

# THE ETHNIC INCLUSION FOUNDATION

England & Wales · Charity number 1077002

## Details

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**Other names** EMF, THE ETHNIC MINORITY FOUNDATION

**Status** Registered

**Legal form** Charitable company

**Company number** [03758674](#)

**Registered** 1999-08-12

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

## Contact

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Ealing  
London  
W13 8QS

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**Website** [www.ethnicinclusion.org.uk](http://www.ethnicinclusion.org.uk)

## Activities

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**Objects:** TO PROMOTE SUCH OBJECTS AS ARE NOW OR MAY HEREAFTER BE DEEMED BY LAW TO BE CHARITABLE AND IN PARTICULAR THE ADVANCEMENT OF EDUCATION, THE FURTHERANCE OF HEALTH AND THE RELIEF OF POVERTY, DISTRESS AND SICKNESS FOR THE BENEFIT OF THOSE MEMBERS OF THE PUBLIC WHO ARE FROM ETHNIC MINORITY COMMUNITIES (FOR THE PURPOSES OF THIS MEMORANDUM AND THESE ARTICLES OF ASSOCIATION "ETHNIC MINORITY" SHALL HAVE THE SAME MEANING AS THE DEFINITION CONTAINED IN THE RACE RELATIONS ACT 1976) BY MAKING GRANTS TO ORGANISATIONS AND/OR INDIVIDUALS AND IN SUCH OTHER WAYS AS THE CHARITY MAY DECIDE.

**Activities:** The objects of the charity are to promote such objects as are now or may hereafter be deemed by law to be charitable and in particular the advancement of education, the furtherance of health and the relief of poverty, distress and sickness.

## Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Arts/culture/heritage/science, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity, Recreation, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups

## Geography

- Throughout England

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£2,474,236	£2,656,378	£12,951,775	43
2023-12-31	£2,257,026	£2,476,078	£17,151,164	43
2022-12-31	£2,473,517	£2,374,018	£17,406,606	43
2021-12-31	£2,167,423	£2,269,676	£17,307,110	46
2020-12-31	£2,206,440	£1,967,189	£16,416,927	53

## Trustees

Name	Role	Appointed
ANIL KUMAR BHANOT		2011-07-13
Dr Santosh Bhanot		2020-05-05
Rakesh Kumar		2023-12-22
Surinder Syan		2014-06-26

**THE ETHNIC INCLUSION FOUNDATION**

England & Wales - Charity number 1077002

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# Accounts

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Company Registration Number - 03758674

The Charity Registration Number is :- 1077002

The Ethnic Inclusion Foundation

Report and Accounts

31 December 2024

# The Ethnic Inclusion Foundation

## Report and accounts for the year ended 31 December 2024

### Contents

	<b>Page</b>
<b>Charity information</b>	1
<b>Trustees' Annual Report</b>	1
<b>Statement of directors' responsibilities</b>	9
<b>Independent auditor's report</b>	16
<b><i>Funds Statements:-</i></b>	
Statement of Financial Activities	17
Statement of Financial Activities - Prior Year statement	18
Statement of total recognised gains and losses	18
Movements in funds	19
Revaluation reserves	19
Revenue Funds	20
Fixed Asset funds	20
Income and Expenditure account	21
Summary of funds	21
<b>Balance sheet</b>	17
<b>Cash flow statement</b>	18
<b>Notes to the accounts</b>	19

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

The Trustees present their Report and Accounts for the year ended 31 December 2024, which also comprises the Directors' Report required by the Companies Act 2006.

#### **Reference and administrative details**

##### **The charity name.**

The legal name of the charity is:- The Ethnic Inclusion Foundation.

The charity is also known by its operating name, EIF.

##### ***The charity's areas operation and UK charitable registration.***

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1077002.

The charity does not operate in any overseas jurisdictions.

##### **Legal structure of the charity**

The charity is constituted as a company limited by guarantee, registered under the Companies Acts . The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

The governing document is dated 21 April 1999 as amended on 28 Sept 2021

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

**The principal operating address, telephone number, email and web addresses of the charity are:-**

Boardman House  
64 Broadway, Stratford  
London, E15 1NT  
Telephone 02088101664

Email Address enquiries@ethnicinclusion.org.uk Web address www.ethnicinclusion.org.uk

The registered office of the charity for Companies Act purposes is:-

126-128 Uxbridge Road  
London,  
, W13 8QS

**The following persons served as Trustees during the year ended 31 December 2024 :-**

Mr A Bhanot	Director (Managing)
Dr S Bhanot	Director (Health Non-Executive)
Mr S Syan	Director (Legal Non-Executive)
Mr R Kumar	Director (Maintenance Non-Executive)
Dr Niraj Singh	(Of Peepul Centre only Appointed 23/10/24 and Resigned 16/12/24)

All the trustees are individuals.

The trustees who served as a trustee in the reporting period were as shown above, and there were no other changes during the year, or in the period between the year end and the approval of the accounts.

At the Annual General Meeting Trustees who retire every five years are re-elected if eligible for reappointment.

The trustees are the members of the charity.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

#### **Objects and activities of the charity**

##### **The purposes of the charity as set out in its governing document.**

EIF raises its surplus for charitable purposes, by rentals of its investment property and other social enterprise activities on conferences and training. EIF's aims and objectives are encapsulated in its newly defined inclusivity goals on Equality, Health and Sustainability. Our focus remains on the Ethnic communities resilience and development under those three goals but on a wider scale for all communities and cultures. Diversity of cultures from the globe bring a natural dynamic change to the country but for a positive change, this diversity must be challenged by a shared value system, leading to an overall integration of people.

EIF delivers its aims through the delivery partners Peepul Centre Charity and its trading arm the Peepul Enterprises Ltd. For EIF's aim to reduce poverty it gives small grants, as and when required, to an independent Charity based in India, Peepul Delhi, to uplift the very disadvantaged communities, and particularly women to be economically self-reliant through micro-business entrepreneurship.

EIF, thus, in a nutshell, formulates the charity strategies and then to deliver those strategic aims it uses its surplus funds to carry out projects by its delivery partners.

##### **The main activities undertaken in relation to those purposes during the year.**

EIF manages its business community investment property in order to generate sufficient funds to support its charity works and meet the group's objectives. EIF carried out projects of social justice and community empowerment with its communities outreach.

EIF runs the East London Centre (ELC) for conferences and meetings at affordable rates, for primarily but not exclusively, the Ethnic and Health organisations with a charitable ethic, e.g., Churches, Foster Care Organisations, Police Security Training, Yoga and Wellbeing, and Ambulance Services Training.

EIF works on the Mental Health work with another organisation, CAREIF. EIF Trustee on Health is delivering on health project in the subsidiary Charity Peepul Centre by running a Mental Health Neighbourhood Crisis cafe at the Peepul Centre for the ethnic communities of the somewhat marginalised area of Belgrave in Leicester, along with developing a network of health professionals and organising mental health conferences at the Peepul Centre.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

#### **The main activities undertaken during the year to further the charity's purpose for the public benefit.**

EIF project on Health and Wellbeing, in partnership with Careif, is a long term project to help create a Mental Wellbeing institution for the ethnic Communities so that their health issues can be dealt with in a more culturally specific manner apt to their wellbeing, which would incorporate familial, spiritual and cultural factors in the solution strategies. To this end, a data gathering exercise through a crisis cafe at the EIF's subsidiary Peepul Centre, our delivery partner, is being collated for evidence.

EIF uses its surplus funds to meet the running costs of the Peepul Centre Charity and its social enterprise trading arm Peepul Enterprises Ltd. Peepul Centre is a large 100,000 sq.ft. community arts leisure centre providing services to the local communities of the Belgrave area in Leicester with large ethnic population.

Peepul Centre is a national focal point in the Belgrave area of Leicester demonstrably bringing together people from all social, economic and cultural backgrounds. It is a model for a community centre of excellence, delivering high class services in the performing arts, dance and music, fitness and sports activities including for differently-abled individuals, childrens nursery facilities, catering and weddings and conferences facilities, and generally improving community life styles as a social enterprise at affordable rates, and with charitable aims. The concept is to help build and support vibrant self-sustaining communities through innovation, entrepreneurship and partnership working. Thus in the entire EIF group structure a large number of community organisations and a large number of people benefit.

Peepul Centre is a mega-lithic project which is sustained through EIF funding primarily. The Health and Wellbeing project it is funded by a partnership with the NHS. Efforts are being made to partner with the Arts Council England (ACE) to fund theatre projects, with a medium term aim of gaining an NPO (National Portfolio) status with ACE.

EIF Trustees give full regard to the Charity Commission's guidance on public benefit in managing the activities of the Charity.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

#### **The short term and longer term aims and objectives.**

Long term aims of the Charity is to continue on its goals of Equality for all people, the Health and Wellbeing of the People and the Sustainability of living, with special but not exclusive focus on the ethnic communities. Our projects are undertaken with a view to achieving these goals in the long term.

For instance the Health and Wellbeing project in the short term is gathering ethnic culturally specific evidences at the Peepul Centre Charity but its ultimate aim is to feed that data into the long term project of EIF to help establish a mental health-wellbeing institution for ethnic Communities allowing for their cultural specific needs.

Likewise, if ACE can partner with Peepul Centre Charity to help develop its theatrical programme, with funding, then EIF funds can be released for other pending projects under Equality, and in particular presently our Sustainability projects the Trustees would like to fund are presently constrained by the pressures of channelling our surplus funds to fill the deficit gap at Peepul Centre due to its large overheads. The public funds from ACE will help create the arts and cultural activity at Peepul Centre that will bring benefits, not only to the community and the Asian artists, but this extra activity will begin to generate sufficient extra income for Peepul Centre to begin to move towards its own self-reliance goal, financially. Particularly, the ACE partnership will help create an even playing field for Peepul Centre with the other local theatre NPO's, which are all well-funded by ACE.

EIF took over the Peepul Centre in 2012 when it was running at a huge unmanageable loss and since then the new management cut those large losses to a more sustainable figure, but post Covid the Peepul Enterprises business levels have not yet fully recovered. Nonetheless, the major part of the losses are due to the under-utilisation of the Theatre space which EIF has no surplus funds to develop the arts for. This purpose built theatre was built by the ACE finances in 2005 and the old management's efforts thereafter to turn it into an NPO did not sadly materialise. The new management since 2012 has been trying to utilise this space more and more for the development of the Asian performing arts but continues to seek a more positive outcome for funding its projects with ACE.

#### **The charity's strategies for achieving its aims and objectives in the future.**

EIF strategy is to continue funding projects that fulfil the Charity aims by delivering through our group and partner Charities looking after the Ethnic and other communities, including where required uplifting the disadvantaged communities.

#### **How the activities undertaken during the year contributed to the achievement of the aims and objectives.**

The Charity and the Group activities are absolutely in line with the Charity's aims and objectives and their achievement thereof. Activities mentioned above all contribute to the delivery of Charity's objectives.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

#### **Resources used in the activities undertaken during the year.**

EIF raises its funds for charitable purposes through the efficient running of its rentals business and other social enterprise activities mentioned above. The staff resources are adequately remunerated and partners relationships are worked upon amicably to help deliver our activities. Although 2023 and 2024 have seen PEL losses funded by EIF at approximately £1.2mn we expect the PEL losses in 2025 to be lower, though still substantial, but which without ACE funding we have compromised legally to will remain a burden on EIF surplus for the PC/PEL charitable project for the socially deprived communities of Belgrave Leicester.

#### **The contribution of volunteers during the year.**

Volunteers were engaged at intervals only when required by the projects.

#### **The main achievements and performance of the charity during the year.**

Main achievement for the EIF Charity this year was to see the recovery of the East London Centre for Conferences, and also bring back post-Covid the rental tenants to occupy empty space created during Covid, thus creating surpluses again for our social enterprises projects.

#### **The difference the charity's performance during the year has made to the beneficiaries of the charity.**

Charity's performance to raise funds and create sufficient surpluses to support large group projects is essential, which has continued to serve the communities and fulfil our objectives.

#### **The degree to which the achievements and performance during the year have benefited wider society.**

By EIF supporting our group Charities we have facilitated the Peepul Centre used as a Vaccination hub for a substantial population of Leicester during the Covid periods, other charitable projects mentioned above have benefited the wider society through Arts, Fitness, Children's Nursery, Health & Wellbeing and educational activities.

#### **The performance of material fundraising activities during the year against the fundraising objectives set.**

EIF fundraising is mainly due to its running its social enterprise activities of renting the property it owns, together with providing conference facilities and training.

