



**A Company Limited by Guarantee**

**Report of the Trustees and audited financial statements for the  
year ended 31 March 2023**

**Action for Race Equality 200a Pentonville Road London N1 9JP**

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**Charity registration number. 105604**

**Company registration number: 03203812**

## **Action for Race Equality**

### **Report of the Trustees (incorporating a Chief Executive's Report) for the year ended 31 March 2023**

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## **Action for Race Equality**

### **Report of the Trustees (incorporating a Chief Executive's Report) for the year ended 31 March 2023**

#### **Legal and administrative information**

Name of charity: Action for Race Equality (ARE)

Charity registration number: 1056043

Company limited by guarantee registration number: 03203812

Principal and registered office: 200a Pentonville Road, London N1 9JP

#### **Charitable company's trustees and officers:**

Femi Bola MBE, Secretary

Marion Bruce

Ila Chandavarkar

Laura Durrant

Zahid Hussain

David Izamoje, Treasurer

Seema Manchanda, Chair

Raj Patel MBE

Ambrose Quashie, Vice Chair

Kenneth Sule-Ejeh

#### **Patrons:**

Prof Greg Clark CBE

Lieutenant Colonel Sulle D Alhaji

#### **Chief Executive Officer and senior staff members to whom day- to-day management of the charitable company is delegated by the trustees:**

Jeremy Crook OBE, Chief Executive

Tebussum Rashid, Deputy Chief Executive (Resigned 8.9.2023)

**Banker:** Unity Trust Bank, Four Brindley Place, Birmingham B12JB

**Auditor:** Able & Young, Airport House, Purley Way, Croydon, CRO OX

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### **Report of the Trustees (incorporating a Chief Executive's Report) for the year ended 31 March 2023**

#### **Charitable company's other staff**

Victoria Atanda, Youth Panel lead  
Nisha Bhatia, R2S Project Coordinator  
Payal Bhavsar, Senior Communications Officer  
Meka Beresford, Head of Policy  
Brianna Cyrus, R2S Programme Manager  
Philip Flynn, Project Support Officer (Resigned 4.12.2023)  
Pheobe Georgestone, R2S Project Coordinator (Resigned 14.7.2023)  
Adeline Iziren, Communications Manager (Moving on Up) (11.5.2022 to 12.8.2022)  
Kim McIntosh, Windrush Grants & Programme Manager (Resigned 30.11.2023)  
Katie McNab, Civil Service Fast Stream placement (seconded from 01.09.22 to 29.2.23)  
Indra Nauth, Programme Director  
Maithreyi Rajeshkumar, Head of Policy (Resigned 21.09.22)  
Tara Shah, Project Support Officer  
Megan Wong, Pathways 2 Economic Opportunities, Grants & Programme Manager

#### *ARE Associates*

Dr Liz Mackie (Moving on Up)  
Karl Murray (Evaluation, Mentoring & Leadership)  
Alex Louis (Communications/PR)  
Tutu Adebiyi (Business development)

The Trustees (who are also the directors for the purposes of company law) are pleased to present their report and the audited financial statements of Action for Race Equality for the year ending 31 March 2023. These comply with statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable to charities in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### **Public Benefit**

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. Action For Race Equality provides public benefit by improving the lives of young Black, Asian and Mixed heritage people through our projects, supporting Black and Asian led organisations through on-ward grant giving and capacity building and in our policy work on tackling race disparities in education, employment and business.

## Action for Race Equality

### Report of the Trustees (incorporating a Chief Executive's Report) for the year ended 31 March 2023

#### ARE's Mission, Vision, Values and Aims

Mission	Vision
To end racial inequality	To champion fairness, challenge discrimination and pioneer innovative solutions to empower Black, Asian and Mixed Heritage communities through education, employment and enterprise
Values	Aims
<p><b>Responsive:</b> We listen, we observe, we learn and if we need to change what we do and how we do it, we will</p> <p><b>Inclusive:</b> We engage across communities, sectors and generations, listening and responding, respecting diverse views, issues and needs</p> <p><b>Collaborative:</b> We work with partners and stakeholders to strengthen our intersectional approach</p> <p><b>Leading by practice:</b> We are anti-racist and lead by example. We believe in and deliver projects and activities based on an anti-racist and anti-discrimination agenda</p>	<p>To tackle GCSE attainment and school exclusion race disparities</p> <p>To tackle race disparities in employment</p> <p>To tackle race disparities in the enterprise system</p> <p>To tackle race disparities in the criminal justice system</p> <p>To strengthen Black and Asian-led and organisations and charities</p> <p>To tackle systemic and institutional racism in public services</p>

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### **Report of the Trustees (incorporating a Chief Executive's Report) for the year ended 31 March 2023**

#### **Report of the Trustees (incorporating the Chief Executive's Report)**

As the UK emerged from the Covid pandemic it was clear it would take a long time for the country to recover socially, economically and for the NHS to deal with the massive waiting list. These challenges have the greatest impact on the poorest families and were further exacerbated with the cost-of-living crisis.

As a charity with a focus on children and young people we are deeply concerned about the impact of the above factors on their education, mental health and well-being. Across the country there remain significant numbers of children not in school (7.5% in 2022/23, House of Commons Library). We see the impact of societal pressures on children, teachers and parents and frontline charities doing the best that they can to support their communities.

In London, thanks to our Routes2Success role models and mentors we have worked with schools to add value by supporting boys and girls at risk of not completing their education or fulfilling their potential. The challenges for young people coming out of Covid was getting back into a routine at school (sleep patterns/waking up early), coping with the demands of school expectations and catching up with what was missed during the pandemic.

For a short period in the UK following the murder of George Floyd and the BLM protests we witnessed racism towards Black people become 'centre stage' and leaders across the public, private and voluntary sector were challenged to face up to Black peoples lived experience of racism and its impact on all aspects of their lives. The Government concluded there was racism, but it was not systemic and institutional; the country's policing chiefs and the prison and probation service produced race action plans. However, three years on there is no evidence that any race disparities have been narrowed and the Casey Review (March 2023) concluded what many Black Londoners have experienced for decades that there is institutional racism, sexism and homophobia in the Met Police.

The Government's denial of systemic and institutional racism makes our work far more challenging because policy makers, employers, educational institutions and the criminal justice system (CJS) avoid focusing on the root cause of race disparities and consequently their action plans fall short on delivering systemic change. ARE will continue raise these concerns and support Black and Asian communities to battle against systemic and institutional racism and the opportunity deficits this creates.

In June 2022 the Census 2021 was released which showed the ethnic minority population in England and Wales increase from 14% (Census 2011) to 18%. Today, the ethnic minority population in London is 46%; Birmingham (51%); Leicester (59%) and Manchester (43%). This matters in terms of public sector workforces reflecting this ethnic diversity and

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providing culturally relevant services and private sector leaders setting relevant workforce targets. ARE believes it is no longer acceptable for employers in the cities above to have ethnicity targets set at 14%.

