expenditure, representing 4-months operating costs

Migrant Legal Action

Trustees' Report

Policy on reserves (cont'd)

At the end of 2022 the organisation has not reached the desired level of reserves set last year. This was partly caused by the continued impact of COVID-19 taken together with the increased overheads caused by the cost of living crisis. The trustees have, however, with the assistance of volunteer bookkeeper, continued to implement new accounting systems and controls. Trustees will continue to closely monitor the reserves situation, ensuring that further efforts are put in place during 2023 including:

- a) Continued implementation of new accounting and control systems to enable more effective use of financial resources
- b) Apply for further funding for core operating costs
- c) Reducing work in progress

The trustees will review the required level of reserves on an annual basis, alongside the operating budget. The assessment will take account of income and expenditure risk within the budget, commitments to repay liabilities, and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

Funds in deficit

Annual budgets are prepared for all activities and we carefully monitor performance against these on a monthly basis in order to ensure that any activity operating at a deficit is carefully supervised and opportunities are taken to mitigate risks and increase unrestricted funds.

Plans for future periods

Aims and key objectives for future periods

Our future plans are to:

1. Enhance organisational capacity, resilience and sustainability by:

- a) Completing a business transformation process including:
 - Financial analysis and appraisal of existing services
 - Implementation of financial monitoring and controls
- b) Reviewing and updating our Office Manual
- c) Updating business plan for the period 2023-2026
- d) Continuing to diversify our income profile with particular regard to unrestricted earned income
- e) Continuing to rebuild our reserves
- f) Recruiting further member of staff following reduction in staffing

2. Design and provide services that deliver positive impact for individuals, families and communities facing severe and multiple disadvantages, by:

- a) Increasing our impact and reach by:
 - Continuing to use our experience gained by delivering frontline services to influence policy in favour of community-led solutions to reach communities facing multiple disadvantages and complex needs
 - Continuing to assist families affected by COVID-19 pandemic
- b) Improve efficiency by:
 - Better use of technology and administrative support services

Migrant Legal Action

Trustees' Report

Going concern

The trustees are of the view that the charity is a going concern for at least the next twelve months from the date of signing these accounts; the charity has neither the intention nor the need to liquidate or curtail materially the scale of its operations.

In assessing whether Migrant Legal Action will continue to have adequate resources available to fund the charity's activities for the foreseeable future, trustees have considered the following:

- The charity has limited general reserves as at the year-end but increased the amount of work in progress.
- More than 50% of income required for 2022 has been secured at the date of signing these accounts
- Our fundraising success continues to be 60%, which is above the sector norm
- The charity has had the benefit of free accommodation provided by the Multi-Racial Trust at 53 Addington Square, this has been confirmed as continuing until 31 March 2023

Migrant Legal Action

Trustees' Report

Induction and training of trustees

The Board completes skills audits in order to assess the skills of the existing trustees, identifies any 'skills gaps' and assesses any skills being lost by the retirement of a trustee. New trustees are recruited through advertising and direct approaches to professionals and other voluntary organisations.

The induction process for new trustees is based on Migrant Legal Action's induction pack, and is designed to acquaint them with our purposes, financial position, work structure, staff and current issues. The induction process includes:

- Meetings with the existing trustees and others involved with the charity such as the CEO, members of staff, beneficiaries and stakeholders.
- One-to-one meetings with the Chair and the CEO after the first few trustees meetings, in order to discuss any questions or issues that may have arisen.

In order to ensure continued development, the trustees are offered the opportunity to attend training on key areas, such as risk and accountability.

Staffing and remuneration

Migrant Legal Action promotes the following standards to ensure our human resource policies:

- Are underpinned by a rigorous assessment methodology and a framework which reflects the very latest workplace trends, essential skills and effective structures required to perform effectively.
- Promote increased awareness of mental health and disability at work and provide ongoing support for the organisation in the recruitment and retention of staff.

Performance Management

We have a performance management and appraisal policy that:

- Promotes a consistent approach to workforce supervision throughout Migrant Legal Action.
- Ensures that supervision is geared to achieving the organisation's objectives.
- Enhances the quality of workforce performance.
- Addresses the personal impact of work on all Migrant Legal Action's staff, volunteers and trainees.

Staff Remuneration

We recognise the importance of being transparent and accountable in all aspects of our work, including how we reward and recognise our staff. Every employee in our organisation earns at least the Living Wage.

The London Living Wage is an hourly rate set independently and updated annually, based on the cost of living in London.

Migrant Legal Action

Trustees' Report

Staffing and remuneration (cont'd)

Staff remuneration (cont'd)

Migrant Legal Action is committed to ensuring that we pay our staff fairly and, in a way, which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. In deciding on levels of pay the following factors are taken into account:

- The mission, aims, objectives and values of Migrant Legal Action.
- How any decision might impact on the overall pay policy for all staff.
- The type of skills, experience, competences, etc. that our organisation needs.
- A significant increase in responsibilities or major change in job description.
- Our current strategic business plan and how this might affect future needs.
- Our ability to pay.
- Assessment of the individual's performance against expectations, where possible with clear evidence and targets.
- Appropriate available information on pay levels in other charities relative to size, budgets, responsibilities, etc.
- Our track record in recruiting and retaining high-performing staff.
- The likely impact of any decision on our public reputation, especially amongst our service users and stakeholders.

Salaries

During 2022 we had a staff team of 4 full-time and 2 part-time staff (5 FTE). Two members of staff work fulltime from the office whilst remaining four work remotely part of the week.

For Migrant Legal Action to run successfully, a large range of skills and disciplines are required, and we need to pay appropriately to ensure that we can recruit people with the right skills. We also need to retain them in a competitive market for the long-term, developing them and benefiting from their growing knowledge. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. Our staff pay scales are set with this in mind.

The salary of the chief executive is approved by our Board. Every three years the chief executive's salary is reviewed to benchmark it against other charities in London relative to size, budgets, responsibilities and the competitiveness of the employment market. At the same time, we seek to keep salary costs under control.

All other staff salaries are set by our management team, using comparisons with charities of our size in London and taking into account factors including inflation and Migrant Legal Action's financial position. Salaries are openly stated in job adverts. The same benefits, including pensions, and terms and conditions apply to the chief executive as all other staff. We don't apply any form of performance-related pay, nor do we have a bonus scheme.

Migrant Legal Action

Trustees' Report

Major risks and management of those risks

The trustees regularly review and assess the risks faced by Migrant Legal Action in all areas of its work, and plan for the management of those risks. The management ensure that all plans and decisions take into account the possibility of negative outcomes. There is a Risk Register which is supervised and monitored monthly by the ECO, reported on quarterly at meetings of the Board of trustees and reviewed annually by the Board in order to ensure that the material risks to which the charity is exposed are properly evaluated and managed.

Appropriate mitigating actions are implemented by management to address the residual risks, mitigating them to a level the Board considers acceptable.

The Board recognises that, to achieve the objectives of the charity, the nature of some of Migrant Legal Action's work requires acceptance of some risks which are outside our control, that is, risks which cannot be eliminated, so where this happens there is active and clear monitoring of the risk.

The trustees consider that appropriate systems and controls are in place to monitor, manage and mitigate Migrant Legal Action's exposure to risks. These include, among other control mechanisms, maintaining staff awareness of risks by embedding suitable approaches in the budgeting process, the maintaining of reserves and the review of key systems and processes.

Principal Risks and Uncertainties

Our risk assessment and mitigation strategy approach is proactive and:

- Involves the whole organisation in the identification of business risks
- Increases our capability to respond to unforeseen events by integrating risk management with business continuity management
- Provides a register of prioritised risks, ranked for likelihood and impact
- Provides a framework for operational risk management and quarterly reporting
- Integrates scenario planning and disaster recovery
- Updates our risk assessment methodology every 2 years

Principle risks and uncertainties are assessed for impact and likelihood. The highest risk areas have been identified as follows:

- Failure to generate sufficient income
- Failure to effectively manage budget and liquidity
- Loss of staff, resulting in reduction to services
- Major unforeseen expenditure creating significant overspend or a need to make significant and unplanned increase in expenditure
- Failure to maintain day-to-day service provision where service quality, availability and continuity of service is affected by partial or total loss of resources such as staff, equipment, systems, information and premises, which would result in reduced levels of service provision and additional cost, dissatisfied clients and lost business

Migrant Legal Action

Trustees' Report

Statement of trustees' responsibilities

The trustees (who are also the directors of Migrant Legal Action 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 31 October 2023 and signed on its behalf by:



.....
S Lakhani
Chairman and Trustee

Migrant Legal Action

Independent Examiner's Report to the trustees of Migrant Legal Action ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Migrant Legal Action as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Sajjad Rajan
Smartax Limited
Chartered Certified Accountants and Statutory Auditors

38 Station Road
North Harrow
Harrow
HA2 7SE

31 October 2023

Migrant Legal Action

Statement of Financial Activities for the Year Ended 31 December 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	3	17,671	-	17,671	70,323
Other trading activities	4	124,527	41,769	166,296	139,531
Investment income	5	187	-	187	9
Other income	6	-	-	-	7,399
Total income		<u>142,385</u>	<u>41,769</u>	<u>184,154</u>	<u>217,262</u>
Expenditure on:					
Charitable activities	16	<u>(176,522)</u>	<u>(41,769)</u>	<u>(218,291)</u>	<u>(198,495)</u>
Total expenditure		<u>(176,522)</u>	<u>(41,769)</u>	<u>(218,291)</u>	<u>(198,495)</u>
Net (expenditure)/income		<u>(34,137)</u>	<u>-</u>	<u>(34,137)</u>	<u>18,767</u>
Net movement in funds		(34,137)	-	(34,137)	18,767
Reconciliation of funds					
Total funds brought forward		<u>36,516</u>	<u>-</u>	<u>36,516</u>	<u>17,749</u>
Total funds carried forward	13	<u><u>2,379</u></u>	<u><u>-</u></u>	<u><u>2,379</u></u>	<u><u>36,516</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 13.

Migrant Legal Action

(Registration number: 07879053)
Balance Sheet as at 31 December 2022


	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9	776	1,034
Current assets			
Debtors	10	15,973	21,043
Cash at bank and in hand	11	<u>19,260</u>	<u>29,095</u>
		35,233	50,138
Creditors: Amounts falling due within one year	12	<u>(33,630)</u>	<u>(14,656)</u>
Net current assets		<u>1,603</u>	<u>35,482</u>
Net assets		<u>2,379</u>	<u>36,516</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>2,379</u>	<u>36,516</u>
Total funds	13	<u>2,379</u>	<u>36,516</u>

For the financial year ending 31 December 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 20 to 34 were approved by the trustees, and authorised for issue on 31 October 2023 and signed on their behalf by:


.....
S Lakhani
Chairman and Trustee

The notes on pages 22 to 34 form an integral part of these financial statements.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £3 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

53 Addington Square
London
SE5 7LB

These financial statements were authorised for issue by the trustees on 31 October 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Migrant Legal Action meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

Exemption from preparing a cash flow statement

The charity has taken advantage of reporting exemptions under FRS 102 and therefore not included a cash flow statement in these financial statements.

Judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Income and endowments

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

Donations and legacies

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.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated 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.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

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.

Support costs

Support costs include central functions such as governance cost, finance and information technology incurred directly in support of expenditure on the objects of the charity. They have been allocated to activity cost categories on a basis consistent with the use of resources.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

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.