EIF group subsidiaries predominantly raise funds through their social enterprise activities also but now the PC Charity raises some funds from the NHS for their health and wellbeing work, and for its theatre some funds are raised with ACE.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

#### **Investment performance against the investment objectives.**

EIF raises funds through its investment income with maximising performance which is reviewed regularly, at least quarterly. Investment performance has been good and satisfactory during the year.

#### **Expenditure incurred in the year in order to raise income in the future.**

Capital expenditure to upgrade the Air Conditioning system in the basement needs to be allocated in the near future when Peepul Centre demands on chasflow ease.

#### **Structure, governance and management of the charity**

##### **The methods used to recruit and appoint new charity trustees.**

Trustees training and recruitment remains an ongoing process and some of them are required to take continuing professional development (CPD) courses in their own professions.

Governance is strengthened with the appointment of a highly skilled professional team with business and regulatory experience. One of the Trustees, Anil Bhanot, is the managing director (MD) tasked with running the business efficiently and ethically to create a surplus which can then be expended on charitable projects. EIF is a social enterprise business charity and for its business part Anil Bhanot ensures that his fellow Trustees/Directors are not exposed to any risk, which before his appointment as MD, the EIF Trustees had experienced a high risk exposure by delegating authority to non-director employees, and particularly so in relation to the business creditors. Hence our Governance model is unlike other public funded Charities and equally, one with a strong policy to avoid any conflicts of interest. For instance where public funds are received in the EIF Group, namely the subsidiary Peepul Centre Charity, these funds are monitored rigorously and checked by another Trustees independent of the EIF MD.

Each of the Boards of the companies within the EIF Peepul Group have at least one different Trustee to ensure independence. At the same time, to ensure a complimentary working environment for our shared aims, one Trustee Anil Bhanot is elected to sit on all the Boards as Chair.

EIF Charity Trustees are the members of the Charity, with no beneficial interest in the Charity, and each member guarantees to contribute £10 in the event of a winding up.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

#### **The policies and procedures for the induction and training of trustees.**

The Board of Trustees carries out an annual review of Governance. The aim is to assess the general effectiveness of the Board and also to identify any changes in process. The Board meets regularly to review the composition of the Trustees to achieve Charity's aims and also to identify any changes in process.

Trustee vacancies are advertised as and when required and on appointment are given full induction with all past disclosures and business contentions before their full acceptance of the position.

Any person or corporation desiring to become a trustee of the Charity may submit an application in writing to the Board signed by him or her on its behalf for admission in a form approved by the Board, and every such application shall be considered by each of the existing trustees to be voted upon with 2/3rds majority in favour of the appointment is elected. No reason for refusal to admit an application is given.

#### **The charity's organisational structure.**

EIF is the sole parent of the Peepul Centre Charity (PC), which in turn owns 100% of its trading arm Peepul Enterprises Ltd (PEL). Each Charity is distinct but complimentary in its aims and objectives. Each Charity has non-identical Board of Trustees, with different specialism and general experience, but are chaired by one Trustee across the Group to help maintain a united approach in prioritising each Charity's aims in a complimentary way.

The EIF Charity raises its revenue through its own investment property rental activities and other social enterprise activities. EIF is the Charity that does the strategy on the Charitable projects and then gives funding to its group companies to deliver the projects. EIF runs its business under the direction of one of the Trustees Anil Bhanot who is it's MD. All other trustees are non executive directors to maintain a 'checks and balances' approach to running the EIF Charity.

Peepul Centre Charity is also a social enterprise but our recent changes to bring its focus on South Asian Arts and Wellbeing means for this part we shall be primarily dependent on public funding. Already for the Wellbeing project a partnership is developed with the NHS but for the Arts projects we are still trying to develop our relationship with ACE. For this reason, we maintain a separation for Governance (unpaid Trustees) and the Executive (paid Employees).

Peepul Enterprises Ltd is a social enterprise trading company which runs all the other activities at the Centre. Anil Bhanot was PEL MD until 31 August 2024 but now it is run by the CEO Dr Santosh Bhanot who aligns with Anil Bhanot on cash flow constraints and shares the stress caused by PEL deficits. Due to PEL deficits - of running a 100,000 sq ft centre with large overheads, and income constraints due to chargeable rates keeping at an affordable level for the community, salaries of management are kept minimal which in turn are funded by EIF.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

#### **How the charity makes decisions and how decisions are delegated.**

The Board has delegated the authority to run the Charity to Anil Bhanot as EIF Managing Director, who is also a Trustee on the Board. EIF is a social enterprise business Charity for which the MD ensures the business is run proficiently and ethically. The MD keeps his fellow non-executive directors/trustees abreast of important issues and changes regularly so that important decisions are taken in a spirit of team work.

#### **The Chief Executive Officer and other senior management personnel to whom day to day management is delegated**

The MD and other managers work in a team work environment with an extensive emphasis on team communications with all the staff.

#### **Setting pay and remuneration of key management personnel**

The EIF Board sets the remuneration of the MD who in turn sets the salaries of the managers and, with managers agreement, of the staff.

The MD salary has always been and is well below the market rates and has always been typically far below the past CEOs' salaries, as per past payroll records, yet under the present MD the Charity's income generating activity has almost doubled, yielding a higher surplus for Charitable projects.

#### **How the subsidiary undertaking(s) is/are constituted and managed.**

EIF's subsidiary is the Peepul Centre charity, whose trading arm is the Peepul Enterprises Ltd. The group was managed by the MD and his managers team to ensure efficiency and joint working for our charitable aims. However now the subsidiary charity and its trading arm is managed by its own director and head of health Dr Santosh Bhanot, but who aligns with EIF MD on financial input for the funding required from EIF. Thus the management works complementarily for the group.

#### **The charity as a part of a wider network.**

The EIF Charity group comprises the Peepul Centre in UK, and internationally it has an independent relation with a non-group charitable Trust set up in India which serves to uplift the disadvantaged communities with the help of a very small level of funding from EIF.

## The Ethnic Inclusion Foundation

Company Registration Number - 03758674

### Trustees' Annual Report for the year ended 31 December 2024

#### The charity's relationships with related parties.

The EIF employs Anil Bhanot, a Trustee, as Managing Director (MD), to run the social enterprise activities of EIF. No other Trustee is paid a remuneration at EIF. Mr Bhanot was also the MD of Peepul Enterprises Ltd (PEL) until 31 August 2024. The Peepul Centre Charity, including PEL is now managed by the Director and Head of Health, Dr Sanosh Bhanot who is also a trustee of EIF and spouse of Anil Bhanot. As EIF funds the PC/PEL deficits this management structure is complimentary to the efficient use of resources for the public benefit.

Mr Anil Bhanot owned Online Accountancy Services Ltd, until February 2025 which provides book-keeping and accountancy services to the Charities group. Mani Thapa FCCA a director of Online Accountancy Services Ltd and now a 99% shareholder is, with other staff, are responsible for the work they do on book-keeping, payroll, management and statutory accounts and returns.

The Charity employs a Financial Controller who is responsible for the Bank transactions and reconciliations. The Financial Controller spends 50% of his time at Head Office with the Online Accountancy Staff and the other 50% on financial management at the Peepul Centre in Leicester.

The EIF and Peepul Centre Head Office is at the Online Accountancy premises owned by Anil Bhanot, for which no rent is charged to the EIF group. The Trustees meet quarterly and the management teams meet weekly at the Head Office, as well as at the operating offices of the Charities in the Group. Mr Bhanot manages the group from the Head Office with electronic communication and CCTV facilities, and also with weekly business and staff meetings at the operating premises.

Bankers Metro Bank PLC 1 The Mall London W5 2PL  
Accountants Online Accountancy Services Ltd

#### Financial review

#### The charity's financial position at the end of the year ended 31 December 2024

The financial position of the charity at 31 December 2024 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2024	2023
	£	£
<b>Net income after write down of Revaluation Reserve</b>	(4,199,389)	(255,446)
Unrestricted Revenue Funds available for the general purposes of the charity	8,984,094	9,186,856
Unrestricted revaluation reserve	3,944,960	7,944,960
<b>Total Unrestricted Funds</b>	<b>12,929,054</b>	<b>17,131,816</b>
Restricted Revenue Funds	22,721	19,348
<b>Total Funds</b>	<b>12,951,775</b>	<b>17,151,164</b>

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

#### **Financial review of the position at the reporting date, 31 December 2024 .**

The Consolidated Statements of Financial Activities shows net deficit for the year 2024 of £4,199,389 after a substantial write down of property valuation reserve by £4m from £15m pre-covid to £11m in November 2024 (2023 - net deficit £255,446).

Total group income for the year amounted to £2,47,236 (2023 - £2,257,026). Total group expenditure for the year amounted to £2,660,188 (2023 - £2,476,078).

Income included commercial rents of £1,694,780 (2023 - £1,525,271), plus grant income for the delivery of charitable projects, and plus income from delivering charitable activities which includes trading income through the subsidiary Peepul Enterprises Ltd of £697,702 (2023 - £619,016).

The Group's property in London was independently valued at £11m on an existing use basis in November 2024, (2019 at £15m pre-covid levels) which is reflected in the accounts. The Leicester property is subject to covenants by the Government agencies for its use as an asset for community activities only, to which the Trustees are fully committed to carry on doing.

#### **Policies on reserves.**

Total consolidated reserves of the EIF Peepul Group were £12,951,733 at 31 December 2024, (£17,151,164 - 2023), of which restricted reserves were £8,025 at 31 December 2024, (£19,348 - 2023).

The Unrestricted funds include £3,944,959 at 31 December 2024 (£7,944,959 at 31.12.23) held in a fair value reserve which arose on the valuation of the investment properties.

The Reserves policy of EIF is to maintain £150,000 free cash reserves but it does go below it due to the cash flow deficits at Peepul Enterprises Ltd (PEL). Until the Arts Council England (ACE) begins to fund the Peepul Centre (PC) for its theatre projects the constraints will remain and as a result a legal complaint is made to ACE now from PC.

#### **Going Concern**

The Board of Trustees has assessed the going concern of the group in detail and is confident that the group will have adequate resources to continue in operational existence for the foreseeable future.

#### **Availability and adequacy of assets of each of the funds**

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

#### **Significant events which have affected the financial performance and the financial position.**

EIF has increased its income significantly post covid but Peepul Centre overheads have risen also, particularly the energy costs.

#### **Investment policy and investment objectives.**

The Charity continues to invest in social enterprise operations of Peepul Enterprises for community's upliftment, while efficiently managing the social enterprise activities of the EIF to produce a return for the Charity for other charitable works.

#### **The major risks to which the Charity is exposed and reviews and systems to mitigate them.**

The EIF maintains itself is a strong sustainable Charity but the Peepul Centre subsidiary needs to continue re-developing to recover its pre-Covid activity levels and to build a strong relationship with ACE for its arts projects, albeit its Health and Wellbeing projects are developing in leaps and bounds.

#### **Factors likely to affect future financial performance .**

The EIF Charity building refurbishment has been carried out to ensure a good working environment for the customers and stakeholders, whilst the Peepul Centre is continuing to build its relationship with ACE for arts projects funding.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

#### **Employment of disabled persons**

The Charity has a policy of equal opportunities for all and in particularly differently-abled persons..

#### **Details of The Auditor**

Naren Desai FCA MBA - Senior Statutory Auditor

Member of The Institute of Chartered Accountants in E&W

144-146 Kings Cross Road

London

WC1X 9DU

#### **Statement as to disclosure of information to auditors**

The trustees state that so far as each of the trustees at the time this report was approved are aware:-

- a) There is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the auditors are unaware, and
- b) The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and establish that the auditors are aware of that information.

#### **Statement of the Directors Trustees' Responsibilities**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2024**

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the auditor in relation to the Trustees' report is limited to examining the report and ensuring that the report is consistent with the figures disclosed in the financial statements.

#### **Method of preparation of accounts - Small company provisions**

The financial statements are set out on pages 12 to 20.

The financial statements have been prepared implementing the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016)

These consolidated financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.

This report was approved by the board of trustees on 10 September 2025.



Anil Bhanot  
Director and Trustee

**The Ethnic Inclusion Foundation**  
Independent auditors' report  
to the members of The Ethnic Inclusion Foundation

We have audited the financial statements of The Ethnic Inclusion Foundation for the year ended 31 December 2024 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity 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 in the UK and Republic of Ireland"

This report is made solely to the 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 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 company and the 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 auditors**

We have audited the financial statements of The Ethnic Inclusion Foundation for the year ended 31 December 2024 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity 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 in the UK and Republic of Ireland"

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors 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 Ethical Standards for Auditors.