The 25th of October 2022 was historic with the first UK Government Indian heritage Prime Minister - this followed on from the first African heritage Chancellor of the Exchequer. This should send a message to people from all ethnic backgrounds and especially young people that there is no position in society that is out of scope of Black, Asian and Mixed heritage people. We hope that all future Governments' see the importance of reflecting the ethnic and gender diversity of the country.

We decided to step away from the Coalition of Race Equality Organisations and with a small group of partner organisations including, the Race Equality Foundation, Operation Black Vote, HIAS+JCORE and Friends, Families and Travellers we collectively set up the new Alliance for Racial Justice which has a strong focus on tackling institutional racism. We believe England's race equality sector needs a robust national voice to tackle institutional and systemic racism. This will be important as we move toward the next general election.

Following our Reflective Review (2022) of the EQUAL National Independent Advisory Group we developed a new strategy to tackle race disparities in the CJS. Our focus remains on the youth justice system, policing and the prison and probation service. To avoid duplication by creating another national ethnic minority CJS network we made a commitment to work with Clinks charity's Race and Justice Network which is mostly comprised of ethnic minority service providers.

Unexpectedly we were approached by the Paul Hamlyn Foundation and asked if we would be willing to participate in their new Windrush grant programme. We quickly developed a proposal and worked with the Foundation to secure additional significant grants from several other funders including the Greater London Authority (GLA), City Bridge Foundation, Trust for London and the Network for Social Change. In total ARE attracted £1.3m for a three-year onward grant and capacity building programme which we called the *Windrush Justice Programme*. ARE demonstrated great agility to set up a new programme and start awarding grants to grassroots advocacy organisations within six months.

Thanks to our funders we ramped up our capacity building of small organisations and continue to believe that a vibrant and strengthened ethnic minority civil society sector builds stronger and integrated communities. ARE has focused on developing new organisational values, a new 3-year strategic plan and strengthened our human resources.

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Progressive funders have been prepared to do things differently and have spent more time listening Black and Asian led organisations about the best way to support them and in some cases, funders have channelled large grants through Black and Asian led infrastructure organisations for onward grant giving. We are proud of the onward grant giving and capacity building we have provided. The feedback from the beneficiary organisations has been positive and instructive.

ARE's staff, Trustees, volunteers, Patrons, Associates and Advisors (the "ARE family") have worked exceptionally hard to deliver our programmes and policy campaigns. And support new external initiatives like the Alliance for Police Accountability. We have collaborated with highly committed organisations across sectors at the local, regional and national level. We want to take this opportunity to thank the "ARE family", our funders (charitable, corporate and donations we receive via our website), businesses, the public servants, and Ministers that we try to influence, and we work with.

Finally, I wouldn't be able to lead and guide the ARE team without the support that I receive from Seema Manchanda, our exceptional Chair, Ambrose Quashie (Vice Chair) and Laura Durrant (Human Resource/Talent lead) and the trustee board. My thanks to the ARE trustees for their time and dedication.

**Jeremy Crook OBE.**



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## ARE PROGRAMMES

### EDUCATION

#### Route2Success (R2S) Ethnic Minority Role Model and Mentoring Programme

*"During the three sessions I have learnt to build my career and my dreams and aspirations. And how to build a start and a beginning for doing my dream job. I also build more respect and have more hope for myself." Year 9, Black male at Heron Hall Academy (May 2022).*

R2S continued to connect ethnic minority young people aged 10-24 with role models and mentors from similar backgrounds. This London project funded by National Lottery Community Fund enables and encourages children and young people, male and female, to plan for their futures; to succeed in education and employment, have an entrepreneurial mind-set, have clear career routes, inspire positive choices and provide guidance to overcome the obstacles/barriers that are so often part of everyday life.

- We have worked with 177 young people and 137 young people have attended 2 or more sessions. We are well on track to achieve our three-year beneficiary target of 600 young people.
- 11 R2S role models delivered 42 workshops in 9 schools.

A female student attended three group mentoring sessions and was engaged and motivated by the role models especially with regards to her upcoming GCSEs.

*'If I had to rate R2S on a scale of 1-5, I would give it a 5. My mentor was kind, motivational, and helped open my eye to things I never realised were a problem. She helped me figure out what career I would like to pursue. It was a really enjoyable discussing my life. Overall, I would recommend R2S to many of my friends as it is a great way to become motivated and understand the importance of my GSCE grades.'*

*'I just wanted to say a massive thank you to you both for all your help over the last year with our amazing students. It has been fantastic to see the progress some of them have made, and I genuinely believe working with you and the mentors has been a massive reason for it. A\*\*\* and L\*\*, for example, have really turned it around over the last month. Please pass on our appreciation to Hepburn too.' Head of Year 9, Phoenix Academy (Dec 2022).*

### Impact

We ask the young people that participate in R2S to complete a feedback form after every session and overall, our role models have had a positive impact. Our data shows:

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- 75% of young people that attended two or more sessions felt that their self-esteem and confidence had increased because of the sessions.
- 79% of the young people felt more confident about their future.
- 72% said that they were more likely to go on to further education.
- 66% said that they were more likely to consider entrepreneurship.

#### ***Working with Communities Empowerment Network (CEN) to support parents***

This year with our programme partner CEN we have hosted 13 parent forums attended by 59 parents and 6 parent coffee mornings. 31 parents have received 1-2-1 support from CEN and 59 parents have been signposted to external organisations. Parents have been pleased with the support given by ARE/CEN. 100% said the session made them more aware of the support services available to parents and young people.

*"Thank you for this session. Today I was feeling so helpless, but sitting in this session has given me the kick to keep on trying to support my child."* - **parent attendee at 'The Unseen Effects of Exclusion' Forum.**

R2S supported CEN with a conference entitled *Empowering Parents* on Saturday 12th November at Coram. The event was designed to demonstrate how good collaborative practice between schools, parents, and children can reduce the number of students excluded through discussions and activities designed to unify, upskill, and empower parents. There was a panel including key speakers in the field including CEN Chair and Co-Founder Professor Gus John and former headteacher Barbara Aimable. The feedback from the 22 parents who attended was excellent - 80% said it was supportive and extremely useful.

#### ***Sustainability***

We secured corporate donations from Glendower who gave us a £20K in March 2022 and Blackbaud are providing a £45K donation over three years. We received £410,700 funding from the Greater London Authority (GLA) in March 2023 under the Propel New Deal for Young People which will allow us to expand our work to an additional four London boroughs and partner with two other charities: Your Story and Father2Father. We appreciate these significant contributions that allow us to expand our reach. We will continue to put the call out for more volunteer role model and mentors.

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#### **EMPLOYMENT**

##### **Moving on Up (MoU) Employment Initiative**

MoU is ARE's ground-breaking positive action employment initiative funded since 2015 by Trust for London, City Bridge Foundation and more recently by Brent council and Jobcentre Plus (Newham). We have continued to provide strategic support for the programme and support to the MoU Collective Impact Partnerships in Brent and Newham, including:

- Secretariat support for 15 meetings covering the Advisory Group, Employer Champions Group and Newham Collective Impact.
- Attended a range of meetings including monthly funder planning meetings and quarterly Brent and Newham Collective Impact meetings.
- Contributed to commissioning of new external evaluators for Collective Impact evaluation.
- Produced two policy and data briefings
- Recruited a senior MoU communications lead.