Tangible fixed assets

Individual fixed assets costing £50.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Furniture and equipment	20% Reducing balance

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The aims and use of each material restricted fund are set out in note 15 of the financial statements.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method, and investments which are held at fair value.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

3 Income from donations and legacies

	Unrestricted funds £	Total 2022 £	Total 2021 £
Donations and legacies;			
Grants from institutions	12,196	12,196	63,870
General donations	5,475	5,475	6,453
	17,671	17,671	70,323

4 Income from other trading activities

	Unrestricted funds £	Restricted £	Total 2022 £	Total 2021 £
Trading income;				
Legal representation	124,527	41,769	166,296	139,531
	124,527	41,769	166,296	139,531

5 Investment income

	Unrestricted funds £	Total 2022 £	Total 2021 £
Interest receivable and similar income;			
Interest receivable on bank deposits	187	187	9
	187	187	9

6 Other income

		Total 2022 £	Total 2021 £
Furlough grants		-	7,399
		-	7,399

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

7 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	139,750	148,664
Social security costs	7,427	-
Pension costs	2,431	446
Other staff costs	1,949	1,352
	<u>151,557</u>	<u>150,462</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Case workers	5	6
Administration	1	1
	<u>6</u>	<u>7</u>

No employee received emoluments of more than £60,000 during the year.

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

9 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2022	4,085	4,085
At 31 December 2022	4,085	4,085
Depreciation		
At 1 January 2022	2,792	2,792
Charge for the year	517	517
At 31 December 2022	3,309	3,309
Net book value		
At 31 December 2022	776	776
At 31 December 2021	1,293	1,293

10 Debtors

	2022 £	2021 £
Trade debtors	15,973	21,043

11 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	19,260	29,095

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	17,604	5,058
Other taxation and social security	12,113	9,298
Other creditors	3,913	300
	33,630	14,656

13 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
Unrestricted				
General funds	36,516	142,385	(176,522)	2,379
Restricted funds				
People of Southwark	-	41,769	(41,769)	-
Total funds	36,516	184,154	(218,291)	2,379

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted				
General funds	17,749	175,493	(156,726)	36,516
Restricted funds				
People of Southwark	-	41,769	(41,769)	-
Total funds	17,749	217,262	(198,495)	36,516

The specific purposes for which the funds are to be applied are as follows:

Women trafficking - Tackling matters with trafficking specifically involving with women

People of Southwark - Providing legal assistance to those within the London Borough of Southwark

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

14 Analysis of net assets between funds

	Unrestricted funds	Total funds
	£	£
Tangible fixed assets	776	776
Current assets	35,233	35,233
Current liabilities	<u>(33,630)</u>	<u>(33,630)</u>
Total net assets	<u>2,379</u>	<u>2,379</u>
	Unrestricted funds	Total funds
	£	£
Tangible fixed assets	1,034	1,034
Current assets	50,138	50,138
Current liabilities	<u>(14,656)</u>	<u>(14,656)</u>
Total net assets	<u>36,516</u>	<u>36,516</u>

15 Analysis of net funds

	At 1 January 2022	Cash flows	At 31 December 2022
	£	£	£
Cash at bank and in hand	<u>29,095</u>	<u>(9,835)</u>	<u>19,260</u>
Net funds	<u>29,095</u>	<u>(9,835)</u>	<u>19,260</u>
	At 1 January 2021	Cash flows	At 31 December 2021
	£	£	£
Cash at bank and in hand	<u>26,881</u>	<u>2,214</u>	<u>29,095</u>
Net funds	<u>26,881</u>	<u>2,214</u>	<u>29,095</u>

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

16 Expenditure on charitable activities

	Note	Unrestricted funds £	Restricted £	Total 2022 £	Total 2021 £
Direct costs		21,184	-	21,184	13,246
Staff costs		109,788	41,769	151,557	150,462
Allocated support costs	17	43,450	-	43,450	34,787
Governance costs	17	2,100	-	2,100	-
		176,522	41,769	218,291	198,495

	Activity undertaken directly £	Activity support costs £	2022 £
Tackling asylum	42,000	21,526	63,526
Tackling trafficking	26,708	13,689	40,397
Tackling immigration	74,226	38,042	112,268
	142,934	73,257	216,191

	Activity undertaken directly £	Activity support costs £	2021 £
Tackling asylum	44,079	15,658	59,737
Tackling trafficking	19,290	6,852	26,142
Tackling immigration	83,098	29,518	112,616
	146,467	52,028	198,495

£176,522 (2021 - £156,726) of the above expenditure was attributable to unrestricted funds and £41,769 (2021 - £41,769) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £2,100 (2021 - £Nil) which relate directly to charitable activities. See note 17 for further details.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

17 Analysis of governance and support costs

Support costs allocated to charitable activities

	Governance costs £	Finance costs £	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Total 2022 £
Tackling asylum	-	239	1,149	8,758	9,440	1,940	21,526
Tackling trafficking	-	152	731	5,570	6,002	1,234	13,689
Tackling immigration	-	421	2,031	15,479	16,683	3,428	38,042
	<u>-</u>	<u>812</u>	<u>3,911</u>	<u>29,807</u>	<u>32,125</u>	<u>6,602</u>	<u>73,257</u>
	Governance costs £	Finance costs £	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Total 2021 £
Tackling asylum	-	96	976	5,189	6,781	2,616	15,658
Tackling trafficking	-	42	427	2,271	2,967	1,145	6,852
Tackling immigration	-	181	1,840	9,782	12,784	4,931	29,518
	<u>-</u>	<u>319</u>	<u>3,243</u>	<u>17,242</u>	<u>22,532</u>	<u>8,692</u>	<u>52,028</u>

The support costs have been allocated in proportion to the staff costs incurred on each activity. The trustees are of the opinion that this represents a fair use of resources.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

Governance costs

	Unrestricted funds £	Total 2022 £	Total 2021 £
Accountancy fees	1,800	1,800	-
Independent examiner's fee	300	300	-
	<u>2,100</u>	<u>2,100</u>	<u>-</u>

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2022

18 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

19 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2022	2021
	£	£
Depreciation of fixed assets	<u>258</u>	<u>258</u>

MIGRANT LEGAL ACTION

England & Wales - Charity number 1152073

Accounts

Company registration number: 07879053

Charity registration number: 1152073

Migrant Legal Action

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2021

Migrant Legal Action

Contents

Reference and Administrative Details	1
Chairman's statement	2
Trustees' Report	4 to 17
Independent Examiner's Report	18
Statement of Financial Activities	19
Balance Sheet	20
Notes to the Financial Statements	21 to 33

Migrant Legal Action

Reference and Administrative Details

Chairman	S Lakhani
Chief Executive Officer	Anna Kouma
Trustees	S Lakhani C V Patel B E Wagner L Negahbani V K Baxi
Charity Registration Number	1152073
Company Registration Number	07879053
Registered Office	The charity is incorporated in England. 53 Addington Square London SE5 7LB
Independent Examiner	Theophane Kouma 87 Sandown Road London SE25 4XD
Bankers	Natwest 70 Denmark Hill Camberwell London SE5 8SD

Migrant Legal Action

Chairman's statement

Welcome to our annual report

I am very delighted to be able to present you with Migrant Legal Action's Annual Report for year 2021. This was a yet another year that presented many challenges for everyone and not least for the charity sector and for many of our clients, in particular because of the continued impact of the COVID-19 pandemic. For many years Migrant Legal Action and its staff have been working determinedly to help our clients to find the best solutions to their immigration issues.

At its heart, Migrant Legal Action has the aim to defend the rights of the most vulnerable members of our community through the taking of legal action. This work continued during 2021, notwithstanding the difficulties that we have faced, and this report is a testament to the impact of the organisation's hard work. Migrant Legal Action, together with our funders, partners, and supporters, have continued to pursue its mission to defend the rights of the immigrant community.

This annual report demonstrates how we have continued to work to meet our aims, setting out the measurable results that we have achieved and illustrates how we have continued to work towards financial sustainability of the organisation.

We work to enable and empower our clients, who face immigration, asylum or nationality issues, to better understand their rights as well as obligations. We believe that access to legal advice is an essential tool necessary to empower those in our communities who face multiple disadvantage and complex needs. Provision of appropriate advice, guidance and representations has as its objective to enable clients to take appropriate action to improve their lives. We work toward achieving this by providing high quality specialist legal advice and representation, which is free or affordable.

For a number of years, we have been working in an environment that has presented us with financial constraints and year on year cuts to our funding. During 2021 this continued to be compounded by the impact of the COVID-19 pandemic, which has had devastating effect on our community and placed even greater pressure on advising organisations.

Many of our funders continued to step up to help meet the challenges caused by the pandemic, including additional flexible funding. Migrant Legal Action is very grateful to Advising UK for facilitating access to the Community Justice Fund, wave 2 funding. We are also grateful to the Lloyds Bank Foundation from whom we received DCMS Community Match Challenge funding provided to charities affected by Covid-19.

As you will be able to readily see from the report Migrant Legal Action has continued to achieve excellent results and is cost effective. We measure our impact by recording the outcomes that we achieve for individual clients and measuring our performance. This in turn shows the effect that our work has in our local community and in the wider society. We work towards ever increasing effectiveness by the use of technologies, whilst ensuring that we work ethically and protect the privacy of our clients.

We were fortunate to continue receiving the assistance of our volunteer bookkeeper, who during the year has assisted us in developing internal financial controls and making sure that we increase our financial resilience.

Our work continues to be made possible by our generous and dedicated funders and supporters. Migrant Legal Action has, since it was established more than 40 years ago, been fortunate to have a strong and stable basis of donors and supporters. We remain grateful for your continued trust and generosity and recognise that we would not have been able to continue our work without your support.

I would like to take this opportunity to thank everyone who has supported us during 2021 and as well as our excellent team of staff and volunteers for their continued commitment to the people we serve. I am very pleased that the team has been recognised for their high quality of work by receiving a recognition as Excellent during the Legal Aid Peer Audit.

Migrant Legal Action

Chairman's statement

The following pages feature our work over the last financial year. During this year we provided specialist casework and representation, including advocacy in court, in 360 cases. We provided advice to 2052 clients on the phone and 2nd tier advice on 87 cases to generalist advisers and community organisations. A very high percentage of our clients, 97%, continue to report that they were happy with our service. During the year we have continued with our dedicated specialist anti-trafficking project.

Working in Partnership

At Migrant Legal Action we are of the view that it is essential that we continue working in partnership with local and national organisations and councils. Such partnerships help us to better respond to our clients' needs, share information and resources. During 2021 we have continued to work together with other agencies both nationally and locally to find the best response and to continue providing the much-needed services to clients who had been affected by the COVID-19 emergency. We continue being a core member of Southwark Legal Advice Network (SLAN) where advice agencies located in the borough work together to establish objectives for the advice sector in Southwark whilst identifying particular areas of need and concern.

During 2021 in partnership with Southwark Law Centre and Cambridge House Law Centre we continued to provide specialist advice services to the residents of Southwark in accordance with our contract with the Borough of Southwark. We also worked closely together with our colleagues at Citizen Advice from whom we continued to accept regular referrals of complex cases. Citizen Advice nationally continues to be the highest referral source to our telephone advice service.

During the year we have also received referrals from our partners at Refuge, Kalayaan, Hestia, Hackney Migrant Centre, CORAM, PRAXIS, Red Cross, Refugee Council, the No Recourse to Public Funds Team in Southwark as well as our local MPs.

We have continued support frontline workers to assist service users who have No Recourse to Public Funds (NRPF) status, imposed on their leave to remain and have continued to accept additional referrals to assist clients with applications to lift their NRPF condition. We have also continued to work with frontline agencies to support those who have unresolved immigration status to access advice and representations in making applications to regularise their status in the UK.

Acknowledgements

Migrant Legal Action fundraises for all its work with the most vulnerable clients. We rely on relationships with many partners throughout the country and internationally.

Our trustees sincerely thank all our supporters and donors who make our work possible, including:

- London Borough of Southwark
- Community Justice Fund
- Lloyds Bank Foundation
- The Legal Aid Agency
- Multi-Racial Trust

Finally, we want to thank our partners, staff and volunteers who during 2021 have contributed to our work.