#### **Scope of the audit of the accounts**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

#### **Opinion on the accounts**

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs at 31 December 2024 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

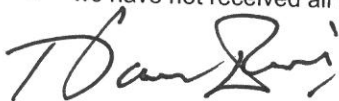
#### **Opinion on other matters prescribed by the Companies Act 2006**

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

#### **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:

- 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 accounts 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



Naren Desai FCA MBA - Senior Statutory Auditor  
(Senior Statutory Auditor)

for and on behalf of  
Andrew Murray & Co

Accountants and Statutory Auditors  
10 September 2025

144-146 Kings Cross Road  
London  
WC1X 9DU

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2024**

**Consolidated Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 December 2024, as required by the Companies Act 2006)**

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2024	2024	2024	2023
		£	£	£	£
<b>Income &amp; Endowments from:</b>					
Donations & Legacies	A1	19,801	61,953	<b>81,754</b>	112,739
Charitable activities	A2	697,702	-	<b>697,702</b>	619,016
Other trading activities	A3	-	-	-	-
Investments	A4	1,694,780	-	<b>1,694,780</b>	1,525,271
<b>Total income</b>	<b>A</b>	<b>2,412,283</b>	<b>61,953</b>	<b>2,474,236</b>	<b>2,257,026</b>
<b>Expenditure on:</b>					
Raising funds	B1	847,851	-	<b>847,851</b>	730,239
Charitable activities	B2	1,749,947	58,580	<b>1,808,527</b>	1,745,839
<b>Total expenditure</b>	<b>B</b>	<b>2,597,798</b>	<b>58,580</b>	<b>2,656,378</b>	<b>2,476,078</b>
<b>Net income for the year</b>		<b>(185,515)</b>	<b>(11,323)</b>	<b>(182,142)</b>	<b>(219,052)</b>
<b>Transfers between funds</b>	<b>C</b>	<b>(4,017,256)</b>	<b>-</b>	<b>(4,017,256)</b>	<b>(36,394)</b>
<b>Prior year adjustment</b>		<b>23,905</b>	<b>(14,696)</b>	<b>9,209</b>	
<b>Net income after transfers</b>	<b>A-B-C</b>	<b>(4,202,771)</b>	<b>(11,323)</b>	<b>(4,199,389)</b>	<b>(255,446)</b>
<b>Net movement in funds</b>		<b>(4,202,771)</b>	<b>(11,323)</b>	<b>(4,199,389)</b>	<b>(255,446)</b>
<b>Reconciliation of funds:-</b>					
<b>Total funds brought forward</b>	<b>E</b>	<b>17,131,820</b>	<b>19,348</b>	<b>17,151,164</b>	<b>17,406,610</b>
<b>Total funds carried forward</b>		<b>12,929,049</b>	<b>8,025</b>	<b>12,951,775</b>	<b>17,151,164</b>

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All activities derive from continuing operations

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2024**

**The Ethnic Inclusion Foundation - Analysis of prior year consolidated total funds, as required by paragraph 4.2 of the SORP**

	SORP Ref	Prior Year Unrestricted Funds 2023 £	Prior Year Restricted Funds 2023 £	Prior Year Total Funds 2023 £
<b>Income &amp; Endowments from:</b>				
Donations & Legacies	A1	92,448	20,291	112,739
Charitable activities	A2	619,016	-	619,016
Other trading activities	A3	-	-	-
Investments	A4	1,525,271	-	1,525,271
Other	A5	-	-	-
<b>Total income</b>	<b>A</b>	<b>2,236,735</b>	<b>20,291</b>	<b>2,257,026</b>
<b>Expenditure on:</b>				
Raising funds	B1	730,239	-	730,239
Charitable activities	B2	1,718,647	27,192	1,745,839
Other	B3	-	-	-
Tax on surplus on ordinary activities	B3	-	-	-
Other taxation	B3	-	-	-
<b>Total expenditure</b>	<b>B</b>	<b>2,448,886</b>	<b>27,192</b>	<b>2,476,078</b>
Net gains on investments	B4	-	-	-
<b>Net income for the year</b>		<b>(212,151)</b>	<b>(6,901)</b>	<b>(219,052)</b>
<b>Transfers between funds</b>	<b>C</b>		<b>-</b>	<b>(36,394)</b>
<b>Net income after transfers</b>		<b>(212,151)</b>	<b>(6,901)</b>	<b>(255,446)</b>
<b>Net movement in funds</b>		<b>(212,151)</b>	<b>(6,901)</b>	<b>(255,446)</b>
<b>Reconciliation of funds:-</b>				
<b>Total funds brought forward</b>		16,302,126	26,249	17,406,610
<b>Total funds carried forward</b>		<b>16,089,975</b>	<b>19,348</b>	<b>17,151,164</b>

**All activities derive from continuing operations**

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2024**

**The Ethnic Inclusion Foundation - Group Resources applied in the year ended 31 December 2024 towards fixed assets for Charity use:-**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Funds generated in the year as detailed in the SOFA	(4,199,389)	(255,446)
Resources applied on functional fixed assets	(30,461)	(181,007)
Other applications of funds	-	-
<b>Net resources available to fund charitable activities</b>	<b><u>(4,229,850)</u></b>	<b><u>(436,453)</u></b>

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2024**

**Consolidated movements in revenue and capital funds for the year ended 31 December 2024**

**Revenue accumulated funds**

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Last year Total Funds 2023 £
Accumulated funds brought forward	9,186,862	19,348	9,206,210	<b>9,461,647</b>
Recognised gains and losses before transfers	<u>(185,515)</u>	<u>(11,323)</u>	<u>(196,838)</u>	<u>(219,052)</u>
	<b>9,001,347</b>	<b>8,025</b>	<b>9,009,372</b>	<b>9,242,595</b>
(From)/To unrestricted revenue funds	(2,556)	-	(2,556)	(36,390)
<b>Closing revenue funds</b>	<u><b>8,998,791</b></u>	<u><b>8,025</b></u>	<u><b>9,006,816</b></u>	<u><b>9,206,205</b></u>

**Consolidated Revaluation Reserve Fund**

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Last year Total Funds 2023 £
At 1 January	7,944,959	-	7,944,959	7,944,959
Transfer (to)/from revenue funds	(4,000,000)	-	<b>(4,000,000)</b>	-
<b>At 31 December</b>	<u><b>3,944,959</b></u>	<u><b>-</b></u>	<u><b>3,944,959</b></u>	<u><b>7,944,959</b></u>

**Summary of consolidated funds**

	Unrestricted and Designated funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Last Year Total Funds 2023 £
Revenue accumulated funds	8,998,791	8,025	<b>9,006,816</b>	9,206,205
Revaluation reserve fund	3,944,959	-	<b>3,944,959</b>	7,944,959
<b>Total funds</b>	<u><b>12,943,750</b></u>	<u><b>8,025</b></u>	<u><b>12,951,775</b></u>	<u><b>17,151,164</b></u>

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2024**

**The Ethnic Inclusion Foundation  
Consolidated Income and Expenditure Account for the year ended 31 December 2024 as required by the Companies Act 2006**

	2024	2023
	£	£
<b>Income</b>		
Income from operations	779,455	731,754
Investment income and interest		
Income from investments, other than interest receivable	1,694,622	1,515,965
Interest receivable	158	9,306
<b>Gross income in the year before exceptional items</b>	<b><u>2,474,235</u></b>	<b><u>2,257,025</u></b>
<b>Gross income in the year including exceptional items</b>	<b><u>2,474,235</u></b>	<b><u>2,257,025</u></b>
<b>Expenditure</b>		
Charitable expenditure, excluding depreciation and amortisation	1,538,062	1,480,751
Depreciation and amortisation	133,562	140,906
Fundraising costs	847,851	730,239
Governance costs	136,394	123,411
Interest payable	509	771
Realised losses on disposals of social investments which are programme related	-	-
<b>Total expenditure in the year</b>	<b><u>2,656,378</u></b>	<b><u>2,476,078</u></b>
<b>Net income before tax in the financial year</b>	<b>(182,143)</b>	<b>(219,053)</b>
Tax on surplus on ordinary activities	-	-
<b>Net income after tax in the financial year</b>	<b><u>(182,143)</u></b>	<b><u>(219,053)</u></b>
<b>Retained surplus for the financial year</b>	<b><u>(182,143)</u></b>	<b><u>(219,053)</u></b>

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

**The Ethnic Inclusion Foundation - Balance Sheet as at 31 December 2024**

	SORP		2024	2023
	Note	Ref	£	£
<b>Fixed assets</b>		A		
Tangible assets	8	A2	3,260,498	3,376,830
Investments held as fixed assets	9	A4	12,100,000	16,100,000
<b>Total fixed assets</b>			<u>15,360,498</u>	<u>19,476,830</u>
<b>Current assets</b>		B		
Stocks		B1	7,232	7,107
Debtors	11	B2	203,075	196,828
Cash at bank and in hand		B4	87,251	218,848
<b>Total current assets</b>			<u>297,558</u>	<u>422,783</u>
<b>Creditors: amounts falling due within one year</b>	12	C1	<u>(618,990)</u>	<u>(614,820)</u>
<b>Net current assets</b>			(321,432)	(192,037)
			<u>15,039,066</u>	<u>19,284,793</u>
<b>Net assets</b>				
Creditors: amounts falling due after more than one year	13	C2	(2,087,291)	(2,133,629)
<b>The total net assets of the charity</b>			<u><b>12,951,775</b></u>	<u><b>17,151,164</b></u>

**The total net assets of the charity are funded by the funds of the charity, as follows:-**

<b>Restricted funds</b>				
Restricted Revenue Funds	18	D2	8,025	19,348
			8,025	19,348
<b>Unrestricted Funds</b>				
Unrestricted Revenue Funds	18	D3	8,998,791	9,186,857
Unrestricted Revaluation Reserve	18	D4	<u>3,944,959</u>	<u>7,944,959</u>
			12,943,750	17,131,816
<b>Designated Funds</b>				
<b>Total charity funds</b>			<u><b>12,951,775</b></u>	<u><b>17,151,164</b></u>

## **The Ethnic Inclusion Foundation - Balance Sheet as at 31 December 2024**

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The charitable group is subject to audit under charity legislation, and the report of the Charities Act auditor is on page 11.

The consolidated financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.



Anil Bhanot

Trustee

Approved by the board of trustees on 10 September 2025

## The Ethnic Inclusion Foundation

### Consolidated Cash Flow Statement for the year ended 31 December 2024

	2024	2023
	£	£
<b>Cash flows from operating activities</b>		
Net cash provided by operating activities as shown below	A <u>(5,809,147)</u>	<u>(1,639,811)</u>
<b>Cash flows from investing activities</b>		
Interest received	158	9,306
Other investment income, including rents from investments	1,694,622	1,515,965
Purchase of property, plant and equipment	(43,693)	(181,007)
<b>Net cash provided by investing activities</b>	B <u>1,651,087</u>	<u>1,344,264</u>
<b>Cash flows from financing activities</b>		
Cash inflows from new borrowings	(68,339)	-
<b>Net cash provided by financing activities</b>	C <u>(68,339)</u>	<u>-</u>
<b>Overall cash provided by all activities</b>	A+B+C <u>(4,226,399)</u>	<u>(295,547)</u>
<b>Cash movements</b>		
Change in cash and cash equivalents from activities in the year ended 31 December 2024	(131,597)	(295,547)
Cash and cash equivalents at 1 January 2024	208,848	-
Change in cash and cash equivalents due to exchange rate movements	-	-
<b>Cash at bank and in hand less overdrafts at 31 December</b>	<u>77,251</u>	<u>(295,547)</u>

## The Ethnic Inclusion Foundation

### Consolidated Cash Flow Statement for the year ended 31 December 2024

## The Ethnic Inclusion Foundation

### Cash Flow Statement for the year ended 31 December 2024 - Continued

#### Reconciliation of net income to net cash flow from operating activities

Net income as shown in the Statement of Financial Activities	(4,199,389)	(255,446)
<b>Adjustments for :-</b>		
Depreciation charges	133,562	140,906
Write downs of investments	-	-
Net unrealised losses on investment assets	-	-
Dividends, interest and rents from investments	(1,694,780)	(1,525,271)
Decrease in debtors	(6,247)	-
Increase in creditors, excluding loans	(42,168)	-
<b>Net cash provided by operating activities</b>	<b>A</b>	
	<u>(5,809,147)</u>	<u>(1,639,811)</u>

#### Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand at for the year ended 31 December 2024	87,251	218,848
Notice deposits - (less than 3 months)	-	-
Overdrafts facility repayable on demand	(10,000)	(10,000)
<b>Total cash and cash equivalents</b>	<u>77,251</u>	<u>208,848</u>

**The Ethnic Inclusion Foundation**

**Consolidated Cash Flow Statement for the year ended 31 December 2024**

**The Ethnic Inclusion Foundation**

**Cash Flow Statement for the year ended 31 December 2024 - Continued**

**Analysis of change in net debt**

	<i>At start of year</i>	<i>Cash Flows and</i>	<i>At end of year</i>
Cash	218,848	(131,597)	87,251
Overdrafts repayable on demand	(10,000)	-	(10,000)
		(131,597)	(131,597)
Loans falling due after more than one year	(2,133,629)	-	(2,133,629)
<b>Total</b>	<u>(1,924,781)</u>	<u>(131,597)</u>	<u>(2,265,226)</u>

# The Ethnic Inclusion Foundation

## Notes to the Accounts for the year ended 31 December 2024

### 1 Accounting policies

#### *Policies relating to the production of the accounts.*

##### **Basis of preparation and accounting convention**

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

##### **Going Concern**

The Board of Trustees has assessed the going concern of the group in detail and is confident that the group will have adequate resources to continue in operational existence for the foreseeable future.