On average over three years the two collective impact partnerships supported 120 young Black men into work each year.

Bola Abisogun OBE FRICS, stepped down as chair of the MoU Advisory Group which he had chaired from its inception. We thanked Bola for the considerable time and expertise and his devotion to MoU. He received positive tributes from the members.

##### **MoU Employer Champions**

Our employer champions group met throughout the year to explore ways of increasing employment opportunities for young Black men and expanding the membership of the group. The champions informed a new seven-page product for young Black men entitled, '*Top Tips Preparing for your interview on-line or fact-to-face*' and we are promoting this to young Black men via social media and youth employability organisations.

MoU took two groups of our young Black male Ambassadors to visit WTW, a global insurance company and of our MoU employer champions and JP Morgan. The Ambassadors got to meet WTW's Chief Information Officer Mark Beardall along with other senior staff within the Technology team and ask them about how WTW ensures it recruits and retains Black talent. During the visit, WTW committed to taking on at least five young Black men as apprentices at WTW in the coming year, a target they reached. J.P. Morgan also provided an opportunity for a small group of MoU Ambassadors to meet with senior leaders and three young Black male staff who shared their journeys and roles within the global business.

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#### *Greater London Authority (GLA) collaboration*



In September, ARE collaborated with the GLA's Workforce Integration Network (WIN) team and successfully hosted '*A Journey Towards Inclusion: Young, Black and Talented*' event where leaders from across Construction, Finance and Technology and a cohort of young Black men came together at the iconic headquarters of the Royal Institution of Chartered Surveyors in Westminster.

The afternoon saw over 120 guests attend, including representatives from Balfour Beatty, HS2, Transport for London, Wates Group, Thames Water, Fat Beehive, Jacobs, Kier, Lendlease and Berkeley Group.

Guest speaker Deputy Mayor Dr Debbie Weekes-Bernard emphasised the need for employers to use the young Black male talent pool, two panellists' employers shared the practical actions they take, two young Black male MoU ambassadors shared their experiences and young Tottenham poet Giovanni Rose (Poetry Society's Foyle Young Poet, 2021) delivered new inspirational poems.

The event enabled over 30 young Black men (and some parents) to network with employers and find out more about how to find and apply successfully for jobs in sectors where young Black men have been historically under-represented. One young Black man with a desire to work in the construction sector, connected with an employer present and subsequently attended their apprenticeship open day and successfully applied for a level three apprenticeship.

ARE's funding for the recent two-year MoU phase ended in October 2022 and we successfully obtained two further years of funding to October 2024. Also, during this period, ARE took on a government funded Kickstart Scheme placement (facilitated by our MoU East London Business Alliance) for six months - Victoria Atanda provided project

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support during this placement and secured a permanent position at ARE once her placement ended.

#### **Ethnic Diversity in the Youth Employability Sector Programme funded by Youth Futures Foundation**

This programme started in November and aims to strengthen the Black, Asian and Mixed-heritage led employability sector by working with a group of ten organisations across England, sharing best practice and tackling the challenges they face – all to ensure better job outcomes for young people aged 16-24 from Black, Asian and Mixed-heritage backgrounds.

The programme is informed by a new ARE Youth Panel and we recruited a new ARE Youth Panel Lead - Victoria Atanda. We began recruitment of the Youth Panel early in 2023.

The group of organisations set out what they expect to achieve from the programme and their thoughts on how we can share learning, best practice and 'what's working' to support young people into good jobs. We have started to support each organisation with organisational development, provided two with one-to-one support to develop funding applications. We will continue to support all organisations with fundraising to help them secure crucial core costs in addition to programme funding. One group's feedback included, *'ARE is so knowledgeable and helpful. I wish I could clone your staff and have them working with me in the West Midlands.'*

#### **CRIMINAL JUSTICE SYSTEM (CJS)**

##### **EQUAL National Independent Advisory Group (NIAG)**

The EQUAL NIAG is comprised of representatives from civil society, academia, funders and CJS civil servants. ARE continued to host quarterly EQUAL NIAG meetings and speakers have included Justin Russell, HM Chief Inspector of Probation and Alana Ajani, Programme Director HMPPS RAP.

NIAG members in collaboration with funders met to develop the work strategy going forward. This has included the development of a new Theory of Change, Stakeholder analysis and management plan, comms strategy, policy priority area review and fundraising strategy.

EQUAL contributed to a wide range of policy spaces. We also undertook a review of our policy strategy, developed a theory of change and new three-year policy strategy which connected our core policy priorities - education, employment and criminal justice.

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#### **Representation on Boards**

EQUAL continued to be represented on a number of panels and boards including the HMPPS External Advice and Scrutiny Panel (EASP) and Service Users Advisory Group (SUAG – now LEEN), Ministerial Roundtables, MOPAC's Gangs Violence Matrix Reference Group, MPS Strategic Race, Inclusion, Diversity and Equality External Advisory Board, Transition2Adulthood and sector led panels via Clinks and the Criminal Justice Alliance (CJA). Work with these Boards/panels has included:

- Contribution to the Police, Crime, Sentencing and Courts Bill campaign - attended the House of Lords to set out our equalities concerns with other organisations (Agenda, Traveller Movement, Alliance for Youth Justice), this event had been arranged by EQUAL and CJA. Reed Smith LLP a law firm and AIG Insurance have agreed to offer pro bono support to CJA on the work around the bill. EQUAL and CJA have been looking more specifically at the ways in which the government are failing to show due regard to the Equality Act 2010 Public Sector Equality Duty.
- National Police Chiefs' Council (NPCC) National Race Action Plan (NRAP) - EQUAL participated in meetings regarding the NRAP giving a critical lens to its depth and substance and submitted recommendations.
- Continued engagement with HMPPS on PAVA spray (incapacitant spray similar to pepper spray). ARE is against its use in the prisons.
- Supported Manchester Metropolitan University, in a policy capacity, on a research project, looking specifically at Crown Court and magistrate court datasets, looking at sentencing and remand and the ethnic inequalities and disparity, and what drives that disparity, particularly in relation to sentencing and remand.
- EQUAL responded to the Inclusive Britain report, which is the government action plan response to the problematic CRED report (2021).

#### **Campaigning**

##### *Gangs Violence Matrix (GVM) campaign*

The team worked hard to progress and launch a campaign to question and challenge the existence and use of the database. Working with HelpFilm and their pro bono support a film was produced and launched on 2nd November 2022. This coincided with Liberty's Judicial Review of the GVM.