S Lakhani
Chairman and Trustee

Migrant Legal Action

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2021.

Objectives and activities

Objects and aims

We deliver specialist advice and representation to people facing multiple disadvantages.

We are based in Camberwell, Southwark but work regionally, nationally and internationally. We nevertheless remain firmly rooted in our local community and work closely with the community and other organisations and agencies in Southwark.

Our aim is to tackle social injustice and poverty by:

- Delivering specialist legal assistance, promoting social justice and empowerment to vulnerable people with multiple disadvantages
- Improving the resilience and self-sufficiency of people who are vulnerable and marginalised
- Empowering excluded people to become active participants and contributors in society

Objectives, strategies and activities

During the year, supported by our stakeholders and advisers, we worked towards delivering our business plan which was updated in December 2020. We continued working towards developing and implementing financial systems and controls with the aim of strengthening the organisation's financial resilience. We realise that establishing financial reserves is our most important objective as we want to build up our sustainability in the face of continued adverse financial climate.

The plan's key strategic objectives continue to be:

- Enhance organisational capacity, resilience and sustainability
- Design and provide services that deliver positive impact for individuals, families and communities focusing on those that face severe and multiple disadvantages

Strategic Objective 1

To enhance organisational capacity, resilience and sustainability.

Our key achievements in relation to business development targets included:

1. Ensuring that the organisation limits the impact of COVID-19 emergency both in terms of financial sustainability and capacity:

a) Maintained our financial position as follows:

- Continues to limit the financial impact on the organisation inflicted by the impact of COVID-19
- Increased our reserves

b) Improved our resilience:

- Continued to implement monitoring of the organisation's performance and develop measurements of impact
- Implemented mixed working environment for all members of staff enabling them to work remotely as well as in the office

Migrant Legal Action

Trustees' Report

Strategic Objective 2

Design and provide services that deliver positive impact for individuals, families and communities focusing on those that face severe and multiple disadvantage

Helping people obtain leave to remain, obtain jobs and reunite with their families is at the heart of this objective. During 2021 we continued to focus on clients who have been affected by COVID-19 in conjunction with the effect of having NRPF condition imposed on their immigration status.

Our key achievements in relation to affordable, independent, and expert legal services included the following:
- 2137 beneficiaries during the year comprising 360 clients advised face to face and an estimated further 878 family members and children out of which 65% were affected by NRPF status:

1. 97% were “Very Satisfied” with overall level of service
2. 98% reported increased awareness of their rights and responsibilities because of the advice given

Users were:

1. 56% female and 44% male
2. 78% Black and Minority Ethnic and 22% British White and White Other
3. 41% Living in social housing
4. 28% Homeless
5. 31% Privately renting
6. 68% Lone parents with children
7. 32% Couples with children
8. 31% Unemployed
9. 54% Working [full-time and part-time]

Asylum:

1. 27 new asylum cases opened
2. 8 specialist one-off advice sessions
3. 9 clients represented at Court
4. 8 grants of refugee status
5. 9 successful appeals

Immigration:

1. 220 new immigration cases opened
2. 15 specialist one-off advice sessions
3. 5 clients successfully represented at Appeals Tribunals
4. 197 clients granted leave to remain or indefinite leave to remain

Nationality:

1. 80 new nationality cases opened
2. 10 specialist one-off advice sessions
3. 64 grants of citizenship

Migrant Legal Action

Trustees' Report

Public benefit

Charity trustees have a duty to report in the trustees' annual report on their charity's public benefit. The trustees should demonstrate the following:

- They are clear about what benefits are generated by the activities of the charity. This report sets out the activities carried out by Migrant Legal Action to further its mission.
- The benefits must be related to the objects of the charity: all activities are intended to further Migrant Legal Action's charitable objects, as detailed in the Articles of Association.

The people who receive support are entitled to do so according to criteria set out in the charity's objects: wherever possible, the views and opinions of beneficiaries are sought in the design and implementation of Migrant Legal Action's activities. This approach helps to ensure that projects are targeted at people in need, and that beneficial changes to the lives of people from disadvantaged and excluded communities can be evaluated and assessed.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

Volunteers have always been vital in delivering our work and bring their time, energy and enthusiasm to Migrant Legal Action's activities. We aim to ensure that as many people as possible are aware of the volunteering opportunities we offer. We also aim to provide our volunteers with opportunities to acquire skills and experiences that will help them improve their quality of life, develop their professional knowledge and or progress into further education, employment or training.

The majority of our volunteers find out about us through personal recommendation. Our volunteers are not paid for their time, but they are reimbursed for out-of-pocket expenses they incur. All of our volunteers are provided with a confidentiality agreement and a volunteer agreement, defining their goals, our needs, and the level of support or training they will receive.

Because of the impact of COVID-19 and implementation of remote working, engaging volunteers has become more challenging. During 2021, three volunteers worked with us to provide support in the following areas:

- Book keeping/accounting
- Casework support

Migrant Legal Action

Trustees' Report

Achievements and performance

During 2021 European Nationals continued to be able to make applications under the EU Settlement Scheme ahead of the official closure of the scheme on 30 June 2021. This resulted in increased amount of advice calls on our advice line from European nationals and their family members needing support and advice with the process. Following the closure of the EUSS, we have continued to receive enquiries to submit late applications to the Scheme and note that there are many family members of EEA citizens who were unaware of the requirement that they had to make an application under the Scheme.

We have also seen a continued high demand in callers referred to us by other organisations and those wanting advice on their right to lift limitation on access to public funds or who require assistance in obtaining fee waivers, as many clients reported financial impact of COVID-19 which meant that they were not able to meet the increased application fees and Immigration Health Surcharge imposed on all application for further leave to remain.

Additionally, as a result of the impact of COVID-19, applications have been subjected to lengthy delays, with the result that we have been receiving many enquiries from clients who are facing financial difficulties as a result of not having documents evidencing their right to work and claim benefits.

ASYLUM AND FAMILY REUNION

Migrant Legal Action remains dedicated to assisting refugees in obtaining status and security in the UK. During 2021, the Home Office continued conducting asylum interviews remotely. This has, however, not impacted on the large backlog of unresolved asylum cases created by the COVID-19 pandemic. We have therefore, only had 8 grants of refugee status during the year. We continue to be particularly proud of the large percentage of grants made by the Secretary of State without the need to appeal, which this year reached 85%. Unfortunately, clients who had pending asylum claims continued to experience delays due to the stop of asylum interviews as a consequence of the first lockdown and lack of facilities to conduct interviews remotely. Extensive delays continue to be faced by those who are referred into National Referral Mechanism as being potential victims of trafficking.

During the year we continued to receive a large number of referrals of asylum and family reunion clients who following a grant of asylum needed assistance with family reunion applications. This work remains particularly difficult because of the unavailability of Legal Aid and the need to apply for Exceptional Funding. Moreover, it appears that capacity in relation to representatives able to assist with asylum and family reunion claims is becoming a real concern. We are pleased that all our applications for exceptional funding on behalf of our vulnerable clients have been successful.

Migrant Legal Action

Trustees' Report

IMMIGRATION

We represented 38 clients who were seeking entry clearance for their spouses to join them in the United Kingdom. Moreover, we continued assisting clients who face difficulties in obtaining British passport for their children who were born outside the UK. We continued to provide advice and assistance with applications for elderly parents to be allowed to remain in the United Kingdom with their children. This category of applicants remains particularly challenging, as since July 2012 the immigration rules for adult dependent relatives have been, in practice, almost impossible to meet. We therefore are experiencing a growing number of clients who require advice in relation to their elderly relatives.

We represented 132 clients during 2021 who required assistance with their leave to remain applications where they were unable to afford paying the application fee. We now experience that most of our clients who are making human rights-based claims, are not able to meet the Home Office application fees and require assistance with obtaining fee waivers. These applications continue to be challenging because of the high level of scrutiny into client's financial situations. However, following the review of the policy which now allows caseworkers to grant fee waiver to all clients who can show that they cannot afford the fee, it has been our experience that it has become easier to make the applications. Moreover, many caseworkers continue use of email and telephone during the consideration, which hugely facilitate our ability to resolve queries quickly. We were pleased that again all but one of our fee waiver requests during 2021 were successful.

ANTI-TRAFFICKING PROJECT

During 2021 we continued to offer specialist advice to potential victims of trafficking, as part of our anti-trafficking project, which we have run since 2012. We continued to offer free legal advice and representation to victims of trafficking and servitude.

The aim of the project continues to be the breaking of the cycle of human trafficking and forced labour by increasing the provision of legal advice, improving the awareness of the issues and contribute to the development of policy in this area. During 2021 we contributed to the University of Nottingham research project 'Pathways Through Liberation: Revealing Survivors' Support Journeys Outside of the UK National Referral Mechanism'. This is a project looking at the experiences of victims of trafficking who either do not enter the NRM or leave it prematurely, as there is a lack of knowledge about the experiences and outcomes for this very vulnerable group.

Victims of trafficking are a group of clients who are often particularly vulnerable, as they are victims of exploitation and often face multiple disadvantages. The delays and poor decision making often lead their re-traumatisation and the biggest challenge is cultivating a relationship of trust between the client and the advisor. As a result of the Home Office's delays in decision making, during 2021 the project resulted in 3 successful outcomes.

BREXIT

During 2021, EU citizens and their dependents continued to be able to make applications under the EU Settlement Scheme to secure their immigration status in the UK. Officially the Scheme closed on 30 June 2021, however the Home Office continued to accept late applications, however requiring justifications for the lateness of the claim. During the year our advice to clients has therefore increasingly focussed on assisting as many clients as possible to secure their status before the June deadline. Our experience has been that non-EEA family members are a group where we have identified a lack of awareness of the need to apply under the EUSS. This has been reflected in the growing proportion of our work that has been dedicated to providing advice and assistance to EEA family members in relation to the Settlement Scheme. Most clients accessed our advice through our telephone advice line. We did, however continue assisting with more complex applications.

Migrant Legal Action

Trustees' Report

JUDICIAL REVIEW

We continue dealing with judicial review claims. During 2021 these continued to mostly consist of challenges of Home Office's decision to certify our client's human rights' and asylum claims. All of these continue to be settled in our clients' favour. We have also continued in challenging the Upper Tribunal's refusals of permission to appeal through judicial review.

DEPORTATION

We continue representing clients that face deportation following criminal convictions. These clients are often facing lengthy detention under immigration powers and are at high risk of deportation, if unrepresented. Clients we represent have families and children in the UK following very lengthy residence. Some of our clients have received sentences of more than 4 years imprisonment, making their appeals particularly difficult.

Most deportation cases are particularly challenging because of the lack of Legal Aid funding and the need to apply for exceptional funding from the Legal Aid Agency. Deportation cases require particularly detailed preparation and obtaining of detailed expert reports. During 2021 Migrant Legal Action continued its work in assisting this vulnerable group and has made a number of successful exceptional funding applications to be able to represent clients.

CONCLUSION

It has been yet another demanding year, but we have adapted well to a mixed way of working, using our office resources in a flexible manner. We have further continued to achieve exceptionally good results for our clients. During 2021 the substance of our work was reviewed in a Legal Aid Agency's 'Peer Review'. Our work was considered as Excellent, which is the highest possible standard.

We look forward to next year with cautious confidence that we will be able to continue working in assisting clients, bringing hope to those who continue to be affected by the COVID-19 pandemic in combination with the complex immigration system. We aim to continue fighting for justice for the most vulnerable and marginalised.

Key non-financial performance indicators

We reached a total of 2,139 clients in 2021. Thus, despite the continued impact of the pandemic, our work continued and the number of our service users remained stable.