##### **Nature of income**

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

##### **Categories of Income**

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

**Income from exchange transactions** is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

**Income from a non-exchange transaction** is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2024

#### Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Dividends are accrued when the shareholder's right to receive payment is established.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

#### Accounting for deferred income and income received in advance

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

#### Income from legacies

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied that the property in question will not be required to satisfy claims in the estate, that it is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then the amount concerned is treated as an adjusting event and accrued as income in the accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of the life tenant.

If it is doubtful that full settlement of a legacy debtor will be received, then an adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the Statement of Financial Activities

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2024

#### Donated goods, facilities and services

**Donated fixed assets** are recognised at the current fair value. All such donations are recognised as donation income, and debited to fixed assets.

**Donated goods that are not fixed assets** are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt. When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

The carrying amount of any stock held for distribution is assessed for impairment at the reporting date. All donated goods are recognised as donation income, and debited to trading stock. When trading stock is subsequently sold, or appropriated to meet an expense, then the carrying value of the stock is recognised as an expense. In accordance with the SORP, goods donated for distribution to beneficiaries, or for consumption by the charity are included in '*legacies and donations*'. Goods donated for resale are included in '*Income from other trading activities*'

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt. If the goods held are to be distributed freely or for a nominal consideration, then the carrying amount is subsequently adjusted to reflect the lower of deemed cost adjusted for any loss of service potential and replacement cost. Replacement cost is the economic cost incurred if the charity was to replace the service potential of the donated goods at its own expense in the most economic manner.

**Donated services and facilities** (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received, (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

#### Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

#### ***Policies relating to expenditure on goods and services provided to the charity.***

##### **Recognition of liabilities and expenditure**

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2024

#### Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

**Staffing** - on the basis of time spent in connection with any particular activity.

**Staffing** - on a per capita basis, based on the number of people employed within any particular activity.

**Premises related costs** - on the proportion of floor area occupied by a particular activity.

**Non specific support costs** - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

**Estimation techniques** used in apportioning costs - give details

#### Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note5.

#### Tangible fixed assets

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Freehold premises	2 % on cost and includes land not being depreciation
Fixtures and fittings	20 and 25 % on reducing balance and 20% on cost
Computer equipment	33 % on cost

#### Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from charges in fair value is recognised in the Statement of Financial Activities.

#### Stocks and work in progress

Stock is valued at the lower of cost and net realisable value.

#### Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

## 2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2024

#### 3 Net surplus before tax in the financial year

	2024	2023
	£	£
The net surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	133,562	140,906
Trustees' remuneration	86,606	71,379
Pension costs	20,175	17,302
Auditors' remuneration	24,000	20,500

#### 4 Interest payable

	2024	2023
	£	£
Bank interest payable	509	771

#### 5 Staff costs and emoluments

<b>Salary costs</b>	2024	2023
	£	£
Gross Salaries excluding Trustees/Directors Remuneration	933,193	806,761
Employer's National Insurance for all staff	70,895	57,974
Employer's contribution to defined benefit pension schemes	11,323	9,223
Employer's operating costs of defined contribution pension schemes	8,852	8,079
Trustees' Remuneration as detailed in note 7	86,606	71,379
Other benefits paid to trustees, as detailed in note 7	1,321	1,321
<b>Total salaries, wages and related costs</b>	<b>1,112,190</b>	<b>954,737</b>

The average number of full time staff employed in the year was	43	43
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#### The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on charitable activities	37	37
Engaged in management and administration	6	6

#### 6 Remuneration and payments to Trustees as Executive Directors and persons connected with them

A Bhanot as the Managing Director (MD) of the company (EIF) was remunerated from EIF at £86,606 (2023 - £71,379) and from Peepul Enterprises Ltd (PEL) of £24,7444 (2023 -£46,069). with Pension Contributions in EIF of £1,321 (2023 - £1,321) and PEL of £618 (2023 -£883).

Mr Bhanot was a director of PEL and not a trustee until 31 August 2024 but his total salary is funded by EIF.

Mr Bhanot's salary as Chairman and Trustee of Peepul Centre (PC) is and has always been £nil

No other Trustee received any remuneration from EIF itself but EIF subsidiaries position is as follows:

Dr S Bhanot received remuneration from an EIF subsidiary Peepul Centre as Head of Peepul Health of £21,241 (2023- £14,014).

Dr Bhanot a Trustee of EIF works free in EIF on Health matters but at Peepul Centre as the Head of Health, running the Health division there to deliver projects like the Mental Health Crisis Café and high level Health Conferences.

Dr S Bhanot also received a salary of £13,333 (2023 - £nil) to manage PEL a subsidiary of PC running social enterprise activities; she was a director and not a trustee of PEL until 31 August 2024.

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2024

#### 7 Remuneration and payments to Trustees as Executive Directors

	2024	2023
	£	£
<i>Remuneration payable to trustees or connected persons</i>		
Trustee's remuneration as Managing Director of EIF	86,606	71,379
	-	-
<b>Total remuneration</b>	<b>86,606</b>	<b>71,379</b>
	2024	2023
	£	£
<i>Employer's National Insurance contributions on above remuneration</i>		
Trustee's remuneration as Managing Director of EIF	10,696	9,039
	-	-
	<b>10,696</b>	<b>9,039</b>
	2024	2023
	£	£
<i>Pension payments relating to trustees or connected persons</i>		
Trustee's remuneration as Managing Director of EIF	1,321	1,321
	-	-
	<b>1,321</b>	<b>1,321</b>

One other non-connected employee salary was £70,521 in EIF and £3,711 in PEL for the year.

#### 8 Tangible fixed assets

<i>Current Year</i>	Land and Buildings	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2024	3,956,876	818,079	21,744	4,796,699
Additions	-	39,000	4,693	43,693
<b>At 31 December 2024</b>	<b>3,956,876</b>	<b>857,079</b>	<b>13,205</b>	<b>4,827,160</b>
<b>Depreciation</b>				
At 1 January 2024	805,712	602,706	11,450	1,419,868
Charge for the year	73,538	53,805	6,219	133,562
<b>At 31 December 2024</b>	<b>879,250</b>	<b>656,511</b>	<b>30,901</b>	<b>1,566,662</b>
<b>Net book value</b>				
<b>At 31 December 2024</b>	<b>3,077,626</b>	<b>200,568</b>	<b>(17,696)</b>	<b>3,260,498</b>
<b>At 31 December 2023</b>	<b>3,151,164</b>	<b>215,373</b>	<b>10,294</b>	<b>3,376,831</b>

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2024

<i>Prior Year</i>	Land and Buildings	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
<b>Cost</b>				
01 January 2023	3,924,876	595,478	-	4,520,354
Additions	32,000	18,386	13,232	63,618
	<u>3,956,876</u>	<u>613,864</u>	<u>13,232</u>	<u>4,583,972</u>
<b>Depreciation</b>				
<b>Net book value</b>				
01 January 2024	<u>3,956,876</u>	<u>613,864</u>	<u>13,232</u>	<u>4,583,972</u>
01 January 2023	<u>3,924,876</u>	<u>595,478</u>	<u>-</u>	<u>4,520,354</u>

### 9 Investments held as fixed assets

	Investments in subsidiaries	Listed investments	Other Classes of Investment	Total
	£	£	£	£
<b>Carrying values of investments</b>				
At 1 January 2024	-	-	16,100,000	16,100,000
Revaluation reserve fund	-	-	(4,000,000)	(4,000,000)
<b>At 31 December 2024</b>	<u>-</u>	<u>-</u>	<u>12,100,000</u>	<u>12,100,000</u>
<b>Analysis between fair value and historical cost</b>				
Investments as above held at fair value	-	-	12,100,000	12,100,000

### Analysis of Other Classes of Investment

	Included at historical cost, less write down	Included at fair value	Total
	£	£	£
<b>Summary of other classes of investments at 31 December 2024</b>			
Cash or cash equivalents	-	12,100,000	12,100,000

### 10 Stocks & Work in Progress

	2024	2023
	£	£
Stocks before write downs	7,232	7,107
	<u>7,232</u>	<u>7,107</u>

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2024

*Analysis of the carrying value of stocks and work in progress by activities*

Activity	Work in Progress		Stocks	
	2024	2023	2024	2023
	£	£	£	£
Charitable activity 1	-	-	7,232	7,107
	<u>-</u>	<u>-</u>	<u>7,232</u>	<u>7,107</u>

#### 11 Debtors

	2024	2023
	£	£
Trade debtors	166,738	182,636
Amounts owed by group undertakings and undertakings in which the charity has a participating interest	-	-
Prepayments and accrued income	14,146	13,101
Other debtors	191	1,091
Deferred tax asset (see note 0)	-	-
	<u>181,075</u>	<u>196,828</u>

#### 12 Creditors: amounts falling due within one year

	2024	2023
	£	£
Bank loans and overdrafts	10,000	10,000
Trade creditors	86,796	79,975
Accruals	83,106	113,138
PAYE, NIC VAT and other taxes	135,023	111,045
Other creditors	304,066	300,662
	<u>618,991</u>	<u>614,820</u>

#### 13 Creditors: amounts falling due after one year

	2024	2023
	£	£
Bank loans and overdrafts	2,065,291	2,133,629

#### 14 Revaluation reserve

Current year	Current year	Current year	Current year	Prior Year
	Unrestricted	Restricted	Total Funds	Total Funds
	Funds	Funds		
	2024	2024	2024	2023
	£	£	£	£
At 1 January 2024	7,944,959	-	7,944,959	7,944,959
Arising on revaluation during the year	(4,000,000)	-	(4,000,000)	-
Transfers in the year	-	-	-	-
At 31 December 2024	<u>3,944,959</u>	<u>-</u>	<u>3,944,959</u>	<u>7,944,959</u>

All the revaluations in the prior year was unrestricted.

Prior year	Prior Year	Prior Year	Prior Year
	Unrestricted	Restricted	Total Funds
	Funds	Funds	
	2023	2023	2023
	£	£	£
At start of previous year	7,944,959	-	7,944,959
Arising on revaluation during the year	-	-	-
Transfers in the year	-	-	-
At end of previous year	<u>7,944,959</u>	<u>-</u>	<u>7,944,959</u>

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2024

15 Income and Expenditure account summary	2024 £	2023 £
At 1 January 2024	9,305,999	8,376,515
Transfers in for the year	(17,255)	1,148,537
At 1 January 2024	9,288,744	9,525,052
Surplus after tax for the year	(182,143)	(219,053)
<b>At 31 December 2024</b>	<b>9,106,601</b>	<b>9,305,999</b>

### 16 Related party transactions

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Trustee, Director and Chairman, A Bhanot was a director and shareholder of Online Accountancy Services Ltd until 01. March 2025, which provides book-keeping and accountancy services to the charity and its subsidiaries. The book-keeping fee charged to the company was £18,000 and to a subsidiary Peepul Enterprises Ltd was £24,000 for the year (2023 - same amounts). Statutory Accounts preparation fees of £5,500 was charged to the company and £3,000 to Peepul Centre and £4,000 to Peepul Enterprises Ltd. Peepul Centre Charity Book-Keeping fees thus far has been charged £NIL (2023 - same amounts).

The parent charity EIF gave a grant of £13,000 (2023-£60,000) to Peepul Centre and advanced a loan of £572,082 (2023-£448,105 and a B/fwd Inter Company balance of £167,011 making the total loan balance of £1,187,198 at 31.12.2024) to Peepul Enterprises Ltd. These balances represent cash flow requirements within the group. These balances represent cash flow requirements within the group. EIF has funded its subsidiaries PC/PEL in the sum of **£3,354.865** since their acquisition on 18 May 2012.