The film is based on interviews and workshops carried out by EQUAL/ARE to engage young people and sees criminal justice experts, Leroy Logan MBE (former Metropolitan Police Superintendent and member of the Alliance for Police Accountability); Lana Adamou (Lawyer at Liberty UK); Katrina Ffrench (Director and Founder of UNJUST UK); Sammy Odoi (Founder of Wipers CIC) and Jeremy Crook OBE (ARE) and young Black people openly share their experience and insights into the long-term emotional, psychological and social toll of over policing of Black communities that the Matrix forms part of.

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*'What we spoke about was relatable. I showed empathy, listening to my colleagues, especially Awate Suleiman – pressure off my chest.'*

*'Realised just how much the police get away with, and how little is actually done for the young people in general. The session was really informative.'*

Following the campaign and a legal challenge by human rights charity Liberty on behalf of UNJUST UK and Awate Suleiman, the Met Police removed around 2000 names from the GVM and recognised the need to overhaul the Matrix including a rename.

## **Alliance for Police Accountability (APA)**

The APA is a newly established England and Wales initiative consisting of influential Black individuals and national Black organisations such as Black Police Association, BlackMen4Change and Black Equality Organisation. ARE is the accountable body for APA funding and coordinated the APA's 62 page '*Community Orientated Policing (COP) A Compelling Case*' document which was completed in January 2023. The document makes the case for developing new forms of community orientated policing with Black communities and sets out a multi-million-pound three-year strategy.

The APA is actively engaged in consultative processes with the Metropolitan Police Service, the Mayor of London's Office, the College of Policing, the National Police Chiefs Council, and the Independent Scrutiny and Oversight Board for the NPCC's National Race Action Plan.

The APA's aims to engage and consult with Black communities in four cities to develop Black policing charters (at local and national levels) and Black-led public health charters. The project's goal is to establish local police monitoring groups that enhance police accountability and facilitate community-led public health action and violence reduction networks.

The APA Steering Group is chaired by Lee Jasper (former GLA Deputy Mayor for Policing and race equality campaigner).

In March the APA staged a press conference outside New Scotland Yard to coincide with the publication of the Casey Review. Members of the APA Steering Group including ARE's Chief Executive called for police reform and effective accountability.

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## **ONWARD GRANT GIVING & CAPACITY BUILDING FOR BLACK, ASIAN AND MINORITY ETHNIC LED ORGANISATIONS**

### **Pathways to Economic Opportunities (P2E)**

P2E is a two-year programme funded by JP Morgan Chase and London Community Foundation, providing funding and organisational development support to 19 Black and Minoritised Ethnic-led (BME) organisations in London working on employment, enterprise and financial health. ARE has organised and delivered:

- 3 workshops (leadership training, building resilience, writing better bids)
- Introductory workshop to organisational development
- An Action Learning Set on the Cost of Living
- Met with 6 partner organisations to assess their organisational development needs and matched them to consultants; and published two blogs.

### ***Impact***

Several partner organisations have secured additional funding including core funding. One organisation said they had secured two lots of 3-year funding ranging from £100-200k, and that that was a result of the organisational development support.

There is increased networking amongst organisations including peer-mentoring support; and -increased knowledge around specific topics including building resilience and wellbeing within a team, communications and social media, writing bids, and leadership. Skills sharing and problem-solving support amongst partners about dealing with challenges including cost of living, monitoring and evaluation.



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Participants have valued the 1-1 consultancy support – having an expert to provide support and make recommendations has been useful. Even though it has involved additional work. One organisation leader stated:

*'The pressure and focus on our organisational development is needed. Otherwise, these things would be on the backburner, and I'd be scared to start it because I wouldn't know where to start. So, whilst it is a lot of extra work, it has been really supportive...we have a year to really focus on making the changes within the organisation. It's a good push to really focus on improving in these areas.'*

#### **Stronger Futures - GLA Violence Reduction Unit (VRU) funded.**

Stronger Futures is supported by £1.38m fund for organisations across London to support young Londoners at risk of crime/already involved in crime – targeting support for hours after school to 10pm, weekends and holidays. Working in partnership with Rocket Science, ARE has provided grant management skills to ten of the seventeen funded organisations and has managed the organisational development element for all seventeen organisations. This included 1-2-1 tailored consultancy support and themed masterclasses. The ongoing and relational nature of the support also provided organisations with the flexibility to react to issues as they arose, rather than offering a rigid programme that did not suit organisations' day-to-day experiences.

Testimonial from one of the organisations supported:

*'You're not fumbling around in the dark looking out there who can help you on a piece of work, you've got someone there in front of you, who you're working through a number of sessions for the duration of the grant which is good... The capacity building support, I would give it a 10 out of 10. It's helped us greatly. We had a good consultant, went through our policies, made sure that all the policies were in line with the guidelines and compliance up to date, and it was excellent.'*

Rocket Science and ARE were successful in securing an additional nine months funding from August 2022, to support the Stronger Futures funding recipients with their capacity building and exit strategies.

The Stronger Futures Networking Reception in March 2023 at Coin Street Community Builders brought together all of the Stronger Futures funding recipients to network, establish and develop collaboration pathways, to support each other to overcome immediate challenges and to discuss innovation/new ideas. The event was particularly useful as allowed space to examine the impact of the cost of living and challenges facing the groups around burnout and trauma.

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#### **Windrush Justice Programme (WJP)**

The £1.3m WJP was created to provide small grants to grassroots organisations across the UK who were providing advocacy support to anyone wanting to access the Home Office Windrush Compensation Scheme, and/or to regulate their status as a British Citizen in order to access the Scheme. Many groups were operating in a voluntary capacity and had started this work based on the need they had seen/heard directly from communities affected and some had been created following support they had given their own family members. In addition to the grants the programme provided tailored consultancy organisational development support to strengthen the organisations. WJP, working with Patrick Vernon a leading Windrush campaigner is also developing policy and lobbying policy makers for change.

#### *Onward grant giving performance*

- One funding round run and grant decisions taken by a new in-person independent assessment panel.
- 12 organisations providing advocacy support onward granted funding of £22k across two years. A total of £198k was onward granted within this financial year.

A standout moment was co-designing the grants application process with over twenty small organisations who were planning to apply to the WJP. This co-design led to ARE using a conversation assessment model rather than an application form, where members of the WJP team would meet with key people within the organisation who were applying to interview/chat with them about the advocacy work they are doing, the challenges they face, how they would use the funding and what difference this would make to their organisation and those they were supporting. These chats were incredibly impactful and full of rich information including case studies, with organisations stating that "this process has been so helpful as I don't like completing applications forms [for funding] as I'm not good at that. This way lets me tell you about all of the work we're doing and is less stressful".

In October a new part time Grants and Programme Manager Kim McIntosh was employed. New funding of £110k was secured in January 2023 from the Network for Social Change. This funder consists of high-net-worth individuals who commit funding to causes and initiatives that they want to fund/champion.

ARE's WJP team consisting of Jeremy Crook, Indra Nauth and Kim McIntosh met with Lord Simon Murray, who is Parliamentary Under Secretary of State at the Home Office and Home Office colleagues in February 2023. The meeting was an opportunity to set out the work of the WJP and to build and develop relationships with colleagues at the Home Office.