Our reach this year was calculated by:

- Recording the numbers of individual people and families who accessed frontline casework service and project during the year: 271 beneficiaries
- Recording the numbers of individual people and families who accessed our specialist advice line. This saw a significant increase this year due to Brexit and the unavailability of such service from other providers: 1982 beneficiaries
- Recording the numbers of generalist advisers and community organisations that have contacted us during the year to seek advice in relation to their service users: 85 beneficiaries

Further analysis of performance indicators can be found within the Trustees' Report under objectives, strategies and activities section.

Financial review

The statement of financial activities shows net income of £10,956 (2020: £10,956) for the period. Funds as at 31 December 2021 stand at £17,749 (2020: £17,749).

The details between restricted and unrestricted funds are given in note 15. The trustees consider the state of the charity's affairs to be satisfactory. The trustees were particularly pleased that despite the continues impact of the pandemic, Migrant Legal Action has been able to raise the level of reserves to £24,000.

Migrant Legal Action

Trustees' Report

Policy on reserves

The trustees have reviewed the reserves policy to ensure that it is aligned to Migrant Legal Action's strategic plan, and set a policy that requires reserves in a readily realisable form be built to a level that:

- Continuity Planning:

- a) Protects the continuity of the organisation's services for beneficiaries in the event of a large variation of income
- b) Bridges cash flow problems
- c) Provides a buffer to allow contingency actions to be effected
- d) Addresses spending commitments and potential liabilities in the event of a winding up

- Asset Planning:

- a) Provides the funds needed to replace capital assets
- b) Provides funds to overlap shortfall of income caused by new recruitment
- c) Addresses risks associated with emergency repairs

- Innovation and Service Investment:

- a) Provide funds to enable the organisation to respond to new beneficiaries and/or needs as quickly as possible
- b) Enables the organisation to take advantage of opportunities

Having drawn from the reserves to grow and deliver Migrant Legal Action's charitable objectives, and implement a business turnaround plan, the trustees recognise that the current level of reserves is considerably below the desired amount. The risks associated with this lack of reserves have become particularly acute considering the impact of COVID-19, where the organisation faced a decrease in income from the Legal Aid Agency as well as from fee earning activity. This impact, has however been mitigated by:

- Securing crucial funding from the Community Justice Fund and National Lottery Community Fund
- Enabling staff to work remotely and furlough of staff that were not able to continue working from home
- A diversified income portfolio which reduces reliability on any one source of income
- An increase in income sources that, though variable, are more reliable than in the past

To address long-term financial sustainability, the trustees have amended the following liquid reserve targets based on an assessment of the risks and opportunities facing Migrant Legal Action, as well as the current and future needs of beneficiaries:

31-12-2022	£34,000	15% of annual expenditure, representing 2-months operating costs
31-12-2023	£51,000	24% of annual expenditure, representing 3-months operating costs
31-12-2024	£68,000	32% of annual expenditure, representing 4-months operating costs

Migrant Legal Action

Trustees' Report

At the end of 2021 the organisation has not reached the desired level of reserves set last year. This was partly caused by the continued impact of COVID-19. The trustees have, however, with the assistance of volunteer bookkeeper, continued to implement new accounting systems and controls. The trustees are pleased to note that the organisation's reserves at the end of 2021 have more than doubled to £24,000. Trustees will continue to closely monitor the reserves situation, ensuring that further efforts are put in place during 2022 including:

- a) Continued implementation of new accounting and control systems to enable more effective use of financial resources
- b) Apply for further funding for core operating costs
- c) Reducing work in progress

The trustees will review the required level of reserves on an annual basis, alongside the operating budget. The assessment will take account of income and expenditure risk within the budget, commitments to repay liabilities, and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

Funds in deficit

Annual budgets are prepared for all activities and we carefully monitor performance against these on a monthly basis in order to ensure that any activity operating at a deficit is carefully supervised and opportunities are taken to mitigate risks and increase unrestricted funds.

Plans for future periods

Aims and key objectives for future periods

Our future plans are to:

1. Enhance organisational capacity, resilience and sustainability by:

- a) Completing a business transformation process including:
 - Financial analysis and appraisal of existing services
 - Implementation of financial monitoring and controls
- b) Reviewing and updating our Office Manual
- c) Updating business plan for the period 2022-2025
- d) Continuing to diversify our income profile with particular regard to unrestricted earned income
- e) Continuing to rebuild our reserves
- f) Recruiting further member of staff following reduction in staffing

2. Design and provide services that deliver positive impact for individuals, families and communities facing severe and multiple disadvantages, by:

- a) Increasing our impact and reach by:
 - Continuing to use our experience gained by delivering frontline services to influence policy in favour of community-led solutions to reach communities facing multiple disadvantages and complex needs
 - Continuing to assist families affected by COVID-19 pandemic
- b) Improve efficiency by:
 - Better use of technology and administrative support services

Migrant Legal Action

Trustees' Report

Going concern

The trustees are of the view that the charity is a going concern for at least the next twelve months from the date of signing these accounts; the charity has neither the intention nor the need to liquidate or curtail materially the scale of its operations.

In assessing whether Migrant Legal Action will continue to have adequate resources available to fund the charity's activities for the foreseeable future, trustees have considered the following:

- The charity has limited general reserves as at the year-end but increased the amount of work in progress.
- More than 50% of income required for 2022 has been secured at the date of signing these accounts
- Our fundraising success continues to be 60%, which is above the sector norm
- The charity has had the benefit of free accommodation provided by the Multi-Racial Trust at 53 Addington Square, this has been confirmed as continuing until 31 March 2023

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

- S Lakhani
- C V Patel
- B E Wagner
- L Negahbani
- V K Baxi

Chairman: S Lakhani

Chief Executive Officer: Anna Kouma

Structure, governance and management

Nature of governing document

Migrant Legal Action is a registered charity (registration number 1152073) and is constituted as a company registered in England and Wales and limited by guarantee (registration number 07879053). The company does not have share capital and is limited by the guarantee of the members to a maximum of £1 each. The objects and powers are set out in the Articles of Association.

Migrant Legal Action

Trustees' Report

Recruitment and appointment of trustees

Migrant Legal Action is governed by the charity's trustees, who are also the company's directors (and are collectively called the Board). The Board meets a minimum of four times per year to manage the business of the organisation. It can appoint sub-committees and working groups to operate with delegated responsibilities.

The delegated responsibilities and accountabilities of the Chief Executive, General Secretary and other managers are currently set out in the Organisation's Handbook and in individual job descriptions.

The trustees concentrate on strategic matters, setting overall direction for the organisation, ensuring clear organisational objectives and holding the senior management team to account. This is affected through reporting, both on performance and strategic matters, and formal appraisal of the Chief Executive's performance.

The trustees have reserved certain powers, which only they can exercise. These include those statutory powers that cannot be delegated, such as policies on investment and reserves, and decisions linked to major policy or programme initiatives, strategic planning, and changes to organisational structure.

Induction and training of trustees

The Board completes skills audits in order to assess the skills of the existing trustees, identifies any 'skills gaps' and assesses any skills being lost by the retirement of a trustee. New trustees are recruited through advertising and direct approaches to professionals and other voluntary organisations.

The induction process for new trustees is based on Migrant Legal Action's induction pack, and is designed to acquaint them with our purposes, financial position, work structure, staff and current issues. The induction process includes:

- Meetings with the existing trustees and others involved with the charity such as the CEO, members of staff, beneficiaries and stakeholders.
- One-to-one meetings with the Chair and the CEO after the first few trustees meetings, in order to discuss any questions or issues that may have arisen.

In order to ensure continued development, the trustees are offered the opportunity to attend training on key areas, such as risk and accountability.

Migrant Legal Action

Trustees' Report

Staffing and remuneration

Migrant Legal Action promotes the following standards to ensure our human resource policies:

- Are underpinned by a rigorous assessment methodology and a framework which reflects the very latest workplace trends, essential skills and effective structures required to perform effectively.
- Promote increased awareness of mental health and disability at work and provide ongoing support for the organisation in the recruitment and retention of staff.

Performance Management

We have a performance management and appraisal policy that:

- Promotes a consistent approach to workforce supervision throughout Migrant Legal Action.
- Ensures that supervision is geared to achieving the organisation's objectives.
- Enhances the quality of workforce performance.
- Addresses the personal impact of work on all Migrant Legal Action's staff, volunteers and trainees.

Staff Remuneration

We recognise the importance of being transparent and accountable in all aspects of our work, including how we reward and recognise our staff. Every employee in our organisation earns at least the Living Wage.

The London Living Wage is an hourly rate set independently and updated annually, based on the cost of living in London.

Migrant Legal Action is committed to ensuring that we pay our staff fairly and, in a way, which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. In deciding on levels of pay the following factors are taken into account:

- The mission, aims, objectives and values of Migrant Legal Action.
- How any decision might impact on the overall pay policy for all staff.
- The type of skills, experience, competences, etc. that our organisation needs.
- A significant increase in responsibilities or major change in job description.
- Our current strategic business plan and how this might affect future needs.
- Our ability to pay.
- Assessment of the individual's performance against expectations, where possible with clear evidence and targets.
- Appropriate available information on pay levels in other charities relative to size, budgets, responsibilities, etc.
- Our track record in recruiting and retaining high-performing staff.
- The likely impact of any decision on our public reputation, especially amongst our service users and stakeholders.

Migrant Legal Action

Trustees' Report

Salaries

During 2010 we had a staff team of 3 full-time and 3 part-time staff (6 FTE). Due to the impact of COVID-19, one members of staff continued to be furloughed for periods of time, because of their inability to continue working from home due to their role and changed in working practices.

For Migrant Legal Action to run successfully, a large range of skills and disciplines are required, and we need to pay appropriately to ensure that we can recruit people with the right skills. We also need to retain them in a competitive market for the long-term, developing them and benefiting from their growing knowledge. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. Our staff pay scales are set with this in mind.

The salary of the chief executive is approved by our Board. Every three years the chief executive's salary is reviewed to benchmark it against other charities in London relative to size, budgets, responsibilities and the competitiveness of the employment market. At the same time, we seek to keep salary costs under control.

All other staff salaries are set by our management team, using comparisons with charities of our size in London and taking into account factors including inflation and Migrant Legal Action's financial position. Salaries are openly stated in job adverts. The same benefits, including pensions, and terms and conditions apply to the chief executive as all other staff. We don't apply any form of performance-related pay, nor do we have a bonus scheme.

Migrant Legal Action

Trustees' Report

Major risks and management of those risks

The trustees regularly review and assess the risks faced by Migrant Legal Action in all areas of its work, and plan for the management of those risks. The management ensure that all plans and decisions take into account the possibility of negative outcomes. There is a Risk Register which is supervised and monitored monthly by the ECO, reported on quarterly at meetings of the Board of trustees and reviewed annually by the Board in order to ensure that the material risks to which the charity is exposed are properly evaluated and managed.

Appropriate mitigating actions are implemented by management to address the residual risks, mitigating them to a level the Board considers acceptable.

The Board recognises that, to achieve the objectives of the charity, the nature of some of Migrant Legal Action's work requires acceptance of some risks which are outside our control, that is, risks which cannot be eliminated, so where this happens there is active and clear monitoring of the risk.

The trustees consider that appropriate systems and controls are in place to monitor, manage and mitigate Migrant Legal Action's exposure to risks. These include, among other control mechanisms, maintaining staff awareness of risks by embedding suitable approaches in the budgeting process, the maintaining of reserves and the review of key systems and processes.

