



A Company Limited by Guarantee

**Report of the Trustees and audited financial statements for
the year ended 31st March 2024**

Action for Race Equality

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Charity registration number: 105604

Company registration number: 03203812

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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:

Ambrose Quashie, Vice-Chair

David Izamoje, Secretary

Femi Bola MBE

Ila Chandavarkar

Joel O'Loughlin, Advisor

Kenneth Sule-Ejeh, Treasurer

Laura Durrant

Marlon Bruce

Raj Patel MBE

Seema Manchanda, Chair

Zahid Hussain

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 08.09.23)

Indra Nauth, Deputy Chief Executive (appointed 01.01.24)

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

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

Charitable company's other staff

Bowale Fadare, Policy and Research Officer (appointed 01.07.24)

Brianna Cyrus, R2S Programme Manager

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Emmanuelle Andrews, Windrush Grants & Programme Manager (appointed 08.10.24)

Freya Johnson, Employment Programmes Delivery Lead (appointed 01.05.24)

Indra Nauth, Programme Director (until 31.12.23)

Kim McIntosh, Windrush Grants & Programme Manager

Liam Campbell, Local Project Development and Engagement Officer (Appointed 08.01.24)

Maanya Jones, Programme Support Officer (Appointed 07.10.24)

Megan Wong, P2E Grants & Programme Manager

Meka Beresford, Head of Policy (Appointed 15.05.23)

Nisha Bhatia, R2S Programme Coordinator (Appointed 19.09.23 left 22.05.24)

Nasrin Warsame, Windrush Policy and Comms Officer (Appointed 07.11.24)

Nola Sterling, UPLIFT Programme Manager (Appointed 28.10.24)

Payal Bhavsar, Senior Communications and Engagement Officer

Philip Flynn, Project Support Officer (Resigned 14.11.23)

Phoebe Georgestone, R2S Programme Coordinator (Resigned 14.07.23)

Qasim Alli, Policy and Research Officer (Appointed 04.12.23)

Sira Thiam, Development Officer, Alliance for Police Accountability (Appointed 04.06.24)

William De Sousa, PR & Communications Apprentice (Appointed 10.09.2024)

Zarin Tasnim, Executive Assistant to SLT (Appointed 02.09.24)

ARE Associates

Dr Liz Mackie (Moving on Up)

Karl Murray (Evaluation, Mentoring & Leadership)

Alex Louis (Communications/PR)

Tutu Adebisi (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

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for the year ending 31 March 2024. 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 staff in Black and Asian led organisations and in our policy work on tackling poverty, inequality and employment.

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>Responsive: We listen, we observe, we learn and if we need to change what we do and how we do it, we will</p> <p>Inclusive: We engage across communities, sectors and generations, listening and responding, respecting diverse views, issues and needs</p> <p>Collaborative: We work with partners and stakeholders to strengthen our intersectional approach</p> <p>Leading by practice: 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 the 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

The Trustees have continued to work with the excellent staff team at ARE, led by Jeremy Crook and Indra Nauth, to ensure the organisation is well managed, financially stable, and legally operating while continuing to be goal oriented and ambitious in our approaches to ending racism. This year has been a busy year as always, with new grant funding of over £300k. We also secured for the first time ten year funding of £1.4m by the City Bridge Foundation, for investment into our policy work; developing our longer term strategy, increasing engagement with young people on the issues of race and hosting the end of programme MOU awards . Further detail is provided in the Chief Executive's report below.

Chief Executive's report

The team undertook a tremendous amount of positive work during the year with civil society, public and private sector organisations. A key strength of ARE is our commitment to work collaboratively and this remains a strong feature of our approach.

We worked with London schools to inspire children at risk of not fulfilling their full potential in education through our Routes2Success role-model and mentoring programmes and Race Equality Action Projects (REAPs). We reviewed and strengthened our Safeguarding Policy and trained Trustees, staff and volunteers. We connected and supported Black, Asian and ethnic minority grassroots organisations with capacity building support through our Pathways to Economic Opportunities and Youth Futures Foundation programmes. Some organisations on these programmes delivered peer learning workshops.

ARE communications and social media activities went from strengthen to strength, attracting more interest and followers. Our newsletter and a flow of blogs drew increased interest in our activities.

We continued to work with the Department for Work and Pensions (DWP), Ministry of Justice (MoJ)/HM Prison and Probation Service (HMPPS), Greater London Authority, the Met Police and other policing bodies. Constructive meetings were held with two Ministers from these departments. Our focus remained on the need for race disparities to start reducing.

We continued to be a 'critical friend' to HMPPS, attending the final year of internal meetings for the Race Action Programme Board (RAP). The RAP focused on the workforce developing race allyship, D&I leaning hub, progression buddies, reverse mentoring, inclusive behaviour programme, safe space and immersive films. In relation

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to prisoners a Prison Performance Tool was adopted which measures race disparities for all adult prisons including the use of force.

ARE's criminal justice system National Independent Advisory Group (NIAG) continued to challenge HMPPS and Youth Justice Board to maintain a strong focus on reducing race disparities.

We started the year with the Met Police embarking on its journey to eliminate institutional racism within the organisation following the Casey Review (2023). The Mayor of London set up the new London Policing Board with a formidable membership. However, the task of the Board is hindered with the Met Commissioner's refusal to accept the Met is institutionally racist.

The Met wound down the STRIDE External Advisory Board that I had been a member of for nearly a decade and chaired by two previous Commissioners. I accepted the Met's invitation to join their Professional Reference Group (PRG) which focuses their misconduct policy and practice - a key issue highlighted by the Casey Review. The PRG is chaired by an Assistant Commissioner.

Many of the large organisations we interact with have race data patterns that point to long standing institutional problem. These include low Black and Asian representation at senior levels, challenges with progression and retention, disparities in pay and higher levels of activation of disciplinary procedures; inequitable procurement and ethnically narrow supply chains; and unequal grant and commissioning in relation to Black and Asian led charities and businesses. Leaders of these organisations with these features must do more.