### 17 Particulars of how particular funds are represented by assets and liabilities

At 31 December 2024	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	3,260,498	-	-	3,260,498
Investments at valuation:-				
Fixed asset investments	12,100,000	-	-	12,100,000
Current Assets	274,837	-	22,721	297,558
Current Liabilities	(618,990)	-	-	(618,990)
Long Term Liabilities	(2,087,291)	-	-	(2,087,291)
	<b>12,929,054</b>	<b>-</b>	<b>22,721</b>	<b>12,951,775</b>
<b>At 1 January 2024</b>				
	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	3,376,831	-	-	3,376,831
Investments at valuation:-				
Fixed asset investments	16,100,000	-	-	16,100,000
Current Assets	403,435	-	19,348	422,783
Current Liabilities	(614,820)	-	-	(614,820)
Long Term Liabilities	(2,133,629)	-	-	(2,133,629)
	<b>17,131,817</b>	<b>-</b>	<b>19,348</b>	<b>17,151,165</b>

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2024

#### 18 Change in total funds over the year as shown in Note 17 , analysed by individual funds

	Funds brought forward from 2023	Movement in funds in 2024	Transfers between funds in 2024	Funds carried forward to 2025
	£	See Note 19 £	See Note 20 £	£
<b>Unrestricted and designated funds:-</b>				
Unrestricted Revenue Funds	9,186,854	(185,515)	(17,255)	8,984,084
Unrestricted Revaluation Reserve	7,944,959	-	(4,000,000)	3,944,959
<b>Total unrestricted and designated funds</b>	<b>17,131,813</b>	<b>(185,515)</b>	<b>(4,017,255)</b>	<b>12,929,043</b>
<b>Restricted funds:-</b>				
Restricted revenue Funds	19,348	3,373	-	22,721
<b>Total restricted funds</b>	<b>19,348</b>	<b>3,373</b>	<b>-</b>	<b>22,721</b>
<b>Total charity funds</b>	<b>17,151,161</b>	<b>(182,142)</b>	<b>(4,017,255)</b>	<b>12,951,764</b>

#### 19 Analysis of movements in funds over the year as shown in Note 18

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2024 £	2024 £	2024 £	2024 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted Revenue Funds	2,412,283	(2,597,798)	-	(185,515)
<b>Restricted funds:-</b>				
Restricted revenue Funds	61,953	(58,580)	-	3,373
	<b>2,474,236</b>	<b>(2,656,378)</b>	<b>-</b>	<b>(182,142)</b>

#### 20 Details of transfers between funds in the year as shown in Note 18

<i>The transfers shown in note 18 above are:-</i>	2024 £
To/(from) Unrestricted Revenue Funds in accordance with the accounting policy 'Accounting for capital grants and fixed asset funds' reallocated	(17,255)
To/(from) Unrestricted Revaluation Reserve	(4,000,000)
<b>Net transfers</b>	<b>(4,017,255)</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

*This analysis is classified by conventional nominal descriptions and not by activity.*

### 21 Donations, Grants and Legacies

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2024	2024	2024	2023
	£	£	£	£
<b>Revenue grants from government and public bodies</b>				
Community Mental Health	-	2,000	2,000	-
ACE - Inspirate Funding	-	-	-	2,985
Crisis Café	-	29,997	29,997	20,291
Art and Cultrual Prog.	4,920	-	4,920	-
Other Income	1,881	-	1,881	-
ACE - Funding Mela	-	29,956	29,956	26,865
Arts Mela	-	-	-	275
<b>Total public sector revenue grants</b>	<b>6,801</b>	<b>61,953</b>	<b>68,754</b>	<b>52,739</b>

All the grants in the prior year were unrestricted.

#### Revenue grants from government and public bodies - Prior Year analysis

	Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds
	2023	2023	2023
	£	£	£
<b>Prior Year</b>	<b>32,448</b>	<b>20,291</b>	<b>52,739</b>

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2024	2024	2024	2023
	£	£	£	£
<b>Ethnic Inclusion Foundation - Grants</b>				
Ethnic Inclusion Foundation - Grants	13,000	-	13,000	60,000
<b>Total Ethnic Inclusion Foundation - Grants</b>	<b>13,000</b>	<b>-</b>	<b>13,000</b>	<b>60,000</b>
<b>Total Donations, Grants and Legacies</b>				
<b>Total Donations, Grants and Legacies</b> A1	<b>19,801</b>	<b>61,953</b>	<b>81,754</b>	<b>112,739</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

All the donations and gifts in the prior year were unrestricted.

<i>Prior year</i>	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Prior Year Total Funds 2023 £
Total Donations, Grants and Legacies	92,448	20,291	112,739

A1

### 22 Income from charitable activities - Trading Activities

<i>Current year</i>	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total funds 2023 £
<b>Primary purpose and ancillary trading</b> Sale of goods and services in accordance with the charity's objects	697,702	-	697,702	619,016
<b>Total Primary purpose and ancillary trading</b>	<b>697,702</b>	<b>-</b>	<b>697,702</b>	<b>619,016</b>

### 23 Total Income from charitable activities

<i>Current year</i>	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Total income from charitable trading	697,702	-	697,702	619,016
<b>Total from charitable activities</b>	<b>697,702</b>	<b>-</b>	<b>697,702</b>	<b>619,016</b>

A2

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

### 24 Investment income

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2024	2024	2024	2023
	£	£	£	£
Property Rental Income	1,694,622	-	1,694,622	1,515,965
Bank Interest Receivable	158	-	158	9,306
<b>Total investment income</b>	<b>1,694,780</b>	<b>-</b>	<b>1,694,780</b>	<b>1,525,271</b>

### 25 Expenditure on charitable activities - Direct spending

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2024	2024	2024	2023
	£	£	£	£
Gross wages and salaries - charitable activities	677,902	12,435	690,337	606,369
Employers' NI - Charitable activities	38,532	-	38,532	32,158
Defined benefit pension costs - charitable activities	11,323	-	11,323	9,223
Defined contribution pension costs - charitable activities	-	-	-	1,075
Travel and Subsistence - Charitable Activities	4,108	-	4,108	1,308
Purchases	169,625	-	169,625	148,378
Health and Wellbeing sessions	-	16,924	16,924	15,642
Theatre cost	16,136	29,221	45,357	36,868
Directors Salary	55,667	-	55,667	66,136
<b>Total direct spending</b>	<b>973,293</b>	<b>58,580</b>	<b>1,031,873</b>	<b>917,157</b>

All the expenditure in the prior year was unrestricted.

<i>Prior Year</i>	Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds
	2023	2023	2023
	£	£	£
Gross wages and salaries - charitable activities	594,819	11,550	606,369
Health and Wellbeing sessions	-	15,642	15,642
<b>Total direct spending</b>	<b>889,965</b>	<b>27,192</b>	<b>917,157</b>

### 26 Expenditure on charitable activities- Grant funding of activities

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2024	2024	2024	2023
	£	£	£	£
Grants to institutions ( PC )	13,000	-	13,000	60,000
<b>Total grantmaking costs</b>	<b>13,000</b>	<b>-</b>	<b>13,000</b>	<b>60,000</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

### 27 Support costs for charitable activities

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2024	2024	2024	2023
	£	£	£	£
<b><i>Premises Expenses</i></b>				
Rates and water charges	25,793	-	25,793	15,459
Staff training and welfare	1,439	-	1,439	1,611
Light heat and power	160,025	-	160,025	136,195
Cleaning and waste management	47,045	-	47,045	41,558
Premises repairs, renewals and maintenance	56,949	-	56,949	132,376
Property insurance	36,013	-	36,013	36,060
<b><i>Administrative overheads</i></b>				
Telephone, fax and internet	20,312	-	20,312	26,973
Stationery and printing	10,727	-	10,727	7,835
Subscriptions to periodicals	7,894	-	7,894	7,492
Hire of equipment	9,202	-	9,202	6,510
Software licences and expenses	8,640	-	8,640	5,883
Advertising and marketing	14,632	-	14,632	3,582
Sundry expenses	3,526	-	3,526	3,076
Equipment, repairs, expenses and maintenance	-	-	-	-
Travelling	6,147	-	6,147	7,402
Computer Costs	6,099	-	6,099	3,696

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

### *Professional fees paid to advisors other than the auditor or examiner*

Accountancy fees other than examination or audit fees	15,000	-	15,000	15,000
Bookkeeping	42,000	-	42,000	43,500
Legal fees	4,098	-	4,098	-
Consultancy fees	11,465	-	11,465	4,250
Other legal and professional	600	-	600	350

### *Financial costs*

Bank charges	4,229	-	4,229	4,786
Depreciation & Amortisation in total for	133,562	-	133,562	140,906
Bank interest payable	509	-	509	771

<b>Support costs before reallocation</b>	<b>627,260</b>	<b>-</b>	<b>627,260</b>	<b>645,271</b>
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<b>Total support costs - Current Year</b>	<b>627,260</b>	<b>-</b>	<b>627,260</b>	<b>645,271</b>
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The basis of allocation of costs between activities is described under accounting policies

All the expenditure in the prior year was unrestricted.

### *Administrative overheads*

The basis of allocation of costs between activities is described under accounting policies

## 28 Other Expenditure - Governance costs

<i>Current Year</i>	Current year	Current year	Current year	Prior Year
	Unrestricted	Restricted	Total Funds	Total Funds
	Funds	Funds	Total Funds	Total Funds
	2024	2024	2024	2023
	£	£	£	£
Auditor's fees	24,000	-	24,000	20,500
Trustees' remuneration	86,606	-	86,606	71,379
NIC on Trustees' remuneration	10,696	-	10,696	9,039
Trustees Defined benefit pension costs	1,321	-	1,321	1,321
Wages	12,324	-	12,324	16,856
Travel Expenses	1,447	-	1,447	1,816
Other professional fee	-	-	-	2,500
<b>Total Governance costs</b>	<b>136,394</b>	<b>-</b>	<b>136,394</b>	<b>123,411</b>

All the expenditure in the prior year was unrestricted.

## 29 Total Charitable expenditure

<i>Current Year</i>		Current year	Current year	Current year	Prior Year
		Unrestricted	Restricted	Total Funds	Total Funds
		Funds	Funds	Total Funds	Total Funds
		2024	2024	2024	2023
		£	£	£	£
Total direct spending	<b>B2a</b>	973,293	58,580	1,031,873	917,157
Total grantmaking costs	<b>B2c</b>	13,000	-	13,000	60,000
Total support costs	<b>B2d</b>	627,260	-	627,260	645,271
Total Governance costs	<b>B2e</b>	136,394	-	136,394	123,411
<b>Total charitable expenditure</b>	<b>B2</b>	<b>1,749,947</b>	<b>58,580</b>	<b>1,808,527</b>	<b>1,745,839</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2024 as required by the SORP 2015

		Prior Year	Prior Year	Prior Year
		Unrestricted	Restricted	Total Funds
		Funds	Funds	Total Funds
<b>Prior Year</b>		2023	2023	2023
		£	£	£
Total direct spending	<b>B2a</b>	889,965	27,192	917,157
Total grantmaking costs	<b>B2c</b>	60,000	-	60,000
Total support costs	<b>B2d</b>	645,271	-	645,271
Total Governance costs	<b>B2e</b>	123,411	-	123,411
<b>Total charitable expenditure</b>	<b>B2</b>	<b>1,718,647</b>	<b>27,192</b>	<b>1,745,839</b>

### 30 Expenditure on raising funds and costs of investment management

		Current year	Current year	Current year	Prior Year
		Unrestricted	Restricted	Total Funds	Total Funds
		Funds	Funds	Total Funds	Total Funds
<b>Current Year</b>		2024	2024	2024	2023
		£	£	£	£
Just giving charges		180	-	180	165
Consultancy fee		500	-	500	3,003
Cleaning		44,814	-	44,814	42,800
Administrative expenses		5,380	-	5,380	4,221
Property repairs and maintenance for non charitable property		114,001	-	114,001	84,356
Property rate, light and heat		139,078	-	139,078	106,820
Interest payable		171,295	-	171,295	158,805
Gross wages and salaries - fundraising activities		242,856	-	242,856	200,392
Employers' NI - fundraising activities		21,667	-	21,667	16,777
Defined contribution pension costs - fundraising activities		4,426	-	4,426	3,502
Telephone and Broadband		8,373	-	8,373	8,441
Insurance		41,268	-	41,268	36,158
Rates		54,013	-	54,013	64,799
<b>Total fundraising costs</b>	<b>B1</b>	<b>847,851</b>	<b>-</b>	<b>847,851</b>	<b>730,239</b>