Principal Risks and Uncertainties

Our risk assessment and mitigation strategy approach is proactive and:

- Involves the whole organisation in the identification of business risks
- Increases our capability to respond to unforeseen events by integrating risk management with business continuity management
- Provides a register of prioritised risks, ranked for likelihood and impact
- Provides a framework for operational risk management and quarterly reporting
- Integrates scenario planning and disaster recovery
- Updates our risk assessment methodology every 2 years

Principle risks and uncertainties are assessed for impact and likelihood. The highest risk areas have been identified as follows:

- Failure to generate sufficient income
- Failure to effectively manage budget and liquidity
- Loss of staff, resulting in reduction to services
- Major unforeseen expenditure creating significant overspend or a need to make significant and unplanned increase in expenditure
- Failure to maintain day-to-day service provision where service quality, availability and continuity of service is affected by partial or total loss of resources such as staff, equipment, systems, information and premises, which would result in reduced levels of service provision and additional cost, dissatisfied clients and lost business

Statement of trustees' responsibilities

The trustees (who are also the directors of Migrant Legal Action 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Migrant Legal Action

Trustees' Report

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The annual report was approved by the trustees of the charity on 27 March 2023 and signed on its behalf by:



.....
S Lakhani
Chairman and Trustee

Migrant Legal Action

Independent Examiner's Report to the trustees of Migrant Legal Action ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Migrant Legal Action as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.


.....
Theophane Kouma

87 Sandown Road
London
SE25 4XD

27 March 2023

Migrant Legal Action

Statement of Financial Activities for the Year Ended 31 December 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	70,323	-	70,323	59,732
Other trading activities	4	97,762	41,769	139,531	148,438
Investment income	5	9	-	9	34
Other income	6	7,399	-	7,399	34,158
Total income		<u>175,493</u>	<u>41,769</u>	<u>217,262</u>	<u>242,362</u>
Expenditure on:					
Charitable activities	16	<u>(156,726)</u>	<u>(41,769)</u>	<u>(198,495)</u>	<u>(231,406)</u>
Total expenditure		<u>(156,726)</u>	<u>(41,769)</u>	<u>(198,495)</u>	<u>(231,406)</u>
Net income		<u>18,767</u>	<u>-</u>	<u>18,767</u>	<u>10,956</u>
Net movement in funds		18,767	-	18,767	10,956
Reconciliation of funds					
Total funds brought forward		<u>17,749</u>	<u>-</u>	<u>17,749</u>	<u>6,793</u>
Total funds carried forward	13	<u><u>36,516</u></u>	<u><u>-</u></u>	<u><u>36,516</u></u>	<u><u>17,749</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 13.

Migrant Legal Action
(Registration number: 07879053)
Balance Sheet as at 31 December 2021


	Note	2021 £	2020 £
Fixed assets			
Tangible assets	9	1,034	1,293
Current assets			
Debtors	10	21,043	8,821
Cash at bank and in hand	11	<u>29,095</u>	<u>26,881</u>
		50,138	35,702
Creditors: Amounts falling due within one year	12	<u>(14,656)</u>	<u>(19,246)</u>
Net current assets		<u>35,482</u>	<u>16,456</u>
Net assets		<u>36,516</u>	<u>17,749</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>36,516</u>	<u>17,749</u>
Total funds	13	<u>36,516</u>	<u>17,749</u>

For the financial year ending 31 December 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 19 to 33 were approved by the trustees, and authorised for issue on 27 March 2023 and signed on their behalf by:



.....
S Lakhani
Chairman and Trustee

The notes on pages 21 to 33 form an integral part of these financial statements.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £3 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

53 Addington Square
London
SE5 7LB

These financial statements were authorised for issue by the trustees on 27 March 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Migrant Legal Action meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in Sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

Exemption from preparing a cash flow statement

The charity has taken advantage of reporting exemptions under FRS 102 and therefore not included a cash flow statement in these financial statements.

Judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Income and endowments

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

Donations and legacies

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.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated 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.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

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.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

Support costs

Support costs include central functions such as governance cost, finance and information technology incurred directly in support of expenditure on the objects of the charity. They have been allocated to activity cost categories on a basis consistent with the use of resources.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

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.

Tangible fixed assets

Individual fixed assets costing £50.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Furniture and equipment	20% Reducing balance

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The aims and use of each material restricted fund are set out in note 15 of the financial statements.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method, and investments which are held at fair value.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

3 Income from donations and legacies

	Unrestricted funds £	Total 2021 £	Total 2020 £
Donations and legacies;			
Grants from institutions	63,870	63,870	49,200
General donations	6,453	6,453	10,532
	70,323	70,323	59,732

4 Income from other trading activities

	Unrestricted funds £	Restricted £	Total 2021 £	Total 2020 £
Trading income;				
Legal representation	97,762	41,769	139,531	148,438
	97,762	41,769	139,531	148,438

5 Investment income

	Unrestricted funds £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	9	9	34
	9	9	34

6 Other income

	Unrestricted funds £	Total 2021 £	Total 2020 £
Furlough grants	7,399	7,399	34,158
	7,399	7,399	34,158

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

7 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	149,110	151,517
Other staff costs	<u>1,352</u>	<u>-</u>
	<u>150,462</u>	<u>151,517</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Case workers	6	6
Administration	<u>1</u>	<u>1</u>
	<u>7</u>	<u>7</u>

No employee received emoluments of more than £60,000 during the year.

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

9 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2021	4,085	4,085
At 31 December 2021	4,085	4,085
Depreciation		
At 1 January 2021	2,792	2,792
Charge for the year	259	259
At 31 December 2021	3,051	3,051
Net book value		
At 31 December 2021	1,034	1,034
At 31 December 2020	1,293	1,293

10 Debtors

	2021 £	2020 £
Trade debtors	21,043	1,547
Accrued income	-	6,100
Other debtors	-	1,174
	21,043	8,821

11 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	29,095	26,881

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	5,058	11,361
Other taxation and social security	9,298	2,885
Other creditors	300	5,000
	14,656	19,246

13 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted				
General funds	17,749	175,493	(156,726)	36,516
Restricted funds				
People of Southwark	-	41,769	(41,769)	-
Total funds	17,749	217,262	(198,495)	36,516

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted				
General funds	6,793	189,046	(178,090)	17,749
Restricted funds				
Women trafficking	-	10,000	(10,000)	-
People of Southwark	-	43,316	(43,316)	-
Total funds	6,793	242,362	(231,406)	17,749

The specific purposes for which the funds are to be applied are as follows:

Women trafficking - Tackling matters with trafficking specifically involving with women

People of Southwark - Providing legal assistance to those within the London Borough of Southwark

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

14 Analysis of net assets between funds

	Unrestricted funds £	Total funds 2021 £
Tangible fixed assets	1,034	1,034
Current assets	50,138	50,138
Current liabilities	(14,656)	(14,656)
Total net assets	36,516	36,516
	Unrestricted funds £	Total funds 2020 £
Tangible fixed assets	1,293	1,293
Current assets	35,702	35,702
Current liabilities	(19,246)	(19,246)
Total net assets	17,749	17,749

15 Analysis of net funds

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	26,881	2,214	29,095
Net funds	26,881	2,214	29,095

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

16 Expenditure on charitable activities

	Note	Unrestricted funds £	Restricted £	Total 2021 £	Total 2020 £
Direct costs		13,246	-	13,246	48,683
Staff costs		108,693	41,769	150,462	151,517
Allocated support costs	17	34,787	-	34,787	31,390
Governance costs	17	-	-	-	(184)
		156,726	41,769	198,495	231,406

	Activity undertaken directly £	Activity support costs £	2021 £	2020 £
Tackling asylum	44,079	15,658	59,737	44,767
Tackling trafficking	19,290	6,852	26,142	19,590
Tackling immigration	83,098	29,518	112,616	84,392
	146,467	52,028	198,495	148,749

£156,726 (2020 - £105,433) of the above expenditure was attributable to unrestricted funds and £41,769 (2020 - £43,316) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £Nil (2020 - (£184)) which relate directly to charitable activities. See note 16 for further details.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

17 Analysis of governance and support costs

Support costs allocated to charitable activities

	Governance costs £	Finance costs £	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Total 2021 £
Tackling asylum	-	96	976	5,189	6,781	2,616	15,658
Tackling trafficking	-	42	427	2,271	2,967	1,145	6,852
Tackling immigration	-	181	1,840	9,782	12,784	4,931	29,518
	<u>-</u>	<u>319</u>	<u>3,243</u>	<u>17,242</u>	<u>22,532</u>	<u>8,692</u>	<u>52,028</u>

	Governance costs £	Finance costs £	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Other support costs £	Total 2020 £
Tackling asylum	(55)	149	965	4,859	6,122	1,994	218	14,252
Tackling trafficking	(24)	65	422	2,126	2,679	873	95	6,236
Tackling immigration	(104)	280	1,819	9,160	11,540	3,759	410	26,864
	<u>(183)</u>	<u>494</u>	<u>3,206</u>	<u>16,145</u>	<u>20,341</u>	<u>6,626</u>	<u>723</u>	<u>47,352</u>

The support costs have been allocated in proportion to the staff costs incurred on each activity. The trustees are of the opinion that this represents a fair use of resources.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

Governance costs

	Total 2021 £	Total 2020 £
Accountancy fees	-	(184)
	<u>-</u>	<u>(184)</u>

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2021

18 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

19 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021	2020
	£	£
Depreciation of fixed assets	<u>258</u>	<u>430</u>

MIGRANT LEGAL ACTION

England & Wales - Charity number 1152073

Accounts

Company registration number: 07879053

Charity registration number: 1152073

Migrant Legal Action

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

Migrant Legal Action

Contents

Reference and Administrative Details	1
Chairman's statement	2
Trustees' Report	4 to 17
Independent Examiner's Report	18
Statement of Financial Activities	19
Balance Sheet	20
Notes to the Financial Statements	21 to 33

Migrant Legal Action

Reference and Administrative Details

Chief Executive Officer	Anna Kouma
Trustees	S Lakhani C V Patel B E Wagner L Negahbani V K Baxi
Charity Registration Number	1152073
Company Registration Number	07879053
Registered Office	The charity is incorporated in England. 53 Addington Square London SE5 7LB
Independent Examiner	Theophane Kouma 87 Sandown Road London SE25 4XD
Bankers	Natwest 70 Denmark Hill Camberwell London SE5 8SD

Migrant Legal Action

Chairman's statement

Welcome to our annual report

I am delighted to present Migrant Legal Action's Annual Report for year 2020. This was a year that presented many challenges for everyone and not least for the charity sector and for many of our clients. As always Migrant Legal Action and its staff have been working tirelessly to help our clients to find the best solutions to their immigration issues.

At its heart, Migrant Legal Action has the aim to defend the rights of the most vulnerable members of our community through the taking of legal action. This work continued during 2020, notwithstanding the impact of COVID-19 and this report is a testament to the effect that the hard work of the team has had. As an organisation, together with our funders, partners and supporters, we have continued to pursue our mission to defend the rights of the immigrant community, despite the unprecedented challenges that we all faced during 2020.

This annual report demonstrates how we have continued to work to meet our aims, setting out the measurable results that we have achieved and illustrates how we have continued to work towards financial sustainability of the organisation.

We work to enable and empower people facing immigration, asylum or nationality issues to better understand their rights as well as obligations. We believe that access to legal advice will empower those in our communities who face multiple disadvantage and complex needs, to take appropriate action to improve their lives. We work toward achieving this by providing high quality specialist legal advice and representation, which is free or affordable.

For a number of years, we have been working in an environment that has presented us with financial constraints and year on year cuts to our funding. During 2020 this was compounded by the impact of the COVID-19 pandemic, which has had devastating effect on our community and placed even greater pressured on advising organisations.

Many of our funders stepped up to help meet the challenges caused by the pandemic, including flexible use of funding and lighter touch reporting. Migrant Legal Action is very grateful to Advising UK for facilitating access to the Community Justice Fund, wave 1 funding. We are also grateful to the National Lottery Community Fund from whom we received support to assist clients affected by Covid-19 with applications for fee waivers and lifting of the NRPF conditions.