I've often felt this year we are engaging with external colleagues that are already committed to ending race disparities - equality, diversity and inclusion meetings tend to be comprised of ethnic minority individuals and women from all backgrounds. White senior men are conspicuous by their absence. This was one reason why we produced the Moving on Up *Positive Action Guide for London CEOs* with our employer network. We do not feel enough white male CEOs/C-Suite are taking responsibility for driving change in their organisations. White male leaders need to accept that they have a responsibility to face up to and overcome racism. Until they do little will change at an organisation or systems level.

I want to thank all the schools, PRUs and prisons that opened their doors for us; the children and young people that participated in our programmes and our youth network; our amazing R2S role-model volunteers (a small number have volunteered with us for over a decade); the civil society organisations that participate in our capacity building

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programmes; our ARE Associates; employer champions and our patient and committed funders.

I want to acknowledge the ARE team for their professionalism, excellent work and commitment. Indra Nauth, Deputy Chief Executive, has led the work with our external Associates to put better systems in place to support our internal HR, comms and service delivery. ARE entered into a three-year contract with Peninsula HR services.

After nearly two decades at ARE Tebussum Rashid (formerly Deputy Chief Executive) resigned. Tebussum contributed a great deal to ARE's success, resilience and organisational culture. Many civil society leaders and organisations have benefited from her knowledge and skills, personal touch and inclusive way of working. I have observed several occasions where individuals have recalled, with gratitude, the encouragement and support Tebussum provided over years and the difference it made to their personal and organisational growth. This year, Tebussum led our successful application to the City Bridge Foundation which secured our first 10-year £1.4m grant to support our policy and capacity building work in the Capital. We are delighted Tebussum is now a Senior ARE Associate.

Finally, I want to acknowledge and thank Seema Manchanda, Chair of ARE and the Trustee board for their time, expertise and support. Ambrose Quashie (Vice Chair) and Laura Durrant (Chair of HR Subgroup), along with Seema, often find time between board meetings to support the senior management team. The Trustees rightly challenge me to make a positive impact for our stakeholders; provide evidenced based solutions, ensure financial sustainability and support our staff team.

Jeremy Crook OBE

NEW GRANTS

ARE were delighted to secure grant funding from new funders/programmes totalling £309,000 which included core funding to be delivered over the next 1-3 years. Funders include City Bridge Foundation's Anchor Fund, the Clothworkers' Foundation and the Columbia Threadneedle Foundation. We attended several learning workshops for these funds, to input into overall Theory of Change models for the programmes, developed with other organisations funded to deliver within the same fund.

ARE POLICY, PROGRAMME AND COMMUNICATIONS DELIVERY

POLICY

This year marked a renewed opportunity for ARE to develop its policy team to align with the strategic direction of policy, as set out in our strategic plan. ARE recruited a new

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Head of Policy in May 2023. We increased our policy focus across all our streams of work, in addition to continuing our well embedded work to tackle racial disparities in the criminal justice system through advisory work, publications, and evidence submissions.

We focused on increased impact through collaboration this year. We joined and continued to contribute to several key joint initiatives such as the Alliance for Racial Justice, the Alliance for Police Accountability, the Structural Inequalities Alliance, and the Better Justice Partnership led by NACRO, a multi-organisational partnership seeking Criminal Justice System (CJS) change by designing a targeted and effective strategy to build government support for system reform. We also continue to run our National Independent Advisory Group, a dedicated group of experts on racial and criminal justice policy and practice. This year, the NIAG spoke with a number of key CJS figures including Alison Lowe OBE, the Deputy Mayor of West Yorkshire for Policing and Crime and the Association of Police and Crime Commissioners lead for tackling racial disparity, and Jamie Bennett, the Chief Strategy Officer of the Youth Justice Board, who told us that ARE's work is one of the reasons why the YJB *'has a very specific objective in our strategy around reducing disparity'*. We also met with Minister Mike Freer MP who was responsible for race disparities in the Ministry of Justice and discussed our key recommendation for a cross-department strategy to tackle racial disparities in the justice system.

In addition to increased collaboration, we sought to improve awareness of our policy work through a number of events, including: delivering a lecture about race disparities in the CJS and the Lammy Review to UCL Criminology students; talking on a panel about race disparities in employment opportunities at Islington's Voluntary, Community, Faith and Social Enterprise Conference, and facilitating a workshop with the young people involved with Wipers Youth CIC, identifying the issues most important to them, designing solutions to those issues, and a campaign/comms plan around it.

We confirmed further funding for our policy work which will enable us to increase our staffing capacity and deliver on our increased outputs from next year. This will include supporting Dr Kitty Lympieropoulou (University of Plymouth), who has been successful in securing a grant to carry out research that builds on her previous collaboration with ARE looking at cumulative disadvantage in the CJS.

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Alliance for Police Accountability (APA)

ARE is the accountable body for the APA and employs staff. In June, Sira Thiam was appointed as the APA Development Officer (part-time).

The APA initiative was launched in July 2023 at Lambeth Town Hall (London). The APA are calling for community-orientated policing in response to the very low levels of public trust and confidence Black communities have in the police. Speakers included Mina Smallman, Andy George (Chair of National Black Police Association), and Baroness Casey (in a recorded interview). The event had good media coverage and was featured on BBC and ITV London's evening news, and covered in written media by Sky News and other news sources.

The APA also held a press conference in October 2023 to support Child X, a 13-year-old Black boy who was tackled by armed police when his brightly coloured water pistol was mistaken for a gun.

The APA's Steering Group met regularly to set the strategic direction and agree delivery and monitor funding applications. These meetings sometimes included external speakers, such as Abimbola Johnson, the chair of the National Police Chiefs' Council Independent Scrutiny and Oversight Board, which is responsible for critically reviewing the NPCC's National Race Action Plan.

Over the year, the APA secured funding to implement their work plan. Initial funders were Lankelly Chase Foundation, the Clothworkers' Foundation, and AB Charitable Trust - a total of £77,500 has been secured to date.

During this period, the APA started reaching out to potential partner organisations across the five cities we plan to initially work in: Birmingham, Manchester, Liverpool, Cardiff, and London. The APA signed a Memorandum of Understanding with the Black Equity Organisation (BEO).