## The Ethnic Inclusion Foundation

Activity analysis of Income and expenditure for the for the year ended 31 December 2024

*This analysis is classified by activity and not by conventional nominal descriptions.*

### 31 Analysis of income by activity

	SOFA ref	2024 £	2023 -
<b>Activity</b>			
<b>Income from charitable activities</b>			
Charitable activity 1		697,702	<b>619,016</b>
<b>Summary of Total Income, including the items above</b>			
Charitable activities	A2	697,702	619,016
Other activities	A3	-	-
Donations & Legacies	A1	81,754	112,739
Investment income	A4	1,694,780	1,525,271
<b>Total income as shown in the SOFA</b>	<b>A</b>	<b>2,474,236</b>	<b>2,257,026</b>
<b>Categories of income</b>			
Income from exchange transactions		2,474,236	2,257,026

### 32 Analysis of charitable expenditure by activity

Activity	Direct costs	Support costs	Grant funding of activities	Total	Total
	2024	2024	2024	2024	2023
	£	£	£	£	£
<b>Charitable activity 1</b>					
Direct costs	1,031,873	-	-	<b>1,031,873</b>	917,157
Premises expenses	-	327,262	-	<b>327,262</b>	363,257
Administrative overheads	-	87,180	-	<b>87,180</b>	72,448
Professional fees	-	73,163	-	<b>73,163</b>	63,100
Financial costs	-	139,653	-	<b>139,653</b>	146,463
Grantmaking costs	-	-	13,000	<b>13,000</b>	60,000
<b>Total Charitable activity 1</b>	<b>1,031,873</b>	<b>627,258</b>	<b>13,000</b>	<b>1,672,131</b>	<b>1,622,425</b>

## The Ethnic Inclusion Foundation

### Activity analysis of Income and expenditure for the for the year ended 31 December 2024

#### Summary of charitable costs by activity

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2024	2024	2024	2024	2023
	£	£	£	£	£
Total Charitable activity 1	1,031,873	627,258	13,000	1,672,131	1,622,425
Total Governance costs as detailed in Note 28	-	136,394	-	136,394	123,411
<b>Total charitable expenditure</b>	<b>1,031,873</b>	<b>763,652</b>	<b>13,000</b>	<b>1,808,525</b>	<b>1,745,836</b>

The basis of allocation of costs between activities is described under accounting policies

The breakdown of this expenditure by type of spending (ie nominal classification) is detailed in note 29

#### Analysis of support and governance costs by charitable activities

Activity	Governance	Finance	Human Resources	Other Overheads	Total
Charitable activity 1	135,394	139,653	-	487,605	762,652
<b>Grand Total</b>	<b>136,394</b>	<b>139,653</b>	<b>-</b>	<b>487,605</b>	<b>763,652</b>

#### Summary of grant making by activity

	Grants to institutions	Grants to individuals	Support costs	Total	Total
	2024	2024	2024	2024	2023
	£	£	£	£	£
Charitable activity 1	-	-	13,000	13,000	60,000
	<b>-</b>	<b>-</b>	<b>13,000</b>	<b>13,000</b>	<b>60,000</b>

Fuller details of grants made and related costs, including support costs, are shown in note 26.

## The Ethnic Inclusion Foundation

Activity analysis of Income and expenditure for the for the year ended 31 December 2024

### 33 Analysis of non charitable expenditure by activity

#### Activity

#### *Fundraising activities*

<b>Fundraising activities</b>	<b>Fundraising activities</b>
<b>2024</b>	<b>2023</b>
<b>£</b>	<b>£</b>

Direct fundraising costs

847,851

730,239

#### *Governance costs*

<b>Governance costs</b>	<b>Governance costs</b>
<b>2024</b>	<b>2023</b>
<b>£</b>	<b>£</b>

Other Expenditure - Governance costs as detailed in Note 28

136,394

123,411

#### **Total non charitable expenditure**

**2024**

**2023**

**£**

**£**

Total costs of Fundraising activities

847,851

730,239

**Total non charitable expenditure**

**847,851**

**730,239**

**THE ETHNIC INCLUSION FOUNDATION**

England & Wales - Charity number 1077002

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# Accounts

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Company Registration Number - 03758674

The Charity Registration Number is :- 1077002

**The Ethnic Inclusion Foundation**

**Report and Accounts**

**31 December 2023**

# The Ethnic Inclusion Foundation

## Report and accounts for the year ended 31 December 2023

### Contents

	Page
<b>Charity information</b>	1
<b>Trustees' Annual Report</b>	1
<b>Statement of directors' responsibilities</b>	9
<b>Independent auditor's report</b>	16
<b><i>Funds Statements:-</i></b>	
Statement of Financial Activities	17
Statement of Financial Activities - Prior Year statement	18
Statement of total recognised gains and losses	18
Movements in funds	19
Revaluation reserves	19
Revenue Funds	20
Fixed Asset funds	20
Income and Expenditure account	21
Summary of funds	21
<b>Balance sheet</b>	17
<b>Cash flow statement</b>	18
<b>Notes to the accounts</b>	19

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

The Trustees present their Report and Accounts for the year ended 31 December 2023, which also comprises the Directors' Report required by the Companies Act 2006.

#### **Reference and administrative details**

##### **The charity name.**

The legal name of the charity is:- The Ethnic Inclusion Foundation.

The charity is also known by its operating name, EIF.

##### ***The charity's areas operation and UK charitable registration.***

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1077002.

The charity does not operate in any overseas jurisdictions.

##### **Legal structure of the charity**

The charity is constituted as a company limited by guarantee, registered under the Companies Acts. The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

The governing document is dated 21 April 1999 as amended on 28 Sept 2022

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

The principal operating address, telephone number, email and web addresses of the charity are:-

Boardman House  
64 Broadway, Stratford  
London, E15 1NT  
Telephone 2088101664

Email Address [info@ethnicinclusion.org.uk](mailto:info@ethnicinclusion.org.uk) Web address [www.ethnicinclusion.org.uk](http://www.ethnicinclusion.org.uk)

The registered office of the charity for Companies Act purposes is:-

126-128 Uxbridge Road  
London,  
, W13 8QS

**The following persons served as Trustees during the year ended 31 December 2023 :-**

Mr A Bhanot	Director (Managing)
Dr S Bhanot	Director (Health Non-Executive)
Mr S Syan	Director (Legal Non-Executive)
Mr D Joshi	(Resigned 21 April 2023)
Mr R Kumar	(Appointed 23 December 2023)
Mr Niraj Singh	(Appointed 23 October 2024)

All the trustees are individuals

The trustees who served as a trustee in the reporting period were as shown above, and there were no other changes during the year, or in the period between the year end and the approval of the accounts.

At the Annual General Meeting Trustees who retire every five years are re-elected if eligible for reappointment.

All the trustees are also members of the charity.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

#### **Objects and activities of the charity**

##### **The purposes of the charity as set out in its governing document.**

EIF raises its surplus for charitable purposes, by rentals of its investment property and other social enterprise activities on conferences and training. EIF's aims and objectives are encapsulated in its newly defined inclusivity goals on Equality, Health and Sustainability. Our focus remains on the Ethnic communities resilience and development under those three goals but on a wider scale for all communities and cultures. Diversity of cultures from the globe bring a natural dynamic change to the country but for a positive change, this diversity must be challenged by a shared value system, leading to an overall integration of people.

EIF delivers its aims through the delivery partners Peepul Centre Charity and its trading arm the Peepul Enterprises Ltd. For EIF's aim to reduce poverty it gives small grants, as and when required, to an independent Charity based in India, Peepul Delhi, to uplift the very disadvantaged communities, and particularly women to be economically self-reliant through micro-business entrepreneurship

EIF, thus, in a nutshell, formulates the charity strategies and then to deliver those strategic aims it uses its surplus funds to carry out projects by its delivery partners.

##### **The main activities undertaken in relation to those purposes during the year.**

EIF manages its business community investment property in order to generate sufficient funds to support its charity works and meet the group's objectives. EIF carried out projects of social justice and community empowerment with its communities outreach.

EIF runs the East London Centre (ELC) for conferences and meetings at affordable rates, for primarily but not exclusively, the Ethnic and Health organisations with a charitable ethic, e.g., Churches, Foster Care Organisations, Police Security Training, Yoga and Wellbeing, and Ambulance Services Training.

EIF works on the Mental Health work with another organisation, CAREIF. EIF Trustee on Health is delivering on health project in the subsidiary Charity Peepul Centre by running a Mental Health Neighbourhood Crisis cafe at the Peepul Centre for the ethnic communities of the somewhat marginalised area of Belgrave in Leicester, along with developing a network of health professionals and organising mental health conferences at the Peepul Centre.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

#### **The main activities undertaken during the year to further the charity's purpose for the public benefit.**

EIF project on Health and Wellbeing, in partnership with Careif, is a long term project to help create a Mental Wellbeing institution for the ethnic Communities so that their health issues can be dealt with in a more culturally specific manner apt to their wellbeing, which would incorporate familial, spiritual and cultural factors in the solution strategies. To this end, a data gathering exercise through a crisis cafe at the EIF's subsidiary Peepul Centre, our delivery partner, is being collated for evidence.

EIF uses its surplus funds to meet the running costs of the Peepul Centre Charity and its social enterprise trading arm Peepul Enterprises Ltd. Peepul Centre is a large 100,000 sq.ft. community arts leisure centre providing services to the local communities of the Belgrave area in Leicester with large ethnic population.

Peepul Centre is a national focal point in the Belgrave area of Leicester demonstrably bringing together people from all social, economic and cultural backgrounds. It is a model for a community centre of excellence, delivering high class services in the performing arts, dance and music, fitness and sports activities including for differently-abled individuals, childrens nursery facilities, catering and weddings and conferences facilities, and generally improving community life styles as a social enterprise at affordable rates, and with charitable aims. The concept is to help build and support vibrant self-sustaining communities through innovation, entrepreneurship and partnership working. Thus in the entire EIF group structure a large number of community organisations and a large number of people benefit.

Peepul Centre is a mega-lithic project which is sustained through EIF funding primarily. The Health and Wellbeing project it is funded by a partnership with the NHS. Efforts are being made to partner with the Arts Council England (ACE) to fund theatre projects, with a medium term aim of gaining an NPO (National Portfolio) status with ACE.

EIF Trustees give full regard to the Charity Commission's guidance on public benefit in managing the activities of the Charity.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

#### **The short term and longer term aims and objectives.**

Long term aims of the Charity is to continue on its goals of Equality for all people, the Health and Wellbeing of the People and the Sustainability of living, with special but not exclusive focus on the ethnic communities. Our projects are undertaken with a view to achieving these goals in the long term.

For instance the Health and Wellbeing project in the short term is gathering ethnic culturally specific evidences at the Peepul Centre Charity but its ultimate aim is to feed that data into the long term project of EIF to help establish a mental health-wellbeing institution for ethnic Communities allowing for their cultural specific needs.

Likewise, if ACE can partner with Peepul Centre Charity to help develop its theatrical programme, with funding, then EIF funds can be released for other pending projects under Equality, and in particular presently our Sustainability projects the Trustees would like to fund are presently constrained by the pressures of channelling our surplus funds to fill the deficit gap at Peepul Centre due to its large overheads. The public funds from ACE will help create the arts and cultural activity at Peepul Centre that will bring benefits, not only to the community and the Asian artists, but this extra activity will begin to generate sufficient extra income for Peepul Centre to begin to move towards its own self-reliance goal, financially. Particularly, the ACE partnership will help create an even playing field for Peepul Centre with the other local theatre NPO's, which are all well-funded by ACE.

EIF took over the Peepul Centre in 2012 when it was running at a huge unmanageable loss and since then the new management cut those large losses to a more sustainable figure, but post Covid the Peepul Enterprises business levels have not yet fully recovered. Nonetheless, the major part of the losses are due to the under-utilisation of the Theatre space which EIF has no surplus funds to develop the arts for. This purpose built theatre was built by the ACE finances in 2005 and the old management's efforts thereafter to turn it into an NPO did not sadly materialise. The new management since 2012 has been trying to utilise this space more and more for the development of the Asian performing arts but continues to seek a more positive outcome for funding its projects with ACE.

#### **The charity's strategies for achieving its aims and objectives in the future.**

EIF strategy is to continue funding projects that fulfil the Charity aims by delivering through our group and partner Charities looking after the Ethnic and other communities, including where required uplifting the disadvantaged communities.