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#### **ENTERPRISE**

##### **Islington Enterprise Support**

Our work supporting Black, Asian and minority owned businesses in Islington impacted by Covid continued to the end of November 2022. We supported a total of twelve businesses from a range of sectors including IT website/network support, a biodegradable wipes company and two beauty businesses. With ARE consultants we delivered four online masterclasses which included topics like *Accessing public sector contracts*; *Turning [social media] clicks to sales*; *Financial Management and Improving your website*. To share content from the workshops we developed a set of guides which included the workshop content.

Using the Action Learning Set (ALS) peer to peer learning model, six facilitated sessions were held with participants raising challenges that included *Marketing products/the business to stand out in a crowded market* and *competing with skilled offshore workers*. We had originally planned to hold 3 ALS sessions however they proved to be one of the most popular elements of the programme, with many businesses wanting to present their challenge(s).

Two networking events were held with the Council and businesses, given business owners a chance to share their thoughts on the programme and to hear what other initiatives the Council's Inclusive Economies team were planning. We met regularly with colleagues from Islington Council to track the outcomes and update the Council on its impact.

##### **Islington Inclusive Entrepreneurship Programme**

The Inclusive Entrepreneurs programme also continued to December 2022 we provided a bespoke programme of business support and networking for underrepresented entrepreneurs. In particular, Black, Asian and Minority Owned businesses. The programme also targeted female entrepreneurs and people with disabilities in the borough of Islington, as part of the wider Business Recovery Programme.

ARE provided specialist facilitators and consultants who delivered a mix of one-to-one sessions, masterclasses, peer-to-peer learning groups and opportunities to attend networking events. The programme delivered culturally appropriate business support which was a hugely successful element of this work.

- 94% of the 17 businesses supported were Black, Asian or mixed heritage owned
- 82% were female owned and 18% were male owned
- 41% were owned by disabled people

The intersectionality of the businesses is illustrated by the fact that five of the participating businesses were female, Black or Asian and disabled.

## **Action for Race Equality**

### **Report of the Trustees (incorporating a Chief Executive's Report) for the year ended 31 March 2023**

In September we held an in-person event with Councillor Santiago Bell-Bradford who leads on the Inclusive Economies brief at Islington Council. Over half of the entrepreneurs attended (along with businesses from Enterprise support programme). The Councillor was pleased to hear firsthand how the grants provided by ARE and the business support offered, had made such a crucial difference to the entrepreneurs on their start-up journey. He said, *'you often see budget headlines in a report but not really understand what sits behind these. To actually meet people how were support, brings this information to life.'*

#### **Case Study: Anaquaa Apparel**

*'The funding helped Anaquaa Apparel get off the ground. We are a tiny charity, but with this funding we were able to invest in our concept of running a social enterprise and launched our first range, build a website and social media platforms, hold 3 community events, paid staff for social media and design work, as well as recruiting two Black, Asian and Minority Ethnic women in the community to produce the clothing. Aside from the financial impact we benefitted hugely from the one-to-one support with our consultant Tutu. She has a great depth of knowledge of the community needs and is very detailed and thorough in her planning which helped our Director and Operations Coordinator learn a lot about business planning, financial management, creating strategic long-term objectives and managing our time, this support has been invaluable.'*

## **ARE CONSULTANCY**

### **STRENGTHENING ARE - Charities Aid Foundation (CAF)**

ARE received funding from CAF to strengthen the organisation and ensure we remained resilient. We used the £10k consultancy of the funding to develop a new Theory of Change (ToC) and three-year strategy for the organisation, including a Communication Strategy. With external HR support we have developed a new organisation structure that reflects the activities and roles required to implement the new strategy. ARE also trained all staff on using Office 365 to use processes to work more efficiently.

ARE used the main grant of £126k to fund staffing costs for both salaried employees to strengthen the work we do and also costs to buy in expertise in areas we don't have or need this experience due to our size - e.g., Human Resources, IT systems support and payroll services. Salaried roles included main grants project support, part funding the comms officer role and part funding of core costs for ARE's Chief Executive and Deputy Chief Executive.

## **Action for Race Equality**

### **Report of the Trustees (incorporating a Chief Executive's Report) for the year ended 31 March 2023**

#### **Comic Relief Global Majority Fund (GMF)**

We were pleased to be awarded funding of £385k from Comic Relief's GMF Phase 3, with £130k to be spent in the first couple of years (from January 2022) to continue to strengthen ARE and take forward our new Theory of Change and strategy. Part of the grant will be used to start a new onward granting programme from next year.

#### **PLANS FOR THE FUTURE**

From April 2024 we will be implementing our new three-year strategic plan supported by our new organisational structure.

This will involve strengthening our policy and communications, support for the Senior Leadership Team and programme managers. We will prepare to communicate our policy priorities in relation to the forthcoming Mayoral and Police and Crime Commissioner elections in 2024 and the likely General Election.

The ARE staff team will continue to develop internal processes where we can, to make our work more effective and streamlined.

We started our racial terminology research hosting two online consultations and the full survey of young people in England Wales will go live in early in 2024.

#### **Review of the Financial Position**

The majority of income of the charity is from grants. The income of the charity for the year was £1,100,280 (2022 - £946,822) and the resources expended were £889,534 (2022 - £819,713). The charity received grants from a number of new funders as set out in the notes to the accounts. The unrestricted reserves at the financial year end were £373,716 with further designated reserves of £198,800 towards future projects to do with education, entrepreneurship, employment and the criminal justice system.

As with other charities of similar size and sector the inherent nature of grant funding is of short-term duration. The charity runs different projects to achieve its core objectives. Similar to other charities in this sector, it is finding it increasingly difficult to attract suitable funds to carry out all the objectives it wishes to achieve.

#### **Reserves Policy**

The charity's aims to hold free reserves equivalent to approximately nine months of charitable spending in order to continue to fund the activity of the charity including support and governance costs. The free reserves which are a part of the unrestricted reserves are held to make sure the charity can maintain its activities and meet its liabilities including liabilities to staff whilst awaiting the outcomes of grant applications.

## **Action for Race Equality**

### **Report of the Trustees (incorporating a Chief Executive's Report) for the year ended 31 March 2023**

The free reserves held by the charity at the financial year end were £373,716 and represent approximately six months of costs.

#### **Staff**

All staff are directly engaged in activities in furtherance of the objectives of Action for Race Equality and their cost has been allocated accordingly. The largest expenditure of the charity is staff costs and these are consistently reviewed to ensure optimization of the charity's resources.

#### **Structure, Governance and Management**

The organisation is a charitable company limited by guarantee. The charitable company was incorporated on 24 May 1996 and registered as a charity on 10 June 1996. The registered charity operates within its memorandum and articles of association. Action For Race Equality is a charity limited by guarantee. The guarantee of each member is limited to £1

#### **Governance and Management Structure**

The Board of Trustees is comprised of individuals from the voluntary, private and public sectors with a broad range of knowledge and experience relevant to the charity. The Board convenes throughout the year and holds an additional strategic planning away day.