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EDUCATION

Route2Success (R2S) Ethnic Minority Role-model and Mentoring Programme

ARE's R2S Role-model Programme is now in its eleventh year. With continued funding from the National Lottery Community Fund and additional support from the Greater London Authority through the Propel collaboration, we formed valuable partnerships with two London-based mentoring organisations: Father2Father and Your Story. These partnerships enabled us to provide mentoring services across London to 293 young people during the reporting period. We exceeded our initial target for this year and are on track to engage 400 ethnic minority young people, aged 10-24 over the two years.

We recruited 11 new Black, Asian, and Arab volunteer role-models and mentors, which has significantly enhanced our ability to deliver inspirational sessions on staying in education and personal development to 13 schools across 8 London boroughs. Our role-model sessions continued to motivate and inspire young people, with 65% reporting increased confidence about their future and 68% saying they are more likely to stay in or return to education. As one Year 8 student from Preston Manor High School shared, *"These sessions were very influential for me. I have thoughts and questions I never really asked myself, and this will help me improve toward the future"*.

We are delighted to have successfully completed two Race Equality Action Projects (REAP) this year with the support of our expert role-models. Twenty young people from two schools designed, developed, and executed projects that highlighted racial inequalities, covering topics such as Windrush and immigration, mental health, and Black boys in education. As a result of participating in the REAP, 71% of the young people reported feeling more confident about their future goals, and 86% said they felt

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more equipped to plan and achieve their ambitions. Additionally, all participants showed improvement in at least two socio-emotional skills, such as empathy and relationship-building. As the Head of Year 9 at Phoenix Academy shared, *"The Speak Easy podcast has been a huge success and something all of our students enjoyed. It was incredible to see the significant improvements made by every student."*

In January 2024, we were invited to collaborate with international mentoring organisations to deliver a workshop at the MENTOR USA Summit. The workshop, titled *Quality Mentoring: Exploring International Approaches, Insights, and Lessons Learned*, provided an excellent opportunity to work alongside leading organisations from Spain, France, and Canada. These partners recognised ARE's R2S Programme and our contribution to the development of the Mayor's Mentoring Quality Framework as a valuable tool for assessing mentoring practices. As a result of this collaboration, we established an international community of practice, where mentoring professionals meet quarterly to share insights, collaborate, and enhance our knowledge and skills in building effective mentoring systems and frameworks.

EMPLOYMENT

Moving on Up (MoU) Employment Initiative

This year saw ARE entering the tenth year of the MoU programme, funded by Trust for London and City Bridge Foundation, Brent Council and Jobcentre Plus who committed over £3m over this period to address employment disparities for young Black men aged 16-24 in London.

Testing out the final year of the MoU Collective Impact Partnership (CIP) model, partners in Brent and Newham drew their programmes to close, engaging over 900 young Black men and supporting a total of 302 into work across the four-year period.

Evaluation partners Clearview held a series of workshops and interviews to gather evidence and share learning from the CIP model. The evaluation concluded that partners felt they have achieved more success working collaboratively as opposed to in silos, bringing about greater awareness of their work and less duplication of activities in the sector and geographical area.

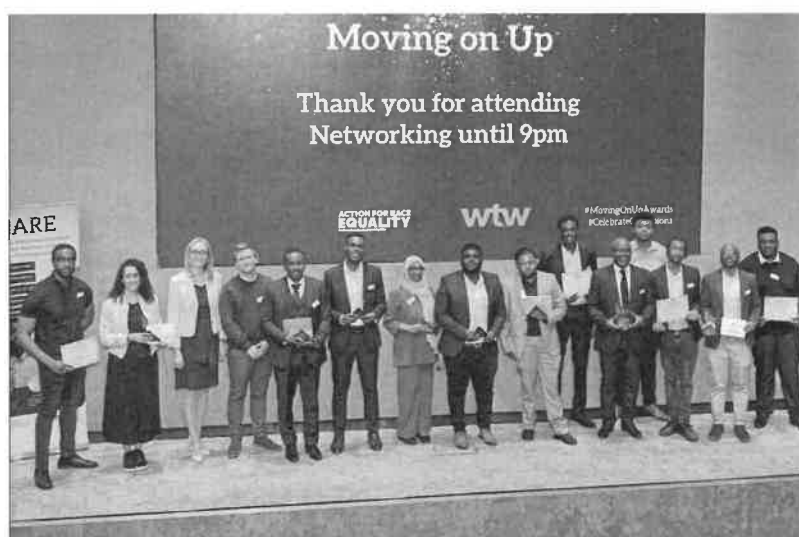
As the work of MoU came to an end, ARE produced a learning paper to share with key stakeholders and a policy paper entitled *'Ending Racial Disparities in Youth Employment: Ten Recommendations for Action'*. ARE ended this period in talks with key strategic employer engagement organisations about setting up a Race Equity in Employment Task Force, one of the ten recommendations.

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MoU Awards

On 20th March, WTW kindly hosted ARE's MoU Awards event which celebrated and recognised successful young Black men, employers and the MoU programme as a whole. The event highlighted the difference that targeted approaches to youth unemployment could make. Four young Black men received awards five were highly commended, our MoU Ambassadors presented the 'Real' Role-model Award and Special Recognition Awards were presented to Dr Bola Abisogun OBE (Chair of MoU Advisory Group) and Sioned Churchill (former Director of Grants, Trust for London).



Building Ethnic Diversity in the Youth Employability Sector

Funded for two years by a Youth Futures Foundation Infrastructure grant, ARE worked with ten organisations across England to take a Deep Dive into how they deliver their employability services, holding knowledge transfer sessions and workshops to share best practice and knowledge so that everyone involved could strengthen the work they do to support young people from Black, Asian and Mixed heritage backgrounds into good quality jobs. The Deep Dive group met several times during the year, particularly to input into the design of Youth Futures new Evidence into Action fund, to discuss Youth Futures Foundation Youth Employment Toolkit, to share learning on diversifying income and utilising sales techniques to engage young people and employers.

The programme also saw the creation of the first ever Youth Action Network (YAN) within ARE, with nine young people from across England bringing their voices to our work.