#### **How the activities undertaken during the year contributed to the achievement of the aims and objectives.**

The Charity and the Group activities are absolutely in line with the Charity's aims and objectives and their achievement thereof. Activities mentioned above all contribute to the delivery of Charity's objectives.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

#### **Resources used in the activities undertaken during the year.**

EIF raises its funds for charitable purposes through the efficient running of its rentals business and other social enterprise activities mentioned above. The staff resources are adequately remunerated and partners relationships are worked upon amicably to help deliver our activities

#### **The contribution of volunteers during the year.**

Volunteers were engaged at intervals only when required by the projects.

#### **The main achievements and performance of the charity during the year.**

Main achievement for the EIF Charity this year was to see the recovery of the East London Centre for Conferences, and also bring back post-Covid the rental tenants to occupy empty space created during Covid, thus creating surpluses again for our social enterprises projects.

#### **The difference the charity's performance during the year has made to the beneficiaries of the charity.**

Charity's performance to raise funds and create sufficient surpluses to support large group projects is essential, which has continued to serve the communities and fulfil our objectives.

#### **The degree to which the achievements and performance during the year have benefited wider society.**

By EIF supporting our group Charities we have facilitated the Peepul Centre used as a Vaccination hub for a substantial population of Leicester during the Covid periods, other charitable projects mentioned above have benefited the wider society through Arts, Fitness, Children's Nursery, Health & Wellbeing and educational activities.

#### **The performance of material fundraising activities during the year against the fundraising objectives set.**

EIF fundraising is mainly due to its running its social enterprise activities of renting the property it owns, together with providing conference facilities and training.

EIF group subsidiaries predominantly raise funds through their social enterprise activities also but now the PC Charity raises some funds from the NHS for their health and wellbeing work, and for its theatre some funds are raised with ACE.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

#### **Investment performance against the investment objectives.**

EIF raises funds through its investment income with maximising performance which is reviewed regularly, at least quarterly. Investment performance has been good and satisfactory during the year.

#### **Expenditure incurred in the year in order to raise income in the future.**

Capital expenditure to upgrade the Air Conditioning system was authorised and contracted for in the year and expended in 2023.

#### **Structure, governance and management of the charity**

##### **The methods used to recruit and appoint new charity trustees.**

Trustees training and recruitment remains an ongoing process and some of them are required to take continuing professional development (CPD) courses in their own professions.

Governance is strengthened with the appointment of a highly skilled professional team with business and regulatory experience. One of the Trustees, Anil Bhanot, is the managing director (MD) tasked with running the business efficiently and ethically to create a surplus which can then be expended on charitable projects. EIF is a social enterprise charity and for its business part Anil Bhanot ensures that his fellow Trustees/Directors are not exposed to any risk, which before his appointment of MD, the EIF Trustees had experienced a high risk exposure by delegating authority to non-director employees, and particularly so in relation to the business creditors. Hence our Governance model is unlike other public funded Charities and equally, one with a strong policy to avoid any conflicts of interest. For instance where public funds are received in the EIF Group, namely the subsidiary Peepul Centre Charity, these funds are monitored rigorously and checked by another Trustees independent of the MD.

Each of the Boards of the companies within the EIF Peepul Group have at least one different Trustee to ensure independence. At the same time, to ensure a complimentary working environment for our shared aims, one Trustee Anil Bhanot is elected to sit on all the Boards as Chair.

EIF Charity Trustees are the members of the Charity, with no beneficial interest in the Charity, and each member guarantees to contribute £10 in the event of a winding up.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

#### **The policies and procedures for the induction and training of trustees.**

The Board of Trustees carries out an annual review of Governance. The aim is to assess the general effectiveness of the Board and also to identify any changes in process. The Board meets regularly to review the composition of the Trustees to achieve Charity's aims and also to identify any changes in process.

Trustee vacancies are advertised as and when required and on appointment are given full induction with all past disclosures and business contentions before their full acceptance of the position.

Any person or corporation desiring to become a trustee of the Charity may submit an application in writing to the Board signed by him or her on its behalf for admission in a form approved by the Board, and every such application shall be considered by each of the existing trustees to be voted upon with 2/3rds majority in favour of the appointment is elected. No reason for refusal to admit an application is given.

#### **The charity's organisational structure.**

EIF is the sole parent of the Peepul Centre Charity (PC), which in turn owns 100% of its trading arm Peepul Enterprises Ltd (PEL). Each Charity is distinct but complimentary in its aims and objectives. Each Charity has non-identical Board of Trustees, with different specialism and general experience, but are chaired by one Trustee across the Group to help maintain a united approach in prioritising each Charity's aims in a complimentary way.

The EIF Charity raises its revenue through its own investment property rental activities and other social enterprise activities. EIF is the Charity that does the strategy on the Charitable projects and then gives funding to its group companies to deliver the projects. EIF runs its business under the direction of one of the Trustees Anil Bhanot who is it's MD. All other trustees are non executive directors to maintain a 'checks and balances' approach to running the EIF Charity.

Peepul Centre Charity is also a social enterprise but our recent changes to bring its focus on South Asian Arts and Wellbeing means for this part we shall be primarily dependent on public funding. Already for the Wellbeing project a partnership is developed with the NHS but for the Arts projects we are still trying to develop our relationship with ACE. For this reason, we maintain a separation for Governance (unpaid Trustees) and the Executive (paid Employees).

Peepul Enterprises Ltd is a social enterprise trading company which runs all the other activities at the Centre. Anil Bhanot is the MD of the Board of Directors who are all remunerated to run the business. However, due to its deficits - of running a 100,000 sq ft centre with large overheads, and income constraints due to chargeable rates keeping at an affordable level for the community - all directors take only a very reasonable level of remuneration, which EIF funds.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

#### **How the charity makes decisions and how decisions are delegated.**

The Board has delegated the authority to run the Charity to the Managing Director (MD), Anil Bhanot, who is also a Trustee on the Board. EIF is a social enterprise Charity for which the MD ensures the business is run proficiently and ethically. The MD keeps his fellow non-executive directors/trustees abreast of important issues and changes regularly so that important decisions are taken in a spirit of team work.

#### **The Chief Executive Officer and other senior management personnel to whom day to day management is delegated**

The MD and other managers work in a team work environment with an extensive emphasis on team communications with all the staff.

#### **Setting pay and remuneration of key management personnel**

The EIF Board sets the remuneration of the MD who in turn sets the salaries of the managers and, with managers agreement, of the staff.

The current MD salary has always been and is well below the market rates and has always been typically far below the past CEOs' salaries, as per past payroll records, yet under the present MD the Charity's income generating activity is much higher, yielding a higher surplus for Charitable projects.

#### **How the subsidiary undertaking(s) is/are constituted and managed.**

EIF's subsidiary is the Peepul Centre charity, whose trading arm is the Peepul Enterprises Ltd. The group is managed by the MD and his managers team to ensure efficiency and joint working for our charitable aims.

#### **The charity as a part of a wider network.**

The EIF Charity group comprises the Peepul Centre in UK, and internationally it has an independent relation with a non-group charitable Trust set up in India which serves to uplift the disadvantaged communities with the help of a very small level of funding from EIF.

## The Ethnic Inclusion Foundation

Company Registration Number - 03758674

### Trustees' Annual Report for the year ended 31 December 2023

#### The charity's relationships with related parties.

The EIF employs Anil Bhanot, a Trustee, as Managing Director (MD), to run the social enterprise activities of EIF. No other Trustee is paid a remuneration at EIF. Mr Bhanot is also the MD of Peepul Enterprises Ltd. However, at the Peepul Centre Charity the MD running the social enterprise activity of PC takes a salary of £Nil and the PC Board has a split structure of Governance v Executive to facilitate the public funding of the PC Charity to maintain checks and balances for public funds.

Mr Anil Bhanot owns Online Accountancy Services Ltd which provides book-keeping and accountancy services to the Charities group. However, Mani Thapa FCCA a director of Online Accountancy Services Ltd and other staff are responsible for the work they do on book-keeping, payroll, management and statutory accounts and returns.

The Charity employs a Financial Controller who is responsible for the Bank transactions and reconciliations. The Financial Controller spends 50% of his time at Head Office with the Online Accountancy Staff and the other 50% on financial management at the Peepul Centre in Leicester.

The EIF and Peepul Centre Head Office is at the Online Accountancy premises owned by Anil Bhanot, for which no rent is charged to the EIF group. The Trustees meet quarterly and the management teams meet weekly at the Head Office, as well as at the operating offices of the Charities in the Group. Mr Bhanot manages the group from the Head Office with electronic communication and CCTV facilities, and also with weekly business and staff meetings at the operating premises.

Bankers	Metro Bank PLC 1 The Mall London W5 2PL
Accountants	Online Accountancy Services Ltd

#### Financial review

#### The charity's financial position at the end of the year ended 31 December 2023

The financial position of the charity at 31 December 2023 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2023	2022
	£	£
<b>Net income</b>	(255,446)	99,501
Unrestricted Revenue Funds available for the general purposes of the charity	9,186,857	9,435,396
Unrestricted revaluation reserve	7,944,959	7,944,959
<b>Total Unrestricted Funds</b>	<b>17,131,816</b>	<b>17,380,355</b>
Restricted Revenue Funds	19,348	26,249
<b>Total Funds</b>	<b>17,151,164</b>	<b>17,406,604</b>

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

#### **Financial review of the position at the reporting date, 31 December 2023 .**

The Consolidated Statements of Financial Activities shows net deficit for the year 2023 of £176,083 (2022 - net income of £99,796).

Total group income for the year amounted to £2,257,026 (2022 - £2,473,517). Total group expenditure for the year amounted to £2,433,109 (2022 - £2,373,721).

Income included commercial rents of £1,525,271 (2022 - £1,199,738), and grant income for the delivery of charitable projects, income from delivering charitable activities and trading income through the subsidiary Peepul Enterprises Ltd of £461,124 (2022 - £1,093,604).

The Group's property in London was independently valued at £15m on an existing use basis in 2019, which is reflected in the accounts. The Leicester property is subject to covenants by the Government agencies for its use as an asset for community activities only, to which the Trustees are fully committed to carry on doing.

#### **Policies on reserves.**

Total consolidated reserves of the EIF Peepul Group were £17,194,133 at 31 December 2023, (£17,286,671 - 2022), of which restricted reserves were £19,348 at 31 December 2023, (£26,249 - 2022).

The Unrestricted funds include £7,944,959 held in a fair value reserve which arose on the valuation of the investment properties.

The Reserves policy of EIF is to maintain £150,000 free cash reserves but is kept under constant review due to the cash flow constraints at Peepul Centre.

#### **Going Concern**

The Board of Trustees has assessed the going concern of the group in detail and is confident that the group will have adequate resources to continue in operational existence for the foreseeable future.

#### **Availability and adequacy of assets of each of the funds**

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

#### **Significant events which have affected the financial performance and the financial position.**

EIF has increased its income significantly post covid but Peepul Centre overheads have risen also, particularly the energy costs.

#### **Investment policy and investment objectives.**

The Charity continues to invest in social enterprise operations of Peepul Enterprises for community's upliftment, while efficiently managing the social enterprise activities of the EIF to produce a return for the Charity for other charitable works.

#### **The major risks to which the Charity is exposed and reviews and systems to mitigate them.**

The EIF maintains itself is a strong sustainable Charity but the Peepul Centre subsidiary needs to continue re-developing to recover its pre-Covid activity levels and to build a strong relationship with ACE for its arts projects, albeit its Health and Wellbeing projects are developing in leaps and bounds.

#### **Factors likely to affect future financial performance .**

The EIF Charity building refurbishment has been carried out to ensure a good working environment for the customers and stakeholders, whilst the Peepul Centre is continuing to build its relationship with ACE for arts projects funding.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

#### **Employment of disabled persons**

The Charity has a policy of equal opportunities for all and in particularly differently-abled persons..

#### **Details of The Auditor**

Naren Desai FCA MBA - Senior Statutory Auditor  
Member of The Institute of Chartered Accountants in E&W  
144-146 Kings Cross Road  
London  
WC1X 9DU

#### **Statement as to disclosure of information to auditors**

The trustees state that so far as each of the trustees at the time this report was approved are aware:-

- a) There is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the auditors are unaware, and
- b) The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and establish that the auditors are aware of that information.

#### **Statement of the Directors Trustees' Responsibilities**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2023**

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the auditor in relation to the Trustees' report is limited to examining the report and ensuring that , the report is consistent with the figures disclosed in the financial statements.

#### **Method of preparation of accounts - Small company provisions**

The financial statements are set out on pages 12 to 20.

The financial statements have been prepared implementing the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016)

These consolidated financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006, applicable to companies subject to the small companies regime.