It will be apparent from this report that the work undertaken by Migrant Legal Action had continued to achieve excellent results and is cost effective. We measure our impact by recording the outcomes that we achieve for individual clients and measuring our performance. This in turn shows the effect that our work has in our local community and in the wider society. We work towards ever increasing effectiveness by the use of technologies, whilst ensuring that we work ethically and protect the privacy of our clients.

We were fortunate to continue receiving the assistance of our volunteer bookkeeper, who during the year has assisted us in developing internal financial controls and making sure that we increase our financial resilience.

Our work continues to be made possible by our generous and dedicated funders and supporters. Migrant Legal Action has, since it was established more than 40 years ago, been fortunate to have a strong and stable basis of donors and supporters. We are grateful for your continued trust and generosity and recognise that we would not have been able to continue our work without your support.

I would like to take this opportunity to thank everyone who has supported us during 2020 and as well as our excellent team of staff and volunteers for their continued commitment to the people we serve.

Migrant Legal Action

Chairman's statement

The following pages feature our work over the last financial year. During this year we provided specialist casework and representation, including advocacy in court, in 271 cases. We provided advice to 1982 clients on the phone and 2nd tier advice on 85 cases to generalist advisers and community organisations. As many as 98% of our clients reported this year that they were happy with our service. During the year we have continued with our dedicated specialist anti-trafficking project.

Working in Partnership

Migrant Legal Action has always worked in partnership with local and national organisations and councils to better respond to our clients' needs, share information and resources. We have continued to work together with other agencies both nationally and locally to find the best response to continue providing the much-needed services to clients in the face of the COVID-19 emergency. We continue being a core member of Southwark Legal Advice Network (SLAN). During 2020, SLAN updated its Advice Strategy, reflecting the impact of COVID-19 and setting out strategic objectives for the advice sector in Southwark whilst identifying particular areas of need and concern.

During 2020 we continued to work in partnership with Southwark Law Centre and Cambridge House Law Centre in the contract with the Borough of Southwark for the provision of specialist advice services in the Borough. We also worked closely together with our colleagues at Citizen Advice from whom we continued to accept regular referrals of complex cases and judicial review matters. Citizen Advice nationally has over many years been the highest referral source to our telephone advice service.

During the year we have also received referrals from our partners at Refuge, Kalayaan, Hestia, Hackney Migrant Centre, CORAM, PRAXIS, Red Cross, the No Recourse to Public Funds Team in Southwark as well as our local MPs.

We have continued support frontline workers to assist service users who have No Recourse to Public Funds (NRPF) status, imposed on their leave to remain and have because of the impact of COVID-19 accepted additional referrals to assist clients with applications to lift their NRPF condition. We have also increasingly worked to empower frontline agencies to support those who have unresolved immigration status to access advice and representations in making applications to regularise their status in the UK.

Acknowledgements

Migrant Legal Action fundraises for all its work with the most vulnerable clients. We rely on relationships with many partners throughout the country and internationally. Our trustees sincerely thank all our supporters and donors who make our work possible, including:

- London Borough of Southwark
- Community Justice Fund
- National Lottery Community Fund
- The Legal Aid Agency
- Multi-Racial Trust

Finally, we want to thank our partners, staff and volunteers who during 2020 have contributed to our work.

S Lakhani
Chairman and Trustee

Migrant Legal Action

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2020.

Objectives and activities

Objects and aims

We deliver specialist advice and representation to people facing multiple disadvantage. We are based in Camberwell, Southwark but work regionally, nationally and internationally. We nevertheless remain firmly rooted in our local community and work closely with the community and other organisations and agencies in Southwark.

We tackle social injustice and poverty by:

- Delivering specialist legal assistance, promoting social justice and empowerment to vulnerable people with multiple disadvantages
- Improving the resilience and self-sufficiency of people who are vulnerable and marginalised
- Empowering excluded people to become active participants and contributors in society

Objectives, strategies and activities

During the year, supported by our stakeholders and advisers, we worked towards delivering our business plan which was updated in December 2018. We continued working towards developing and implementing financial systems and controls with the aim of strengthening the organisation's financial resilience. We realise that establishing financial reserves is our most important objective as we want to build up our sustainability in the face of continued adverse financial climate.

The plan's key strategic objectives continue to be:

- Enhance organisational capacity, resilience and sustainability
- Design and provide services that deliver positive impact for individuals, families and communities focusing on those that face severe and multiple disadvantage

Strategic Objective 1

To enhance organisational capacity, resilience and sustainability.

Our key achievements in relation to business development targets included:

1. Ensuring that the organisation limits the impact of COVID-19 emergency both in terms of financial sustainability and capacity:

a) Maintained our financial position as follows:

- Limited the financial impact on the organisation inflicted by the impact of COVID-19
- Increased our reserves

b) Improved our resilience:

- Continued to implement monitoring of the organisation's performance and develop measurements of impact
- Implemented remote and electronic working for all members of staff

Migrant Legal Action

Trustees' Report

Strategic Objective 2

Design and provide services that deliver positive impact for individuals, families and communities focusing on those that face severe and multiple disadvantage

Helping people obtain leave to remain, obtain jobs and reunite with their families is at the heart of this objective. During 2020 we further focused on clients who have lost their employment and therefore have been affected by COVID-19 in conjunction with the effect of having NRPF condition imposed on their immigration status.

Our key achievements in relation to affordable, independent, and expert legal services included the following:

- 2,338 beneficiaries during the year comprising 315 clients advised face to face and an estimated further 769 family members and children out of which 25% were affected by NRPF status:

1. 98% were “Very Satisfied” with overall level of service
2. 98% reported increased awareness of their rights and responsibilities because of the advice given

Users were:

1. 57% female and 43% male
2. 72% Black and Minority Ethnic and 28% British White and White Other
3. 35% Living in social housing
4. 33% Homeless
5. 32% Privately renting
6. 64% Lone parents with children
7. 36% Couples with children
8. 32% Unemployed
9. 48% Working [full-time and part-time]

Asylum:

1. 31 new asylum cases opened
2. 9 specialist one-off advice sessions
3. 10 clients represented at Court
4. 10 grants of refugee status
5. 9 successful appeals

Immigration:

1. 201 new immigration cases opened
2. 23 specialist one-off advice sessions
3. 15 clients successfully represented at Appeals Tribunals
4. 127 clients granted leave to remain or indefinite leave to remain

Nationality:

1. 75 new nationality cases opened
2. 17 specialist one-off advice sessions
3. 51 grants of citizenship

Migrant Legal Action

Trustees' Report

Public benefit

Charity trustees have a duty to report in the trustees' annual report on their charity's public benefit. The trustees should demonstrate the following:

- They are clear about what benefits are generated by the activities of the charity. This report sets out the activities carried out by Migrant Legal Action to further its mission.
- The benefits must be related to the objects of the charity: all activities are intended to further Migrant Legal Action's charitable objects, as detailed in the Articles of Association.

The people who receive support are entitled to do so according to criteria set out in the charity's objects: wherever possible, the views and opinions of beneficiaries are sought in the design and implementation of Migrant Legal Action's activities. This approach helps to ensure that projects are targeted at people in need, and that beneficial changes to the lives of people from disadvantaged and excluded communities can be evaluated and assessed.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

Volunteers have always been vital in delivering our work and bring their time, energy and enthusiasm to Migrant Legal Action's activities. We aim to ensure that as many people as possible are aware of the volunteering opportunities we offer. We also aim to provide our volunteers with opportunities to acquire skills and experiences that will help them improve their quality of life, develop their professional knowledge and or progress into further education, employment or training.

The majority of our volunteers find out about us through personal recommendation. Our volunteers are not paid for their time, but they are reimbursed for out-of-pocket expenses they incur. All of our volunteers are provided with a confidentiality agreement and a volunteer agreement, defining their goals, our needs, and the level of support or training they will receive.

Because of the impact of COVID-19 and implementation of remote working, engaging volunteers has become more challenging. During 2020, three volunteers worked with us to provide support in the following areas:

- Book keeping/accounting
- Casework support

Migrant Legal Action

Trustees' Report

Achievements and performance

During 2020 European Nationals continued to be able to make applications under the EU Settlement Scheme ahead of the UK exit from EU on 31 December 2020. This resulted in increased amount of advice calls on our advice line from European nationals needing support and advice with the process.

We have also seen a continued high demand in callers referred to us by other organisations and those wanting advice on their right to lift limitation on access to public funds or who require assistance in obtaining fee waivers, as many clients reported financial impact of COVID-19 which meant that they were not able to meet the increased application fees and Immigration Health Surcharge imposed on all application for further leave to remain.

ASYLUM AND FAMILY REUNION

Migrant Legal Action remains dedicated to assisting refugees in obtaining status and security in the UK. During 2020, the Home Office imposed a stop on asylum interviews for a period of about 6 months, and as a consequence a large backlog of unresolved asylum cases was created. We have therefore, only had 10 grants of refugee status during the year. We continue to be particularly proud of the large percentage of grants made by the Secretary of State without the need to appeal, which this year reached 75%. Unfortunately, clients who had pending asylum claims experienced a further increased delays due to the stop of asylum interviews as a consequence of the first lockdown and lack of facilities to conduct interviews remotely. This had as a consequence further delays before Home Office makes a decision on clients' asylum claims. Extensive delays continue to be faced by those who are referred into National Referral Mechanism as being potential victims of trafficking.

During the year we assisted 5 of our clients and further 3 referred clients who following a grant of asylum needed assistance with family reunion applications. This work remains particularly difficult because of the unavailability of Legal Aid and the need to apply for Exceptional Funding. We are pleased that all our applications for exceptional funding on behalf of our vulnerable clients have been successful.

IMMIGRATION

We represented 20 clients who were seeking entry clearance for their spouses to join them in the United Kingdom. Moreover, we made 8 applications for clients who face difficulties in obtaining British passport for their children who were born outside the UK. We further made two successful applications for elderly parents to be allowed to remain in the United Kingdom with their children. This category of applicants remains particularly challenging, as since July 2012 the immigration rules for adult dependent relatives have been, in practice, almost impossible to meet.

We represented 123 clients during 2020 who required assistance with their leave to remain applications where they were unable to afford paying the application fee. This is a large increase in comparison to the previous year and we conclude has been caused by the impact of COVID-19. These applications continued to be challenging because of the high level of scrutiny into client's financial situations as well as the need to show that the applicant would be "made destitute by payment of the fee". As a result of the pandemic the Home Office relaxed their evidential requirements and started accepting copies of documents to be sent electronically. Additionally, the caseworkers implemented use of email and telephone during the consideration, which hugely facilitated our ability to resolve queries quickly. We were pleased that all but one of our fee waiver requests during 2020 were successful.

Migrant Legal Action

Trustees' Report

ANTI-TRAFFICKING PROJECT

During 2020 we continued to offer specialist advice to potential victims of trafficking, as part of our anti-trafficking project, which we have run since 2012. We continued to offer free legal advice and representation to victims of trafficking and servitude.

The aim of the project is to break the cycle of human trafficking and forced labour by increasing the provision of legal advice, improving the awareness of the issues and contribute to the development of policy in this area.

This group of clients is often particularly vulnerable, as they are victims of exploitation and often face multiple disadvantages. The delays and poor decision making often lead their re-traumatisation and the biggest challenge is cultivating a relationship of trust with the clients. As a result of the Home Office's delays in decision making, during 2020 the project resulted in 5 successful outcomes.