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Our YAN helped inform on our Parliamentary event held in November 2023 with keynote speakers Sir Stephen Timms MP and Alison McGovern MP (Shadow Minister for Employment). Young people, employers and colleagues from our Deep Dive groups shared their experiences about tackling youth unemployment.

In February 2024, we held a national youth employment conference focussed on *Strengthening Education to Employment Pathways for Black, Asian & Mixed Heritage young people*. Over 70 people came together to take part in engaging discussions and to propose solutions. Our YAN helped plan and deliver the conference, taking part in panel discussions and sharing their views in a series of statements about youth unemployment.



FUNDING FOR BLACK, ASIAN AND MINORITY ETHNIC LED ORGANISATIONS

Pathways to Economic Opportunities (P2E)

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P2E has been funded by JP Morgan Chase together with London Community Foundation to deliver a two-year capacity building programme for London based *led by and for* organisations with a focus on providing employment, enterprise and financial health support to their communities. At the mid-point of the programme 19 partner organisations took part in P2E's tailored organisational development support programme. A key aim was to connect each organisation with a consultant who could guide them in refining key aspects of their operations. With many organisations focusing on HR, fundraising, and strategy development, this effort was crucial for building organisational resilience and sustainability beyond the length of the program. While many faced limited capacity to engage in consultancy work, the majority of organisations began the process to focus on key gaps in their organisation.

Throughout the year, peer-learning and collaboration were central to the programme. Organisations took part in workshops, Action Learning Sets, World Cafes, and Lightning Decision Jams. These activities not only encouraged networking but also sparked collaborative ventures to solve shared challenges such as the impact of the cost of living on increased rent prices and demand on services. Notable sessions included a Lightning Decision Jam hosted by You Press on monitoring and evaluation techniques, and a World Cafe where topics were facilitated by Olmec, Urban MBA, and ASKI, focusing on organisational change, partnerships, and income diversification.

"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 to not feel alone. 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."

New consultants were brought in to expand the breadth of support available, providing expertise in areas like HR, fundraising and strategy development. Through the funding and consultancy, the 19 organisations raised additional funding ranging from 8% to 615% of their original grant amounts. These funds will provide a solid foundation for continued growth and sustainability.

Windrush Justice Programme (WJP)

The WJP, a £1.3m fund, entered year two of this three-year funded programme. After a successful initial year, the programme continued to grow. We saw 48 organisations apply to our eligibility check, demonstrating the growing familiarity that the programme is having amongst the Windrush advocacy community. Out of those 48 applicants, ARE

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progressed 19 to expression of interest (EOI) stage. We invited 16 groups to a virtual conversation, and 8 were chosen to be funded by the independent panel. This brings the total number of groups on the programme to 20.

During this period, we also started delivering the organisational development support to organisations on the programme, which includes 1-to-1 consultancy, Action Learning Sets, and workshops on topics like burnout, bid writing, and marketing to reach more clients.

By the end of Jan 2024, 9 groups funded in round 1 returned their case data, of which 294 eligible cases have been supported.

- 212 of these are for compensation, 33 are Tier 1 or 2 Reviews, 22 are to confirm status.
- 17 of these cases are supporting people based overseas. These include from countries in the Caribbean, India, Nigeria, and the USA.
- 54 of the cases have required over 10 hours of support from the advocates, 26 of which have needed over 20 hours and 3 of them needed over 100 hours of support.

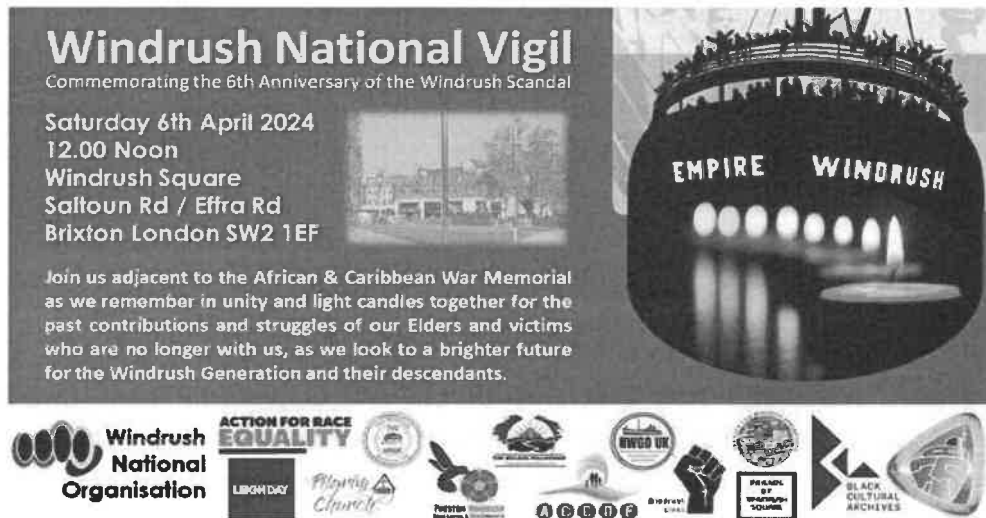
One WJP member, after receiving 121 consultancy support said:

“Thank you. I love these sessions because it brings a structure to my daily business life in Windrush. To an outsider, I am told I am doing a lot because I am busy doing things. What you are bringing is structure and help to build on the capacity and skills we’ve got. Putting things in context. I think this is needed and I hope its forever. We require a lot of things e.g. CRM, Excel training, Data collation, advocacy training. I want to become a trainer based on what we do. I like the collaborative working but would like to be provide train-the-trainer to others”.

At the end of the period, the WJP team attended a Windrush Vigil in Windrush Square in Brixton, organised by WJP group, Windrush National Organisation and a member of the Churches Together in England (CTE) Racial Justice Working Group. The vigil, which honoured the Windrush generation for a significant moment of remembrance and reflection, saw attendees from a range of backgrounds, including religious leaders, activists and supporter. ARE’s, Jeremy Crook OBE, spoke alongside local MPs and key Windrush campaigners such as Professor Patrick Vernon OBE and Jacqueline McKenzie.