Action for Race Equality Trustees have delegated management of the Action for Race Equality to the Executive Director who reports on performance against the Strategic Plan approved by the Trustees.

#### **Risk Assessment**

The Board of Trustees constantly review and assess the risks to which the charity is exposed, particularly our activities at national level, operational and financial risks.

#### **Trustees' Responsibilities**

Charity and company law require the Board of Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and the incoming resources and application of resources, including income and expenditure, for the financial year. In preparing the financial statements the trustees should:

- Select suitable accounting policies and applied them consistently

## **Action for Race Equality**

### **Report of the Trustees (incorporating a Chief Executive's Report) for the year ended 31 March 2023**

- Make judgments and estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue on that basis.

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

In so far as the Trustees are aware at the time of approving our trustees' annual report:

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

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 legislations in other jurisdictions.

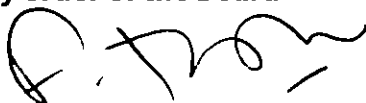
## **Auditors**

Able & Young acted as the auditors of the charitable company and have expressed their willingness to continue in that capacity.

## **Small company exemption**

This report of the Directors has been prepared in accordance with the Companies Act 2006 relating to small companies.

## **By order of the Board**



**F Bola**

**Dated: 07 December 2023**

## **ACTION FOR RACE EQUALITY**

### **Independent auditors' report to the members of Action For Race Equality**

We have audited the financial statements of Action For Race Equality, formerly known as Black Training and Enterprise Group Limited (BTEG) for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Consolidated Balance Sheet and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Responsibilities of trustees Statement as set out on page 22-23, the trustees (who are also directors of the charitable company) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' (Directors') Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications of our report.



## **ACTION FOR RACE EQUALITY**

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

Based upon our understanding of the company and the industry , we identified that the principal risk of non compliance with laws and regulations related to company law applicable in England and Wales, and we considered the extent to which non compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements. such as the Companies Act 2006 and payroll tax .

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the override of controls) testing the appropriateness of journal entries and other adjustments, assessing whether judgement made in making accounting estimates are indicative of potential bias.

Audit procedures included:

- Enquiring with management regarding correspondence with regulators and tax authorities;
- Evaluating management controls designed to prevent fraud and detect irregularities;
- Challenging assumptions and judgements made by management in their critical accounting estimates.

### **Opinion on financial statements**

In our opinion the financial statements:

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

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' (Directors') Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## ACTION FOR RACE EQUALITY

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

*Rekha Shah*

Rekha Shah FCCA CTA  
Senior Statutory Auditor  
For and on behalf of Able & Young  
Chartered certified Accountants and Registered Auditors  
Airport House  
Purley Way  
Croydon  
Croydon CRO 0XZ

Dated. 18 December 2023

**Action For Race Equality**  
( A company limited by guarantee)

**Consolidated statement of financial activities**  
(Including consolidated income and expenditure account)

**For the year ended 31 March 2023**

	Notes	Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022
		£	£	£	£
<b>Income</b>					
Donations and legacies		24,777	20,000	44,777	34,484
Income from charitable activities		152,459	798,504	950,963	840,277
Other trading activities		92,523	-	92,523	71,620
Investment income		12,017	-	12,017	441
<b>Total income</b>	2	<u>281,776</u>	<u>818,504</u>	<u>1,100,280</u>	<u>946,822</u>
<b>Expenditure</b>					
Raising funds		56,314	-	56,314	50,741
Charitable activities		160,063	673,157	833,220	768,972
<b>Total resources expended</b>	3	<u>216,377</u>	<u>673,157</u>	<u>889,534</u>	<u>819,713</u>
<b>Net incoming/(outgoing) Resources before transfers</b>		65,399	145,347	210,746	127,109
Transfers between the funds		0	-	-	-
<b>Net movement in funds for the year</b>		<u>65,399</u>	<u>145,347</u>	<u>210,746</u>	<u>127,109</u>
<b>Fund balances brought forward at 1 April 2022</b>		<u>507,117</u>	<u>96,853</u>	<u>603,970</u>	<u>476,861</u>
<b>Fund balances carried forward at 31 March 2023</b>	15	<u>572,516</u>	<u>242,200</u>	<u>814,716</u>	<u>603,970</u>

The charity derived its income from continuing charitable grants and activities. The results also include income and expenses of the trading subsidiary.

There were no recognised gains and losses other than those included in the statement of financial activities above.

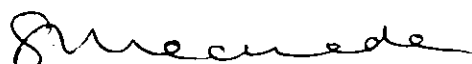
**Action For Race Equality**  
( A company limited by guarantee)

**Consolidated balance sheet**  
**As at 31 March 2023**

			2023	2022
	Notes	£	£	£
<b>Fixed assets</b>				
Tangible assets	9		1	1
<b>Current assets</b>				
Debtors	11	44,572	17,460	
Short term investments	12	156,782	155,923	
Cash at bank and in hand		1,168,813	759,134	
		<u>1,370,167</u>	<u>932,517</u>	
<b>Creditors - amounts falling due within one year</b>	13	<u>555,452</u>	<u>328,548</u>	
<b>Net current assets</b>			<u>814,715</u>	<u>603,969</u>
<b>Net assets</b>			<u>814,716</u>	<u>603,970</u>
<b>Funds</b>				
Income funds				
Unrestricted funds				
General funds			373,716	304,117
Designated funds			198,800	203,000
Restricted funds			<u>242,200</u>	<u>96,853</u>
<b>Total funds</b>	15		<u>814,716</u>	<u>603,970</u>

The trustees have prepared group accounts in accordance with the Companies act 2006, s. 398 and the Charities Act 2011, S. 138. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Approved by the trustees on and signed on their behalf by:



S Manchanda  
Trustee

Date: 07 December 2023

**Action For Race Equality**  
( A company limited by guarantee)

**Charity balance sheet**  
**As at 31 March 2023**

			2023	2022
	Notes	£	£	£
<b>Fixed assets</b>				
Tangible assets	9		1	1
Investments	10		2	2
			<u>3</u>	<u>3</u>
<b>Current assets</b>				
Debtors	11	870	870	
Short term investments	12	156,782	155,923	
Cash at bank and in hand		1,156,416	749,042	
		<u>1,314,068</u>	<u>905,835</u>	
<b>Creditors</b> - amounts falling due within one year	13	<u>523,569</u>	<u>326,082</u>	
<b>Net current assets</b>			<u>790,499</u>	<u>579,753</u>
<b>Net assets</b>			<u>790,502</u>	<u>579,756</u>
<b>Funds</b>				
Income funds				
Unrestricted funds				
General funds			349,502	279,903
Designated funds			198,800	203,000
Restricted funds			<u>242,200</u>	<u>96,853</u>
<b>Total funds</b>		(0)	<u>790,502</u>	<u>579,756</u>

The directors have prepared company's accounts in accordance with the Companies act 2006, s. 398 and the Charities Act 2011, S. 138. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Approved by the trustees on and signed on their behalf by:



S Manchanda  
Trustee

Date: 07 December 2023

**Action For Race Equality**  
(A company limited by guarantee)

**Cash flow statement**  
**For the year ended 31 March 2023**

	Notes	Group 2023	Charity 2023	Group 2022	Charity 2022
		£	£	£	£
Cash provided (used) in operating activities	16	401,063	398,980	178,131	177,932
Cash flows from investing activities:					
Interest income		12,017	11,795	441	441
Taxation			-	-	-
Purchase of tangible fixed assets		(3,401)	(3,401)	(2,976)	(2,976)
Net cash used in investing activities		8,616	8,394	(2,535)	(2,535)
Change in cash and cash equivalents in the year		409,679	407,374	175,596	175,397
Cash and cash equivalents brought forward		759,134	749,042	583,538	573,645
Cash and cash equivalents carried forward		1,168,813	1,156,416	759,134	749,042

## **1 ACCOUNTING POLICIES**

The principle accounting policies, which have been applied consistently, are as follows:

### **1.1 Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Action For Race Equality 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.