BREXIT

During 2020, EU citizens and their dependents continued to be able to make applications under the EU Settlement Scheme to secure their immigration status in the UK ahead of the UK exit from EU at the end of 2020. During the year our advice to clients has therefore increasingly focussed on assisting as many clients as possible to secure their status. This has been reflected in the growing proportion of our work that has been dedicated to providing advice and assistance to EU citizens in relation to the Settlement Scheme. Most clients accessed our advice through our telephone advice line. We did, however, submit 25 applications on behalf of clients who had more complex circumstances. All of the applications have been successful.

JUDICIAL REVIEW

We continue dealing with judicial review claims. During 2020 these continued to be challenges of Home Office's decision to certify our clients' human rights' and asylum claims. All of these were settled in our clients' favour. We have also continued in challenging the Upper Tribunal's refusals of permission to appeal through judicial review.

DEPORTATION

We continue representing clients that face deportation following criminal convictions. These clients are often facing lengthy detention under immigration powers and are at high risk of deportation, if unrepresented. Clients we represent have families and children in the UK following very lengthy residence. Some of our clients have received sentences of more than 4 years imprisonment, making their appeals particularly difficult.

Most deportation cases are particularly challenging because of the lack of Legal Aid funding and the need to apply for exceptional funding from the Legal Aid Agency. Deportation cases require particularly detailed preparation and obtaining of detailed expert reports. During 2020 Migrant Legal Action continued its work in assisting this vulnerable group and has made a number of successful exceptional funding applications to be able to represent clients.

CONCLUSION

It has been a particularly demanding year, but we have adapted well to the new way of working and continued to achieve exceptionally good results for our clients. We look forward to next year with cautious confidence that we will be able to continue working in assisting clients, bringing hope to those affected by the COVID-19 pandemic in combination with the complex immigration system. We aim to continue fighting for justice for the most vulnerable and marginalised.

Migrant Legal Action

Trustees' Report

Key non-financial performance indicators

We reached a total of 2,338 clients in 2020. Thus despite the pandemic, our work continued and the number of our service users increased.

Our reach this year was calculated by:

- Recording the numbers of individual people and families who accessed frontline casework service and project during the year: 271 beneficiaries
- Recording the numbers of individual people and families who accessed our specialist advice line. This saw a significant increase this year due to Brexit and the unavailability of such service from other providers: 1982 beneficiaries
- Recording the numbers of generalist advisers and community organisations that have contacted us during the year to seek advice in relation to their service users: 85 beneficiaries

Further analysis of performance indicators can be found within the Trustees' Report under objectives, strategies and activities section.

Financial review

The statement of financial activities shows net income of £10,956 (2019: £2,902) for the period. Funds as at 31 December 2020 stand at £17,749 (2019: £6,793).

The details between restricted and unrestricted funds are given in note 13. The trustees consider the state of the charity's affairs to be satisfactory. The trustees were particularly pleased that despite the impact of the pandemic, Migrant Legal Action has been able to raise the level of reserves to £10,000.

Migrant Legal Action

Trustees' Report

Policy on reserves

The trustees have reviewed the reserves policy to ensure that it is aligned to Migrant Legal Action's strategic plan, and set a policy that requires reserves in a readily realisable form be built to a level that:

- Continuity Planning:

- a) Protects the continuity of the organisation's services for beneficiaries in the event of a large variation of income
- b) Bridges cash flow problems
- c) Provides a buffer to allow contingency actions to be effected
- d) Addresses spending commitments and potential liabilities in the event of a winding up

- Asset Planning:

- a) Provides the funds needed to replace capital assets
- b) Addresses risks associated with emergency repairs

- Innovation and Service Investment:

- a) Provide funds to enable the organisation to respond to new beneficiaries and or needs as quickly as possible
- b) Enables the organisation to take advantage of opportunities

Having drawn from the reserves to grow and deliver Migrant Legal Action's charitable objectives, and implement a business turnaround plan, the trustees recognise that the current level of reserves is considerably below the desired amount. The risks associated with this lack of reserves have become particularly acute considering the impact of COVID-19, where the organisation faced a decrease in income from the Legal Aid Agency as well as from fee earning activity. This impact, has however been mitigated by:

- Securing crucial funding from the Community Justice Fund and National Lottery Community Fund
- Enabling staff to work remotely and furlough of staff that were not able to continue working from home
- A diversified income portfolio which reduces reliability on any one source of income
- An increase in income sources that, though variable, are more reliable than in the past

To address long-term financial sustainability, the trustees have amended the following liquid reserve targets based on an assessment of the risks and opportunities facing Migrant Legal Action, as well as the current and future needs of beneficiaries:

31-12-2021	£34,000	15% of annual expenditure, representing 2-months operating costs
31-12-2022	£51,000	24% of annual expenditure, representing 3-months operating costs
31-12-2023	£68,000	32% of annual expenditure, representing 4-months operating costs

Migrant Legal Action

Trustees' Report

At the end of 2020 the organisation has not reached the desired level of reserves set last year. This was partly caused by the impact of COVID-19. The trustees have, however, with the assistance of volunteer bookkeeper, continued to implement new accounting systems and controls. The trustees are pleased to note that the organisation's reserves at the end of 2020 have been £10,000. Trustees will continue to closely monitor the reserves situation, ensuring that further efforts are put in place during 2021 including:

- a) Continued implementation of new accounting and control systems to enable more effective use of financial resources
- b) Apply for further funding for core operating costs
- c) Reducing work in progress

The trustees will review the required level of reserves on an annual basis, alongside the operating budget. The assessment will take account of income and expenditure risk within the budget, commitments to repay liabilities, and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

Funds in deficit

Annual budgets are prepared for all activities and we carefully monitor performance against these on a monthly basis in order to ensure that any activity operating at a deficit is carefully supervised and opportunities are taken to mitigate risks and increase unrestricted funds.

Plans for future periods

Aims and key objectives for future periods

Our future plans are to:

1. Enhance organisational capacity, resilience and sustainability by:

- a) Completing a business transformation process including:
 - Analysis, financial profiling and appraisal of existing products and services
 - Implementation of financial monitoring and controls
- b) Reviewing and updating our Office Manual
- c) Updating business plan for the period 2021-2024
- d) Continuing to diversify our income profile with particular regard to unrestricted earned income
- e) Continuing to rebuild our reserves
- f) Recruiting further member of staff following reduction in staffing as a result of retirement.

2. Design and provide services that deliver positive impact for individuals, families and communities facing severe and multiple disadvantage by:

- a) Increasing our impact and reach by:
 - Continuing to use our experience gained by delivering frontline services to influence policy in favour of community-led solutions to reach communities facing multiple disadvantages and complex needs
 - Continuing to assist families affected by COVID-19 pandemic
- b) Improve efficiency by:
 - Better use of technology and administrative support services

Migrant Legal Action

Trustees' Report

Going concern

The trustees are of the view that the charity is a going concern for at least the next twelve months from the date of signing these accounts; the charity has neither the intention nor the need to liquidate or curtail materially the scale of its operations.

In assessing whether Migrant Legal Action will continue to have adequate resources available to fund the charity's activities for the foreseeable future, trustees have considered the following:

- The charity has limited general reserves as at the year end but increased the amount of work in progress.
- More than 50% of income required for 2021 has been secured at the date of signing these accounts
- We increased our fundraising success rate to 60%, which is above the sector norm
- The charity has had the benefit of free accommodation provided by the Multi-Racial Trust at 53 Addington Square, this has been confirmed as continuing until 31 March 2023

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

- S Lakhani
- C V Patel
- B E Wagner
- L Negahbani
- V K Baxi

Chief Executive Officer: Anna Kouma

Structure, governance and management

Nature of governing document

Migrant Legal Action is a registered charity (registration number 1152073) and is constituted as a company registered in England and Wales and limited by guarantee (registration number 07879053). The company does not have share capital and is limited by the guarantee of the members to a maximum of £1 each. The objects and powers are set out in the Articles of Association.

Migrant Legal Action

Trustees' Report

Recruitment and appointment of trustees

Migrant Legal Action is governed by the charity's trustees, who are also the company's directors (and are collectively called the Board). The Board meets a minimum of four times per year to manage the business of the organisation. It can appoint sub-committees and working groups to operate with delegated responsibilities.

The delegated responsibilities and accountabilities of the Chief Executive, General Secretary and other managers are currently set out in the Organisation's Handbook and in individual job descriptions.

The trustees concentrate on strategic matters, setting overall direction for the organisation, ensuring clear organisational objectives and holding the senior management team to account. This is affected through reporting, both on performance and strategic matters, and formal appraisal of the Chief Executive's performance.

The trustees have reserved certain powers, which only they can exercise. These include those statutory powers that cannot be delegated, such as policies on investment and reserves, and decisions linked to major policy or programme initiatives, strategic planning, and changes to organisational structure.

Induction and training of trustees

The Board completes skills audits in order to assess the skills of the existing trustees, identifies any 'skills gaps' and assesses any skills being lost by the retirement of a trustee. New trustees are recruited through advertising and direct approaches to professionals and other voluntary organisations.

The induction process for new trustees is based on Migrant Legal Action's induction pack, and is designed to acquaint them with our purposes, financial position, work structure, staff and current issues. The induction process includes:

- Meetings with the existing trustees and others involved with the charity such as the CEO, members of staff, beneficiaries and stakeholders.
- One-to-one meetings with the Chair and the CEO after the first few trustees meetings, in order to discuss any questions or issues that may have arisen.

In order to ensure continued development, the trustees are offered the opportunity to attend training on key areas, such as risk and accountability.

Migrant Legal Action

Trustees' Report

Staffing and remuneration

Migrant Legal Action promotes the following standards to ensure our human resource policies:

- Are underpinned by a rigorous assessment methodology and a framework which reflects the very latest workplace trends, essential skills and effective structures required to perform effectively.
- Promote increased awareness of mental health and disability at work and provide ongoing support for the organisation in the recruitment and retention of staff.

Performance Management

We have a performance management and appraisal policy that:

- Promotes a consistent approach to workforce supervision throughout Migrant Legal Action.
- Ensures that supervision is geared to achieving the organisation's objectives.
- Enhances the quality of workforce performance.
- Addresses the personal impact of work on all Migrant Legal Action's staff, volunteers and trainees.

Staff Remuneration

We recognise the importance of being transparent and accountable in all aspects of our work, including how we reward and recognise our staff. Every employee in our organisation earns at least the Living Wage.

The London Living Wage is an hourly rate set independently and updated annually, based on the cost of living in London.

Migrant Legal Action is committed to ensuring that we pay our staff fairly and, in a way, which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. In deciding on levels of pay the following factors are taken into account:

- The mission, aims, objectives and values of Migrant Legal Action.
- How any decision might impact on the overall pay policy for all staff.
- The type of skills, experience, competences, etc. that our organisation needs.
- A significant increase in responsibilities or major change in job description.
- Our current strategic business plan and how this might affect future needs.
- Our ability to pay.
- Assessment of the individual's performance against expectations, where possible with clear evidence and targets.
- Appropriate available information on pay levels in other charities relative to size, budgets, responsibilities, etc.
- Our track record in recruiting and retaining high-performing staff.
- The likely impact of any decision on our public reputation, especially amongst our service users and stakeholders.

Migrant Legal Action

Trustees' Report

Salaries

During 2020 we had a staff team of 3 full-time and 4 part-time staff (6 FTE). Due to the impact of COVID-19, four members of staff had to be furloughed for periods of time, because of their inability to continue working from home due to their roles or family circumstances.

For Migrant Legal Action to run successfully, a large range of skills and disciplines are required, and we need to pay appropriately to ensure that we can recruit people with the right skills. We also need to retain them in a competitive market for the long-term, developing them and benefiting from their growing knowledge. This is in preference to the disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. Our staff pay scales are set with this in mind.

The salary of the chief executive is approved by our Board. Every three years the chief executive's salary is reviewed to benchmark it against other charities in London relative to size, budgets, responsibilities and the competitiveness of the employment market. At the same time, we seek to keep salary costs under control.