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Windrush policy

The groups on our WJP knew first-hand the challenges and barriers facing victims of the Windrush scandal. This made them well-placed to shape the government's response and make recommendations.

In May 2023, ARE held a parliamentary event, *The Windrush Scandal 5 Years On: what needs to change?* Chaired by Bell Ribeiro-Addy MP and Dawn Butler MP, the meeting was attended by the then-Minister Lord Simon Murray, who listened to WJP members and victims of the scandal share their experiences. Stephen Kinnock MP, then Labour's shadow immigration minister, also attended. The event was covered in [The Guardian](#) and ARE had regular meetings with Home Office officials following the event. Baroness Floella Benjamin also mentioned our work in her Lords debate on the scandal.



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As we moved into an election year in 2024, our focus moved to collaborating with WJP groups and key stakeholders such as Black Equity Organisation, AgeUK and law centres on a Windrush manifesto. Between January and March, the team conducted a survey of WJP groups and feedback from key stakeholders, setting the foundation for the 2024 general election manifesto development.

VRU Stronger Futures & Innovation Fund

Working in partnership with Rocket Science UK Ltd, ARE delivered Phase 1 and 2 of the Violence Reduction Unit (VRU) Stronger Futures programme, to oversee the administration of grants and to support the assessment of applications, the monitoring of the grants awarded and organisation development.

Phase 3 of the VRU Stronger Futures Programme 2023-25 was designed to enable community-led groups to support vulnerable young Londoners by providing them with opportunities and support in the hours following school, as well as at weekends in some cases. It invested £3.1m to 21 projects across London.

The VRU Innovation Fund is enabling community-led groups to test new approaches and ideas to support vulnerable Londoners who are either at risk or have been involved in violence with grants of up to £50,000 with an aim to support around 50 initiatives over a two-year period.

To ensure maximum impact, The VRU programmes adopted a 'funder plus' model, i.e. alongside grant funding, each grant recipient receives capacity-building workshops and customised support to enhance resilience and sustainability.

ARE leads on the capacity building support element.

The strength of the VRU programmes was in the co-production approach at various stages of design and review, including the programme design stage, promotion and engagement at application stage, developing the MEL toolkit, designing and hosting the engagement events and insights to the workshop topics.

Throughout the period of the programmes, each successful organisation was supported with free capacity building support each year and access to a range of thematic workshops. This direct support commenced from January 2024 starting with needs assessments of 21 Stronger Futures organisations and 12 Innovation Fund holders,

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followed by consultancy support from ARE specialist associates. The range of support included:

- Communication strategies and messaging
- Audit of policies and procedures
- Funding strategies
- Website critique and/or development
- Stakeholder analysis
- Team development
- Leadership coaching

During this period three workshops were hosted by ARE:

Finance: impact of the cost of living - A facilitated learning session examined the impact of the cost of living on the sector including the effects on delivery and planning, sharing good practice and tips including reviewing expenditure, reprioritising activities, budgeting, rebalancing costs, turnover forecasting and cost calculation.

Monitoring, evaluation, and Impact - Examined the challenges in collecting data and learning from young people and shared existing creative and youth-focused evaluation approaches, as well as some "gold-standard" research tools

Comms – External Stakeholder communication provided best practice and insights to current use of platforms and language and importantly how to project core messaging for various platforms and audiences.

"The communication with the external stakeholder's part of the webinar was great. It was the major part that I took away from the webinar. I was very happy with the webinar as a whole and it covered everything I had questions about, it was a good learning experience. Listening to other participants stories and information helped make all the things we learnt about feel more grounded and relevant".

Stronger Futures participant on External Stakeholder Communication workshop

"Alex has been absolutely amazing as expected!! Honestly, she's gone above and beyond and thanks to her, LiC finally have a new website that launches today! We've loved working with Alex and we are incredibly grateful for everything she's done." *Leaders in Community, Stronger Futures recipient*

"I've run out of words for Tutu, we'd be completely lost without her."

Stronger Futures Grant recipient.

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ENTERPRISE

Future Camden Fund

Camden Council initially commissioned ARE Enterprise Ltd with £3000 in April 2023 to help them shape their offer for a business support programme targeting Black and Minority Ethnic and female business owners in the borough. This approach came as the Council had seen our work in the neighboring borough of Islington where ARE had had considerable success in reaching Black female entrepreneurs who wanted to start their own business.

In May, we conducted a survey asking for the views of Minority Ethnic-led businesses, female business owners or businesses owners with a disability in Camden and held a focus group with Black entrepreneurs at the shared workspace Camden Town Unlimited. These activities both fed into a report for the Council, with key recommendations of what their programme of support could look like, where the programme should be promoted to attract the target businesses and who would be best placed to carry it out.

In October, ARE Enterprise Ltd was successful in bidding to provide the organisation development support to the entrepreneurs, and in November the first panel was held to access applications. ARE associate Tutu Adebisi was a key part of the panel alongside the team at Camden Council.

The Future Camden Fund kick-off meeting was held in February 2024, where we met the three businesses who were successful in joining the programme in the first round, and explained what the organisation support from ARE Enterprise Ltd would look like. It was agreed that activities would begin once the funding from Camden Council had been received by businesses.



Action For Race Equality (A company limited by guarantee)

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TRAINING & CONSULTANCY

Through ARE E Ltd, we delivered several workshops for ADVANCE which were well received with good feedback. We developed new processes to ensure efficient processing of enquiries and also a new process to attract new consultants. This resulted in several new consultants joining the associate pool, to increase our capacity to deliver more training. We delivered a bespoke training programme to a funder around interrupting bias when assessing funding applications.

COMMUNICATIONS

The past year has been one of steady progress and consolidation for our communications. While the pace of some of the changes was gradual, we made significant strides in developing our communications strategy, growing our engagement levels, and team capacity. These developments have laid a strong foundation for future growth and impact, enhancing the quality of our outputs and increasing visibility for our projects and policy work.