### **1.2 Company status**

The company is limited by guarantee. The guarantors are the directors of the company.  
The liability in respect of the guarantee is limited to £1 per member.

### **1.3 Going concern**

The financial statements have been prepared on a going concern basis, which is dependent upon the availability of adequate continued funding. The nature of the company's funding is inherently uncertain and should grant funding be discontinued in the future years, the charity would have to find other sources of funding, or significantly curtail its activity.

After reviewing the charity's forecasts and projections, the trustees have a reasonable expectations that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### **1.4 Group financial statements**

The consolidated financial statements comprise Action For Race Equality, the charity, and its wholly owned subsidiary ARE Enterprise Ltd . A separate Statement of Financial Activities and income and expenditure account for the charity has not been presented because the Charitable Company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

**1.5 Fund accounting**

**Unrestricted funds**

Unrestricted funds are grants and other income received or generated for the objects of the charity without further specified purpose and are available as general funds.

General funds are available for use at the discretion of the trustees in the furtherance of the general objectives of the trust.

Designated funds represent unrestricted funds allocated by trustees for particular purposes.

**1.6 Restricted funds**

Restricted funds are funds to be used for specified purposes based on the conditions imposed by the donors.

All income and expenditure is shown in the Statement of Financial Activities.

**1.7 Income**

Income from grants and donations, including capital grants, is included in the Statement of Financial Activities when the charitable company is entitled to the funds, any performance conditions attached to the grants have been met and the amount can be measured with reasonable certainty. Income is deferred when the charitable company has to fulfil conditions before becoming entitled to it or where it is received for use in a future accounting period. The notes to the Statement of Financial Activities show the gross amount received together with the changes in the amount deferred. Deferred income is included in creditors.

Income from charitable trading activities is included in income in the period in which the activity takes place and includes income receivable for training, consultancy, conferences, commission and publication sales.

**1.8 Resources expended**

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure items have been classified under headings that aggregate all costs related to each category. Where costs cannot be directly attributed to particular activities, they have been allocated on the basis of staff time spent on each activity.

Staff costs and overhead expenses, including any support or governance costs, are allocated to activities on the basis of staff time spent on those activities.

Costs of raising funds are those costs arising from trading activities.

**1.9 Pension costs**

The company operates a money purchase (defined contribution) pension scheme. Contribution payable to this scheme are charged to the statement of financial activities in the period to which they relate. These contributions are invested separately from the company's assets.



**Action For Race Equality**  
( A company limited by guarantee)

**Notes to the financial statements**  
**For the year ended 31 March 2023 (continued)**

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**1.10 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less the estimated residual value over the expected life of each asset as follows:

Equipment - on a straight line basis over 1 to 3 years

**1.11 Investments**

Investments in subsidiary undertakings are recognised at cost.

**1.12 Current assets**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

**1.13 Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less.

**1.14 Creditors and provisions**

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

**Action For Race Equality**  
( A company limited by guarantee)

**Notes to the financial statements**  
**For the year ended 31 March 2023 (continued)**

**2 Incoming resources**

	2023 £	2022 £
<b>Restricted Funds</b>		
AB Charitable Trust	110,000	25,000
Barrow Cadbury Trust	30,130	25,750
Big Lottery Fund	173,560	57,763
Comic Relief	15,000	-
Disrupt Foundation	50,000	-
Esmée Fairbairn Foundation	37,400	34,000
Greater London Authority	57,500	22,500
Hackney Council CSV	-	30,941
Islington Council	-	274,500
Lankelly Chase Foundation	-	51,156
London Community Fund	18,000	9,000
Paul Hamlyn Foundation	300,000	-
The City Bridge Trust	160,000	-
Trust for London	107,750	115,000
Youth Futures Foundation	58,900	-
Others	-	20,000
Grants received in advance - movement	(307,794)	(39,753)
<b>Total restricted Grants</b>	<b>810,446</b>	<b>625,857</b>
<b>Unrestricted Funds</b>		
Charities Aid Foundation (CAF)	31,500	104,500
Joseph Rowntree Charitable Trust	-	36,667
Income from charitable activities	37,421	23,121
Other grants	3,000	-
Donations	24,778	34,484
Grants received in advance	88,596	50,132
	<b>995,741</b>	<b>874,761</b>
Activities for generating funds	92,522	71,620
Investment income: Bank interest	12,017	441
	<b>1,100,280</b>	<b>946,822</b>

Income is accounted for on a receivable basis. Where income is received in advance and the expenses may not have been incurred relevant to that income the excess income is carried forward and utilised in subsequent period or year.

All the above restricted funds have been spent and the expenditure is noted in note 3 to the accounts. Where the grant period straddles the accounting year the unspent part of the grant is carried forward as a restricted reserve and is spent in the subsequent period.

**Action For Race Equality**  
( A company limited by guarantee)

**Notes to the financial statements**  
**For the year ended 31 March 2023 (continued)**

**3 Total resources expended**

	Projects & partnerships £	Policy & Influence £	Poverty & Employment £	Support costs £	2023 Total £	2022 Total £
Staff and external staff costs	176,694	83,023	309,918	13,695	583,330	530,255
Training and recruitment	2,194	71	22	2	2,289	1,247
Premises	4,081	4,145	14,486	3,830	26,542	23,769
Conference/seminar facilities	574	2,819	10,086	-	13,479	5,024
Communications	4,427	889	2,058	1,627	9,001	14,170
Grants / Payments to partners	-	-	241,689	-	241,689	234,945
Travelling and subsistence	940	15	1,341	3,747	6,043	2,428
Audit and legal fees	1,797	323	1,640	-	3,760	2,146
Depreciation	-	-	1,884	1,517	3,401	2,976
Other	-	-	-	-	-	2,753
	<u>190,707</u>	<u>91,285</u>	<u>583,124</u>	<u>24,418</u>	<u>889,534</u>	<u>819,713</u>
Restricted						
Charitable activities					673,157	667,785
Unrestricted						
Costs of generating voluntary income					56,314	50,741
Charitable activities					160,063	101,187
					<u>889,534</u>	<u>819,713</u>

**Action For Race Equality**  
( A company limited by guarantee)

**Notes to the financial statements**  
**For the year ended 31 March 2023 (continued)**

**4 Net incoming resources before transfers**

This is stated after charging:

	2023	2022
	£	£
Directors emoluments	-	-
Depreciation	3,401	2,976
Operating leases - land and buildings	23,337	17,865
Auditors' remuneration		
Audit fee	3,350	2,400

**5 Staff costs**

Staff costs during the period were as follows:

	2023	2022
	£	£
Salaries and wages	364,838	314,606
Social security costs	34,183	27,581
Other pension costs	27,777	23,431
	426,798	365,618

One employee earned, as defined for taxation purposes, £60,000 or more.