All other staff salaries are set by our management team, using comparisons with charities of our size in London and taking into account factors including inflation and Migrant Legal Action's financial position. Salaries are openly stated in job adverts. The same benefits, including pensions, and terms and conditions apply to the chief executive as all other staff. We don't apply any form of performance-related pay, nor do we have a bonus scheme.

Pay Awards

During 2020 the annual pay increase for the chief executive, management team and staff was 2%.

Migrant Legal Action

Trustees' Report

Major risks and management of those risks

The trustees regularly review and assess the risks faced by Migrant Legal Action in all areas of its work, and plan for the management of those risks. The management ensure that all plans and decisions take into account the possibility of negative outcomes. There is a Risk Register which is supervised and monitored monthly by the ECO, reported on quarterly at meetings of the Board of trustees and reviewed annually by the Board in order to ensure that the material risks to which the charity is exposed are properly evaluated and managed.

Appropriate mitigating actions are implemented by management to address the residual risks, mitigating them to a level the Board considers acceptable.

The Board recognises that, to achieve the objectives of the charity, the nature of some of Migrant Legal Action's work requires acceptance of some risks which are outside our control, that is, risks which cannot be eliminated, so where this happens there is active and clear monitoring of the risk.

The trustees consider that appropriate systems and controls are in place to monitor, manage and mitigate Migrant Legal Action's exposure to risks. These include, among other control mechanisms, maintaining staff awareness of risks by embedding suitable approaches in the budgeting process, the maintaining of reserves and the review of key systems and processes.

Principal Risks and Uncertainties

Our risk assessment and mitigation strategy approach is proactive and:

- Involves the whole organisation in the identification of business risks
- Increases our capability to respond to unforeseen events by integrating risk management with business continuity management
- Provides a register of prioritised risks, ranked for likelihood and impact
- Provides a framework for operational risk management and quarterly reporting
- Integrates scenario planning and disaster recovery
- Updates our risk assessment methodology every 2 years

Principle risks and uncertainties are assessed for impact and likelihood. The highest risk areas have been identified as follows:

- Failure to generate sufficient income
- Failure to effectively manage budget and liquidity
- Major unforeseen expenditure creating significant overspend or a need to make significant and unplanned increase in expenditure
- Failure to maintain day-to-day service provision where service quality, availability and continuity of service is affected by partial or total loss of resources such as staff, equipment, systems, information and premises, which would result in reduced levels of service provision and additional cost, dissatisfied clients and lost business
- Loss of staff, resulting in reduction to services

The trustees (who are also the directors of Migrant Legal Action for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Migrant Legal Action

Trustees' Report

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are 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.

The annual report was approved by the trustees of the charity on 31 December 2021 and signed on its behalf by:

.....
S Lakhani
Chairman and Trustee

Migrant Legal Action

Independent Examiner's Report to the trustees of Migrant Legal Action ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Migrant Legal Action are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Migrant Legal Action as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Theophane Kouma

87 Sandown Road
London
SE25 4XD

31 December 2021

Migrant Legal Action

Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Income and Endowments from:					
Donations and legacies	3	49,732	10,000	59,732	28,601
Other trading activities	4	105,122	43,316	148,438	168,711
Investment income	5	34	-	34	66
Other income	6	34,158	-	34,158	-
Total income		<u>189,046</u>	<u>53,316</u>	<u>242,362</u>	<u>197,378</u>
Expenditure on:					
Charitable activities	16	<u>(178,090)</u>	<u>(53,316)</u>	<u>(231,406)</u>	<u>(194,476)</u>
Total expenditure		<u>(178,090)</u>	<u>(53,316)</u>	<u>(231,406)</u>	<u>(194,476)</u>
Net income		<u>10,956</u>	<u>-</u>	<u>10,956</u>	<u>2,902</u>
Net movement in funds		10,956	-	10,956	2,902
Reconciliation of funds					
Total funds brought forward		<u>6,793</u>	<u>-</u>	<u>6,793</u>	<u>3,891</u>
Total funds carried forward	13	<u><u>17,749</u></u>	<u><u>-</u></u>	<u><u>17,749</u></u>	<u><u>6,793</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 13.

Migrant Legal Action

(Registration number: 07879053) Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	1,293	1,723
Current assets			
Debtors	10	8,821	29,482
Cash at bank and in hand	11	<u>26,881</u>	<u>1,669</u>
		35,702	31,151
Creditors: Amounts falling due within one year	12	<u>(19,246)</u>	<u>(26,081)</u>
Net current assets		<u>16,456</u>	<u>5,070</u>
Net assets		<u>17,749</u>	<u>6,793</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>17,749</u>	<u>6,793</u>
Total funds	13	<u>17,749</u>	<u>6,793</u>

For the financial year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 19 to 33 were approved by the trustees, and authorised for issue on 31 December 2021 and signed on their behalf by:

.....
S Lakhani
Chairman and Trustee

The notes on pages 21 to 33 form an integral part of these financial statements.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £3 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

53 Addington Square
London
SE5 7LB

These financial statements were authorised for issue by the trustees on 31 December 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Migrant Legal Action meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in Sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Exemption from preparing a cash flow statement

The charity has taken advantage of reporting exemptions under FRS 102 and therefore not included a cash flow statement in these financial statements.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

Judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Income and endowments

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

Donations and legacies

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.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated 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.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

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.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

Support costs

Support costs include central functions such as governance cost, finance and information technology incurred directly in support of expenditure on the objects of the charity. They have been allocated to activity cost categories on a basis consistent with the use of resources.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

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.

Tangible fixed assets

Individual fixed assets costing £50.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Furniture and equipment	20% Reducing balance

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The aims and use of each material restricted fund are set out in note 15 of the financial statements.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method, and investments which are held at fair value.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Income from donations and legacies

	Unrestricted funds £	Restricted £	Total 2020 £	Total 2019 £
Donations and legacies;				
Grants from institutions	39,200	10,000	49,200	8,100
General donations	10,532	-	10,532	20,501
	49,732	10,000	59,732	28,601

Included within grants from institutions was the sum of £10,000 from the National Lottery Community fund and £39,200 from Access to Justice.

4 Income from other trading activities

	Unrestricted funds £	Restricted £	Total 2020 £	Total 2019 £
Trading income;				
Legal representation	105,122	43,316	148,438	168,711
	105,122	43,316	148,438	168,711

5 Investment income

	Unrestricted funds £	Total 2020 £	Total 2019 £
Interest receivable and similar income;			
Interest receivable on bank deposits	34	34	66
	34	34	66

6 Other income

	Unrestricted funds £	Total 2020 £
Furlough grants	34,158	34,158
	34,158	34,158

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

7 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	<u>151,517</u>	<u>162,768</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2020 No	2019 No
Case workers	6	6
Administration	<u>1</u>	<u>1</u>
	<u>7</u>	<u>7</u>

No employee received emoluments of more than £60,000 during the year.

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

9 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2020	4,085	4,085
At 31 December 2020	4,085	4,085
Depreciation		
At 1 January 2020	2,362	2,362
Charge for the year	430	430
At 31 December 2020	2,792	2,792
Net book value		
At 31 December 2020	1,293	1,293
At 31 December 2019	1,723	1,723

10 Debtors

	2020 £	2019 £
Trade debtors	1,547	21,369
Accrued income	6,100	6,100
Other debtors	1,174	2,013
	8,821	29,482

11 Cash and cash equivalents

	2020 £	2019 £
Cash at bank	26,881	1,669

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	11,361	16,466
Other taxation and social security	2,885	4,615
Other creditors	5,000	5,000
	19,246	26,081

13 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted				
General funds	6,793	189,046	(178,090)	17,749
Restricted funds				
Women trafficking	-	10,000	(10,000)	-
People of Southwark	-	43,316	(43,316)	-
	-	53,316	(53,316)	-
Total funds	6,793	242,362	(231,406)	17,749

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
Unrestricted				
General funds	3,891	142,868	(139,966)	6,793
Restricted funds				
Women trafficking	-	8,100	(10,000)	(1,900)
People of Southwark	-	46,410	(44,510)	1,900
Total funds	3,891	197,378	(194,476)	6,793

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

The specific purposes for which the funds are to be applied are as follows:

Women trafficking - Tackling matters with trafficking specifically involving with women

People of Southwark - Providing legal assistance to those within the London Borough of Southwark

14 Analysis of net assets between funds

	Unrestricted funds £	Total funds £
Tangible fixed assets	1,293	1,293
Current assets	35,702	35,702
Current liabilities	<u>(19,246)</u>	<u>(19,246)</u>
Total net assets	<u><u>17,749</u></u>	<u><u>17,749</u></u>

15 Analysis of net funds

	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	<u>1,669</u>	<u>25,212</u>	<u>26,881</u>
Net funds	<u><u>1,669</u></u>	<u><u>25,212</u></u>	<u><u>26,881</u></u>

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Expenditure on charitable activities

	Note	Unrestricted funds £	Restricted £	Total 2020 £	Total 2019 £
Staff costs		98,201	53,316	151,517	162,768
Allocated support costs	17	31,390	-	31,390	30,708
Governance costs	17	(184)	-	(184)	1,000
		<u>129,407</u>	<u>53,316</u>	<u>182,723</u>	<u>194,476</u>

	Activity undertaken directly £	Activity support costs £	2020 £	2019 £
Tackling asylum	31,556	13,211	44,767	58,227
Tackling trafficking	13,809	5,781	19,590	25,481
Tackling immigration	59,488	24,904	84,392	109,768
	<u>104,853</u>	<u>43,896</u>	<u>148,749</u>	<u>193,476</u>

£105,433 (2019 - £127,957) of the above expenditure was attributable to unrestricted funds and £43,316 (2019 - £54,510) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of (£184) (2019 - £1000) which relate directly to charitable activities. See note 16 for further details.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

17 Analysis of governance and support costs

Support costs allocated to charitable activities

	Governance costs	Finance costs	Information technology	Staff costs	Administration costs	Premises costs including depreciation	Other support costs	Total 2020
	£	£	£	£	£	£	£	£
Tackling asylum	(55)	149	965	4,859	6,122	1,994	218	14,252
Tackling trafficking	(24)	65	422	2,126	2,679	873	95	6,236
Tackling immigration	(104)	280	1,819	9,160	11,540	3,759	410	26,864
	<u>(183)</u>	<u>494</u>	<u>3,206</u>	<u>16,145</u>	<u>20,341</u>	<u>6,626</u>	<u>723</u>	<u>47,352</u>

	Governance costs	Finance costs	Information technology	Staff costs	Administration costs	Premises costs including depreciation	Other support costs	Total 2019
	£	£	£	£	£	£	£	£
Tackling asylum	301	222	878	5,220	5,173	2,212	757	14,763
Tackling trafficking	132	97	384	2,284	2,264	968	331	6,460
Tackling immigration	567	418	1,654	9,840	9,753	4,171	1,427	27,830
	<u>1,000</u>	<u>737</u>	<u>2,916</u>	<u>17,344</u>	<u>17,190</u>	<u>7,351</u>	<u>2,515</u>	<u>49,053</u>

The support costs have been allocated in proportion to the staff costs incurred on each activity. The trustees are of the opinion that this represents a fair use of resources.

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

Governance costs

	Unrestricted funds £	Total 2020 £	Total 2019 £
Accountancy fees	(184)	(184)	1,000
	<u>(184)</u>	<u>(184)</u>	<u>1,000</u>

Migrant Legal Action

Notes to the Financial Statements for the Year Ended 31 December 2020

18 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

19 Net incoming/outgoing resources

Net incoming resources for the year include:

	2020	2019
	£	£
Depreciation of fixed assets	<u>430</u>	<u>575</u>