Branding

A key achievement was the continuous refining of our brand management and quality control processes. We have worked carefully to support Programme Teams and beneficiaries by sharing our brand kit, ensuring that ARE's logo and messaging are used across our partnerships more frequently and making the brand accessible to participating groups, such as on the Windrush Justice Programme, Moving on Up, and Routes2Success.



With the application of branding controls on Canva (to manage staff created content), and setting expectations on our brand internally, our brand identity is a lot more

Action For Race Equality (A company limited by guarantee)

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consistent and recognised within the sector. We have received positive feedback from programme participants on our outputs.

Website

Website updates were a major focus throughout the year. A significant portion of efforts were directed towards refreshing the content on Moving on Up and launching the Youth Action Network pages ahead of key events (Moving on Up Awards and Youth Employment Conference), which were critical for ARE campaigns. Search engine optimisation is the next step in the development of the website, to ensure our pages are optimised for online searches.

Despite challenges in securing case studies from some of our Moving on Up partners, we saw a notable increase in web traffic, with over 4600 page views, a 59% increase from the previous period. Partially, this can be down to the fact that we have more than doubled our blog output since 2021-2022.¹ Along with updating the Criminal Justice pages with a new look, announcing the closure of the NIAG, launching the Journey to Inclusion online resource-hub and mapping a refresh of the Routes2Success pages, the website has evolved from its 2021 iteration and will continue to do so as part of our plans to continuously improve how we communicate with stakeholders with input from Programme Leads.

Social media

Social media engagement was also an area of growth. Through coordinated posting of articles and updates, tagging and engaging in other stakeholder's posts, we increased our LinkedIn followers by 983, achieved an engagement rate of 8.46%, and had 3,355-page interactions with 4,860 post clicks.²

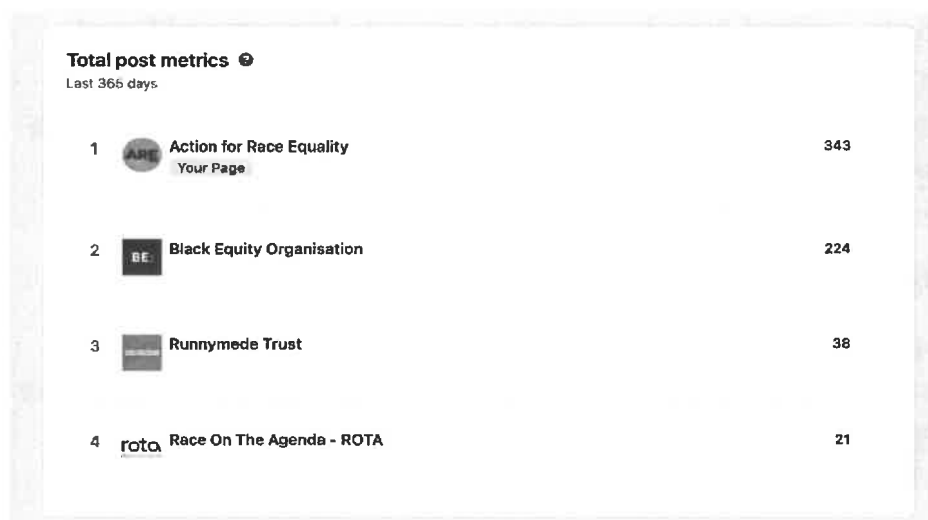
ARE's main X account gained 701 net new followers in this period and had a post engagement rate of 5.33% which is significant compared to the non-profit benchmark of 3.7%. We recorded a total of 6,776 post interactions.³

Our Instagram and Facebook channels also saw a notable uptick in interaction due to trials in paid-for advertising (for the Moving on Up Awards).

The closure of the EQUAL project, and its transition into ARE's wider Criminal Justice pages, was a key moment in 2023. This transition, while causing ARE to lose some followers/stakeholder details, has allowed us to bring key resources, commentary and learnings under ARE's brand.

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Total post metrics (LinkedIn)

Ranked by total post updates in the last 365 days. Percentage shows change from the previous 365 days.

News media

On the media front, our team saw increased visibility, with ARE featuring in significant media outlets such as LBC and the Metro, as well as mentioned in the House of Lords by Baroness Lola Young for our Windrush work. These media moments have shown there is scope to grow our influence and connections with journalists, particularly in the areas of criminal justice and Windrush Justice.

Partnerships were developed because of Communications activities this year. The Trinnovo Group's partnership with ARE, which stemmed from their interest in our work through social media, is a testament to the growing recognition of our impact. Through this partnership, we have gained valuable resources in volunteer support, networking opportunities, and knowledge sharing (such as AI and LinkedIn workshops for young people).

Internal Communications

Internally, we made great strides in improving our processes, particularly through the introduction of new planning workflows in Teams and the implementation of a shared-communications planner (Trello). These changes were made to streamline our day-to-day operations and help other team members to think more strategically about their communications planning. This is something to grow and progress in coming months.

In conclusion, while the past year has been one of gradual but consistent progress, we have positioned ourselves to be more efficient, agile and strategic in the year ahead.

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Through enhanced quality control, brand assets (like corporate banners and flyers), increased engagement across our digital channels and more visible partnerships, we are better equipped to meet the growing need for effective, planned communications, engagement and marketing support as our team and programmes expand.

PLANS FOR THE FUTURE

The implementation of our strategic plan 2024-27 and managing our organisational growth is critical. We will be piloting our Youth Leaders in the 21st Century programme with a group of young people aged 16-24 years and launching our UK Racial Terminology survey. Finally, we will develop new London employment initiatives.

REVIEW OF THE FINANCIAL POSITION

The majority of income of the charity is from grants. The income of the charity for the year was £1,166,953 (2023 - £1,100,280) and the resources expended were £1,048,292 (2022 - £889,534). The unrestricted reserves at the financial year end were £462,164 with further designated reserves of £303,000 towards future restructuring in order for the organisation to meet its mission commitments.

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.

The free reserves held by the charity at the financial year end were £462,164 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

Action For Race Equality (A company limited by guarantee)

Report of the Trustees and audited financial statements for the year ended 31st March 2024

the charity is staff costs and these are consistently reviewed to ensure optimization of the charity's resources.