The average number of employees during the period, analysed by function was:

	2023	2022
	Number	Number
Direct charitable expenditure		
Chief officer	1	1
Others	11	9
Management and administration	1	1
	13	11

**6 Pension costs**

**Money purchase (defined contribution) pension scheme**

The charity operates a money purchase (defined contribution) pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £27,777 (2022 - £23,431).

**Action For Race Equality**  
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**Notes to the financial statements**  
**For the year ended 31 March 2023 (continued)**

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**7 Taxation**

As a registered charity under the Charities Act 2011, income from charitable activities is exempt in accordance with sections 466-493 of the Corporation Tax Act 2010.

**8 Trustees' Remuneration and expenses**

The trustees nor the directors received any remuneration during the period for acting as trustees.

All the trustees and directors are entitled to have their expenses reimbursed.  
These expenses were reimbursed as follows:

	2023	2022
Travelling and subsistence expenses	<u>£47</u>	<u>£98</u>

**9 Tangible fixed assets**

**Group and the charity**

	Furniture and equipment £
<b>Cost</b>	
At 1 April 2022	14,881
Additions	3,401
At 31 March 2023	<u>18,282</u>
<b>Depreciation</b>	
At 1 April 2022	14,880
Charge for the year	3,401
At 31 March 2023	<u>18,281</u>
<b>Net book value</b>	
At 31 March 2023	<u>1</u>
At 31 March 2023	<u>1</u>

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**Notes to the financial statements**  
**For the year ended 31 March 2023 (continued)**

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**10 Net income from trading**

The charity has one trading wholly owned subsidiary, ARE Enterprise Ltd (formerly BTEG Limited), which is incorporated in the UK and registered in England, the accounts of which are audited and filed at Companies House. A summary of its financial position is given below.

<b>Profit and loss account of ARE Enterprise Ltd</b>	<b>2023</b>	<b>2022</b>
	£	£
<b>Turnover</b>	92,522	71,620
Expenses	(55,271)	(49,886)
Covenanted payment to charity	(37,473)	(10,000)
	(222)	11,734
Interest receivable	222	1
Profit on ordinary activities after taxation	-	11,735

<b>Summarised balance sheet of ARE Enterprise Ltd</b>	<b>2023</b>	<b>2022</b>
	£	£
Current assets	61,133	54,469
Creditors: amounts falling due within one year	(36,917)	(30,253)
Net assets	24,216	24,216
Called up share capital	2	2
Profit and loss account	24,214	24,214
	24,216	24,216

The charity's investment in ARE Enterprise Ltd is two ordinary shares of £1 each, being the whole issued share capital of ARE Enterprise Ltd.

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**Notes to the financial statements**  
**For the year ended 31 March 2023 (continued)**

**11 Debtors**

	<b>Group</b>		<b>Charity</b>	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	43,702	16,590	-	-
Amount due from subsidiary undertaking	-	-	-	-
Other debtors	870	870	870	870
	<u>44,572</u>	<u>17,460</u>	<u>870</u>	<u>870</u>

**12 Short term Investments**

This is a 90-day fixed interest rate deposit held with Nationwide.

**13 Creditors** - amounts falling due within one year

	<b>Group</b>		<b>Charity</b>	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	5,599	6,166	5,599	4,166
Amount due to subsidiary undertaking	-	-	5,035	27,786
Taxation and social security costs	5,672	2,752	-	-
Other creditors and deferred income	544,181	319,630	512,935	294,130
	<u>555,452</u>	<u>328,548</u>	<u>523,569</u>	<u>326,082</u>

**14 Analysis of net assets between funds**

	Unrestricted General	Restricted funds	Total funds
	£	£	£
Fixed assets	1	-	1
Current assets	622,421	747,746	1,370,167
Current liabilities	(49,906)	(505,546)	(555,452)
Total net assets	<u>572,516</u>	<u>242,200</u>	<u>814,716</u>

**Action For Race Equality**  
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**Notes to the financial statements**  
**For the year ended 31 March 2023 (continued)**

**15 Statement of funds**

	Notes	Balance 31 March 2022 £	Incoming £	Outgoing £	Transfers £	Balance 31 March 2023 £
<b>General funds</b>		304,117	281,776	(216,377)	4,200	373,716
<b>Designated funds</b>		203,000	-	-	(4,200)	198,800
<b>Restricted funds</b>	a	96,853	818,504	(673,157)	0	242,200
<b>Total funds</b>	b	603,970	1,100,280	(889,534)	-	814,716

The balances will be carried forward and used as follows:

- a The balance will all be utilised in the forthcoming months to meet the delivery commitments made by the charity.
- b The balance will be used to continue the funding of the charity's mission.

Due to the short term nature of the funding that the charity receives the charity is building up a six month reserve, on grounds of prudence, to finance its activities during the time lag between existing grants expiring and new sources of funds being obtained and in the event of any unforeseen circumstances.

Designated funds are funds

Designated funds are unrestricted funds that have been set aside at the discretion of the trustees for following purposes.

	2023 £	2022 £
Service development, research and staffing fund	203,000	91,476
Transfers	(4,200)	111,524
	<u>198,800</u>	<u>203,000</u>

The charity wishes to continue its successful work in developing policy research, enterprise and employment Routes 2 Success and Equals projects. It is seeking funding to continue this work and has designated some of its reserves whilst obtaining this funding.



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**Notes to the financial statements**  
**For the year ended 31 March 2023 (continued)**

**16 Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>Group</b>		<b>Charity</b>	
	2023	2022	2023	2022
	£	£	£	£
Net incoming resources				
(as per the statement of financial activities)	210,746	127,109	210,746	115,374
Depreciation charge	3,401	2,976	3,401	2,976
Interest income	(12,017)	(441)	(11,795)	(441)
Decrease (increase) in short term investments	(859)	(83)	(859)	(83)
Decrease (increase) in debtors	(27,112)	52,218	0	46,753
Increase (decrease) in creditors	226,904	(3,648)	197,487	13,353
Net cash provided by operating activities	<u>401,063</u>	<u>178,131</u>	<u>398,980</u>	<u>177,932</u>

**17 Commitments under operating leases**

	2023	2022
Total commitments	<u>6,048</u>	<u>4,032</u>