Structure, Governance and Management

The organization 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
- 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

Action For Race Equality (A company limited by guarantee)

Report of the Trustees and audited financial statements for the year ended 31st March 2024

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



Femi Bola

Dated: 12 December 2024

Opinion

We have audited the financial statements of Action for Race Equality (the 'parent company') and its subsidiary undertakings (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account), the Consolidated Balance Sheet, the Charity Balance Sheet and the related notes. 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) including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'

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 2024 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 prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to take advantage of the small company's exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ACTION FOR RACE EQUALITY**

Use of our report

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

Rekha Shah

Rekha Shah (Senior Statutory Auditor)
For and on behalf of Able and Young Ltd
Chartered Accountants
And Registered Auditors
Airport House
Purley Way
Croydon
England
CR0 0XZ

16 December 2024

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 2024

	Notes	Unrestricted Funds 2024	Restricted Funds 2024	Total Funds 2024	Total Funds 2023
		£	£	£	£
Income					
Donations and legacies		4,395	30,000	34,395	44,777
Income from charitable activities		100,180	771,522	871,702	950,963
Other trading activities		221,137	-	221,137	92,523
Investment income		39,719	-	39,719	12,017
Total income	2	<u>365,431</u>	<u>801,522</u>	<u>1,166,953</u>	<u>1,100,280</u>
Expenditure					
Raising funds		146,829	-	146,829	56,314
Charitable activities		25,994	875,469	901,463	833,220
Total resources expended	3	<u>172,823</u>	<u>875,469</u>	<u>1,048,292</u>	<u>889,534</u>
Net incoming/(outgoing)					
Resources before transfers		192,608	(73,947)	118,661	210,746
Transfers between the funds		-	-	-	-
Net movement in funds for the year		<u>192,608</u>	<u>(73,947)</u>	<u>118,661</u>	<u>210,746</u>
Fund balances brought forward at 1 April 2023		572,516	242,200	814,716	603,970
Fund balances carried forward at 31 March 2024	15	<u>765,124</u>	<u>168,253</u>	<u>933,377</u>	<u>814,716</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 2024

			2024	2023
	Notes	£	£	£
Fixed assets				
Tangible assets	9		1	1
Current assets				
Debtors	11	29,644	44,572	
Short term investments	12	159,758	156,782	
Cash at bank and in hand		1,690,115	1,168,813	
		<u>1,879,516</u>	<u>1,370,167</u>	
Creditors - amounts falling due within one year	13	<u>946,140</u>	<u>555,452</u>	
Net current assets			<u>933,376</u>	<u>814,715</u>
Net assets			<u>933,377</u>	<u>814,716</u>
Funds				
Income funds				
Unrestricted funds				
General funds		462,124	373,716	
Designated funds		303,000	198,800	
Restricted funds		<u>168,253</u>	<u>242,200</u>	
Total funds	15		<u>933,377</u>	<u>814,716</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: 12 December 2024

Action For Race Equality
(A company limited by guarantee)

Charity balance sheet
As at 31 March 2024

			2024	2023
	Notes	£	£	£
Fixed assets				
Tangible assets	9		1	1
Investments	10		2	2
			<u>3</u>	<u>3</u>
Current assets				
Debtors	11	7,634	870	
Short term investments	12	159,758	156,782	
Cash at bank and in hand		1,670,898	1,156,416	
		<u>1,838,289</u>	<u>1,314,068</u>	
Creditors - amounts falling due within one year	13	<u>929,129</u>	<u>523,569</u>	
Net current assets			<u>909,160</u>	<u>790,499</u>
Net assets			<u><u>909,163</u></u>	<u><u>790,502</u></u>
Funds				
Income funds				
Unrestricted funds				
General funds			437,910	349,502
Designated funds			303,000	198,800
Restricted funds			<u>168,253</u>	<u>242,200</u>
Total funds		(0)	<u><u>909,163</u></u>	<u><u>790,502</u></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: 12 December 2024

Action For Race Equality
(A company limited by guarantee)

Cash flow statement
For the year ended 31 March 2024

	Notes	Group 2024	Charity 2024	Group 2023	Charity 2023
		£	£	£	£
Cash provided (used) in operating activities	16	485,575	478,978	401,063	398,980
Cash flows from investing activities:					
Interest income		39,719	39,497	12,017	11,795
Taxation			-		-
Purchase of tangible fixed assets		(3,993)	(3,993)	(3,401)	(3,401)
Net cash used in investing activities		35,726	35,504	8,616	8,394
Change in cash and cash equivalents in the year		521,302	514,482	409,679	407,374
Cash and cash equivalents brought forward		1,168,813	1,156,416	759,134	749,042
Cash and cash equivalents carried forward		1,690,115	1,670,898	1,168,813	1,156,416

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 2024 (continued)

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
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Notes to the financial statements
For the year ended 31 March 2024 (continued)

2 Incoming resources

	2024 £	2023 £
Restricted Funds		
AB Charitable Trust	127,500	110,000
Barrow Cadbury Trust	17,000	30,130
Big Lottery Fund	118,112	173,560
Blackbaud	30,000	-
Comic Relief	120,000	15,000
Columbia Threadneedle Foundation	60,000	-
Disrupt Foundation	-	50,000
Esmee Fairbairn Foundation	-	37,400
Greater London Authority	184,815	57,500
London Community Fund	27,000	18,000
Network For Social Change	109,186	
Paul Hamlyn Foundation	110,000	300,000
The City Bridge Trust	-	160,000
Trust for London	119,000	107,750
Youth Futures Foundation	82,534	58,900
AB Charitable Trust APA	27,500	-
The Clothworkers' Foundation APA	50,000	-
Grants received in advance - movement	(381,125)	(307,794)
Total restricted Grants	801,522	810,446
Unrestricted Funds		
The Clothworkers' Foundation	100,000	-
Income from charitable activities	180	37,421
Other grants	-	123,096
Donations	4,395	24,778
	906,097	995,741
Activities for generating funds	221,137	92,522
Investment income: Bank interest	39,719	12,017
	1,166,953	1,100,280

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
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Notes to the financial statements
For the year ended 31 March 2024 (continued)

3 Total resources expended

	Policy & Research £	Children & Young people £	Employment & Enterprise £	Capacity & Grants £	Partnership & Training £	Support costs £	2024 Total £	2023 Total £
Staff and external staff costs	60,059	109,531	157,073	199,721	13,769	15,695	555,849	583,330
Training and recruitment	1,177	286	4,694	934	0	289	7,381	2,289
Premises	2,551	8,191	8,327	9,773	0	927	29,770	26,542
Conference/seminar facilities	46	4,394	17,598	12,515	76,432	2,642	113,627	13,479
Communications	803	1,412	1,194	6,285	201	1,414	11,309	9,001
Grants / Payments to partners	0	91,594	16,000	205,500	0	280	313,374	241,689
Travelling and subsistence	41	1,063	676	249	3,313	1,792	7,134	6,043
Audit and legal fees	451	1,350	1,329	1,493	962	226	5,812	3,760
Depreciation	116	233	234	681	0	2,729	3,993	3,401
	65,246	218,056	207,126	437,151	94,677	25,994	1,048,249	889,534
Restricted								
Charitable activities							875,469	673,157
Unrestricted								
Costs of generating voluntary income							146,829	56,314
Charitable activities							25,994	160,063
							1,048,292	889,534

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Notes to the financial statements
For the year ended 31 March 2024 (continued)

4 Net incoming resources before transfers

This is stated after charging:

	2024	2023
	£	£
Directors emoluments	-	-
Depreciation	3,993	3,401
Operating leases - land and buildings	24,192	23,337
Auditors' remuneration		
Audit fee	3,350	3,350
	<u>3,350</u>	<u>3,350</u>

5 Staff costs

Staff costs during the period were as follows:

	2024	2023
	£	£
Salaries and wages	386,095	364,838
Social security costs	33,709	34,183
Other pension costs	29,421	27,777
	<u>449,225</u>	<u>426,798</u>

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

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

	2024	2023
	Number	Number
Direct charitable expenditure		
Chief officer	1	1
Others	9	11
Management and administration	1	1
	<u>11</u>	<u>13</u>

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 £29,421 (2023 - £27,777).

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Notes to the financial statements
For the year ended 31 March 2024 (continued)

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:

	2024	2023
Travelling and subsistence expenses	<u>£221</u>	<u>£47</u>

9 Tangible fixed assets

Group and the charity

	Furniture and equipment £
Cost	
At 1 April 2023	18,282
Additions	3,993
At 31 March 2024	<u>22,275</u>
Depreciation	
At 1 April 2023	18,281
Charge for the year	3,993
At 31 March 2024	<u>22,274</u>
Net book value	
At 31 March 2024	<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 2024 (continued)

10 Net income from trading

The charity has one trading wholly owned subsidiary, ARE Enterprise Ltd , 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.

Profit and loss account of ARE Enterprise Ltd	2024	2023
	£	£
Turnover	221,137	92,522
Expenses	(152,681)	(55,271)
Covenanted payment to charity	(68,947)	(37,473)
	(491)	(222)
Interest receivable	491	222
Profit on ordinary activities after taxation	-	-
Summarised balance sheet of ARE Enterprise Ltd	2024	2023
	£	£
Current assets	47,991	61,133
Creditors: amounts falling due within one year	(23,775)	(36,917)
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 2024 (continued)

11 Debtors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	19,920	43,702	-	-
Amount due from subsidiary undertaking	-	-	6,764	-
Other debtors	9,724	870	870	870
	<u>29,644</u>	<u>44,572</u>	<u>7,634</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

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	2,452	5,599	1,321	5,599
Amount due to subsidiary undertaking	-	-	-	5,035
Taxation and social security costs	11,284	5,672	-	-
Other creditors and deferred income	932,404	544,181	927,808	512,935
	<u>946,140</u>	<u>555,452</u>	<u>929,129</u>	<u>523,569</u>

14 Analysis of net assets between funds

	Unrestricted General	Restricted funds	Total funds
	£	£	£
Fixed assets	1	-	1
Current assets	794,616	1,084,900	1,879,516
Current liabilities	(29,493)	(916,647)	(946,140)
Total net assets	<u>765,124</u>	<u>168,253</u>	<u>933,377</u>

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Notes to the financial statements
For the year ended 31 March 2024 (continued)

15 Statement of funds

	Notes	Balance 31 March 2023 £	Incoming £	Outgoing £	Transfers £	Balance 31 March 2024 £
General funds		373,716	365,431	(172,823)	(104,200)	462,124
Designated funds		198,800	-	-	104,200	303,000
Restricted funds	a	242,200	801,522	(875,469)	-	168,253
Total funds	b	<u>814,716</u>	<u>1,166,953</u>	<u>(1,048,292)</u>	<u>-</u>	<u>933,377</u>

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.

	2024 £	2023 £
Service development, research and staffing fund	198,800	203,000
Transfers	104,200	(4,200)
	<u>303,000</u>	<u>198,800</u>

The charity wishes to continue its successful work in developing policy research, working with young people and increasing employment for the minority communities. In order to achieve these objectives the charity is in the process of revising its structure and increasing the number of staff to deliver its core mission. It is seeking funding to continue this work and has designated some of its reserves to the revised structure whilst obtaining this funding.

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Notes to the financial statements
For the year ended 31 March 2024 (continued)

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

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Net incoming resources				
(as per the statement of financial activities)	118,661	210,746	118,661	210,746
Depreciation charge	3,993	3,401	3,993	3,401
Interest income	(39,719)	(12,017)	(39,497)	(11,795)
Decrease (increase) in short term investments	(2,975)	(859)	(2,975)	(859)
Decrease (increase) in debtors	14,928	(27,112)	(6,764)	0
Increase (decrease) in creditors	390,688	226,904	405,560	197,487
Net cash provided by operating activities	<u>485,575</u>	<u>401,063</u>	<u>478,978</u>	<u>398,980</u>

17 Commitments under operating leases

	2024	2023
Total commitments	<u>6,048</u>	<u>6,048</u>