This report was approved by the board of trustees on 25 October 2024.



Anil Bhanot  
Director and Trustee

**The Ethnic Inclusion Foundation**  
**Independent auditors' report**  
**to the members of The Ethnic Inclusion Foundation**

We have audited the financial statements of The Ethnic Inclusion Foundation for the year ended 31 December 2023 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity 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 in the UK and Republic of Ireland"

This report is made solely to the 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 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 company and the 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 auditors**

We have audited the financial statements of The Ethnic Inclusion Foundation for the year ended 31 December 2023 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity 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 in the UK and Republic of Ireland"

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors 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 Ethical Standards for Auditors.

**Scope of the audit of the accounts**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

**Opinion on the accounts**

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs at 31 December 2023 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

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

**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:

- 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 accounts 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



Naren Desai FCA MBA - Senior Statutory Auditor  
(Senior Statutory Auditor)  
for and on behalf of  
Andrew Murray & Co

Accountants and Statutory Auditors  
25 October 2024

144-146 Kings Cross Road  
London  
WC1X 9DU

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2023**

**Consolidated Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 December 2023, as required by the Companies Act 2006)**

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2023	2023	2023	2022
		£	£	£	£
<b>Income &amp; Endowments from:</b>					
Donations & Legacies	A1	92,448	20,291	112,739	69,553
Charitable activities	A2	461,124	-	461,124	1,093,605
Other trading activities	A3	157,892	-	157,892	110,622
Investments	A4	1,525,271	-	1,525,271	1,199,738
<b>Total income</b>	<b>A</b>	<b>2,236,735</b>	<b>20,291</b>	<b>2,257,026</b>	<b>2,473,518</b>
<b>Expenditure on:</b>					
Raising funds	B1	730,239	-	730,239	667,737
Charitable activities	B2	1,718,647	27,192	1,745,839	1,706,280
<b>Total expenditure</b>	<b>B</b>	<b>2,448,886</b>	<b>27,192</b>	<b>2,476,078</b>	<b>2,374,017</b>
<b>Net income for the year</b>		<b>(212,151)</b>	<b>(6,901)</b>	<b>(219,052)</b>	<b>99,501</b>
Transfers between funds	C	(36,394)	-	(36,394)	-
<b>Net income after transfers</b>	<b>A-B-C</b>	<b>(248,545)</b>	<b>(6,901)</b>	<b>(255,446)</b>	<b>99,501</b>
<b>Net movement in funds</b>		<b>(248,545)</b>	<b>(6,901)</b>	<b>(255,446)</b>	<b>99,501</b>
<b>Reconciliation of funds:-</b>					
<b>Total funds brought forward</b>		17,380,361	26,249	17,406,610	17,307,103
<b>Total funds carried forward</b>		<b>17,131,816</b>	<b>19,348</b>	<b>17,151,164</b>	<b>17,406,604</b>

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All the prior year transactions were unrestricted items, and no further analysis is required

All activities derive from continuing operations

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2023**

	SORP Ref	Prior Year Unrestricted Funds 2022 £	Prior Year Restricted Funds 2022 £	Prior Year Total Funds 2022 £
<b>Income &amp; Endowments from:</b>				
Donations & Legacies	A1	69,553	-	69,553
Charitable activities	A2	1,093,605	-	1,093,605
Other trading activities	A3	110,622	-	110,622
Investments	A4	1,199,738	-	1,199,738
Other	A5	-	-	-
<b>Total income</b>	<b>A</b>	<b>2,473,518</b>	<b>-</b>	<b>2,473,518</b>
<b>Expenditure on:</b>				
Raising funds	B1	667,737	-	667,737
Charitable activities	B2	1,706,280	-	1,706,280
Other	B3	-	-	-
Tax on surplus on ordinary activities	B3	-	-	-
Other taxation	B3	-	-	-
<b>Total expenditure</b>	<b>B</b>	<b>2,374,017</b>	<b>-</b>	<b>2,374,017</b>
Net gains on investments	B4	-	-	-
<b>Net income for the year</b>		<b>99,501</b>	<b>-</b>	<b>99,501</b>
<b>Transfers between funds</b>	<b>C</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income after transfers</b>		<b>99,501</b>	<b>-</b>	<b>99,501</b>
<b>Net movement in funds</b>		<b>99,501</b>	<b>-</b>	<b>99,501</b>
<b>Reconciliation of funds:-</b>	<b>E</b>			
<b>Total funds brought forward</b>		<b>17,439,975</b>	<b>63,376</b>	<b>17,307,103</b>
<b>Total funds carried forward</b>		<b>17,539,476</b>	<b>63,376</b>	<b>17,406,604</b>

**All activities derive from continuing operations**

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.'

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2023**

**The Ethnic Inclusion Foundation - Group Resources applied in the year ended 31 December 2023 towards fixed assets for Charity use:-**

	2023 £	2022 £
Funds generated in the year as detailed in the SOFA	(255,446)	99,501
Resources applied on functional fixed assets	(181,006)	(31,720)
Other applications of funds	-	-
<b>Net resources available to fund charitable activities</b>	<b><u>(436,452)</u></b>	<b><u>67,781</u></b>

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2023**

**Consolidated movements in revenue and capital funds for the year ended 31 December 2023**

**Revenue accumulated funds**

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Last year Total Funds 2022 £
Accumulated funds brought forward	9,435,398	26,249	9,461,647	9,558,392
Recognised gains and losses before transfers	(212,151)	(6,901)	(219,052)	99,501
	<u>9,223,247</u>	<u>19,348</u>	<u>9,242,595</u>	<u>9,657,893</u>
(From)/To unrestricted revenue funds	(36,390)	-	(36,390)	(196,248)
<b>Closing revenue funds</b>	<u><b>9,186,857</b></u>	<u><b>19,348</b></u>	<u><b>9,206,205</b></u>	<u><b>9,461,645</b></u>

**Consolidated Revaluation Reserve Fund**

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Last year Total Funds 2022 £
At 1 January	7,944,959	-	7,944,959	7,944,961
<b>At 31 December</b>	<u><b>7,944,959</b></u>	<u><b>-</b></u>	<u><b>7,944,959</b></u>	<u><b>7,944,961</b></u>

**Summary of consolidated funds**

	Unrestricted and Designated funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Last Year Total Funds 2022 £
Revenue accumulated funds	9,186,857	19,348	9,206,205	9,461,645
Fixed asset funds	-	-	-	-
Revaluation reserve fund	7,944,959	-	7,944,959	7,944,961
<b>Total funds</b>	<u><b>17,131,816</b></u>	<u><b>19,348</b></u>	<u><b>17,151,164</b></u>	<u><b>17,406,606</b></u>

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2023**

**The Ethnic Inclusion Foundation  
Consolidated Income and Expenditure Account for the year ended 31 December 2023 as  
required by the Companies Act 2006**

	2023 £	2022 £
<b>Income</b>		
Income from operations	731,754	1,273,780
Investment income and interest		
Income from investments, other than interest receivable	1,515,965	1,197,616
Interest receivable	9,306	2,122
<b>Gross income in the year before exceptional items</b>	<b><u>2,257,025</u></b>	<b><u>2,473,518</u></b>
<b>Gross income in the year including exceptional items</b>	<b><u>2,257,025</u></b>	<b><u>2,473,518</u></b>
<b>Expenditure</b>		
Charitable expenditure, excluding depreciation and amortisation	1,480,751	1,505,690
Depreciation and amortisation	140,906	107,122
Fundraising costs	730,239	667,737
Governance costs	123,411	92,426
Other expenditure	-	(117,899)
Interest payable	771	1,042
Realised losses on disposals of social investments which are programme related	-	-
<b>Total expenditure in the year</b>	<b><u>2,476,078</u></b>	<b><u>2,256,118</u></b>
<b>Net income before tax in the financial year</b>	<b>(219,053)</b>	<b>217,400</b>
Tax on surplus on ordinary activities	-	-
<b>Net income after tax in the financial year</b>	<b><u>(219,053)</u></b>	<b><u>217,400</u></b>
<b>Retained surplus for the financial year</b>	<b><u>(219,053)</u></b>	<b><u>217,400</u></b>

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The Ethnic Inclusion Foundation - Balance Sheet as at 31 December 2023

	SORP		2023	2022
	Note	Ref	£	£
<b>Fixed assets</b>				
	A			
Tangible assets	8	A2	3,376,830	3,336,729
Investments held as fixed assets	9	A4	16,100,000	16,100,000
<b>Total fixed assets</b>			<u>19,476,830</u>	<u>19,436,729</u>
<b>Current assets</b>				
	B			
Stocks		B1	7,107	6,720
Debtors	11	B2	196,828	94,279
Cash at bank and in hand		B4	218,848	656,592
<b>Total current assets</b>			<u>422,783</u>	<u>757,591</u>
<b>Creditors: amounts falling due within one year</b>	12	C1	<u>(614,820)</u>	<u>(586,977)</u>
<b>Net current assets</b>			(192,037)	170,614
			<u>19,284,793</u>	<u>19,607,343</u>
<b>Net assets</b>				
Creditors: amounts falling due after more than one year	13	C2	(2,133,629)	(2,200,737)
<b>The total net assets of the charity</b>			<u><b>17,151,164</b></u>	<u><b>17,406,606</b></u>
<b>The total net assets of the charity are funded by the funds of the charity, as follows:-</b>				
<b>Restricted funds</b>				
Restricted Revenue Funds	18	D2	19,348	26,249
			19,348	26,249
<b>Unrestricted Funds</b>				
Unrestricted Revenue Funds	18	D3	9,186,857	9,435,397
Unrestricted Revaluation Reserve	18	D4	<u>7,944,959</u>	<u>7,944,959</u>
			17,131,816	17,380,356
<b>Designated Funds</b>				
<b>Total charity funds</b>			<u><b>17,151,164</b></u>	<u><b>17,406,606</b></u>

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

## The Ethnic Inclusion Foundation - Balance Sheet as at 31 December 2023

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The charitable group is subject to audit under charity legislation, and the report of the Charities Act auditor is on page 11.

The consolidated financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006, applicable to companies subject to the small companies regime.

A handwritten signature in black ink, consisting of the initials 'AB' followed by a long, flowing, and somewhat abstract scribble that ends in a small loop.

Anil Bhanot  
Trustee

Approved by the board of trustees on 25 October 2024

**The Ethnic Inclusion Foundation**

**Consolidated Cash Flow Statement for the year ended 31 December 2023**

	2023	2022
	£	£
<b>Cash flows from operating activities</b>		
Net cash provided by operating activities as shown below	A <u>(1,782,012)</u>	<u>(993,115)</u>
<b>Cash flows from investing activities</b>		
Interest received	9,306	2,122
Other investment income, including rents from investments	1,515,965	1,197,616
Purchase of property, plant and equipment	(181,006)	(31,720)
<b>Net cash provided by investing activities</b>	B <u>1,344,265</u>	<u>1,168,018</u>
<b>Cash flows from financing activities</b>		
Cash inflows from new borrowings	(67,107)	-
<b>Net cash provided by financing activities</b>	C <u>(67,107)</u>	<u>-</u>
<b>Overall cash provided by all activities</b>	A+B+C <u>(504,854)</u>	<u>174,903</u>
<b>Cash movements</b>		
Change in cash and cash equivalents from activities in the year ended 31 December 2023	(437,744)	174,903
Cash and cash equivalents at 1 January 2023	646,592	-
Change in cash and cash equivalents due to exchange rate movements	-	-
<b>Cash at bank and in hand less overdrafts at 31 December</b>	<u>208,848</u>	<u>174,903</u>

**The Ethnic Inclusion Foundation**

**Consolidated Cash Flow Statement for the year ended 31 December 2023**

**The Ethnic Inclusion Foundation**

**Cash Flow Statement for the year ended 31 December 2023 - Continued**

**Reconciliation of net income to net cash flow from operating activities**

Net income as shown in the Statement of Financial Activities	(255,446)	99,501
<b>Adjustments for :-</b>		
Depreciation charges	140,906	107,122
Write downs of investments	-	-
Net unrealised losses on investment assets	-	-
Dividends, interest and rents from investments	(1,525,271)	(1,199,738)
Decrease in stocks	(387)	-
Decrease in debtors	(102,549)	-
Increase in creditors, excluding loans	(39,265)	-
<b>Net cash provided by operating activities</b>	<b>A (1,782,012)</b>	<b>(993,115)</b>

**Analysis of cash and cash equivalents**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Cash in hand at for the year ended 31 December 2023	218,848	656,592
Notice deposits - (less than 3 months)	-	-
Overdrafts facility repayable on demand	(10,000)	(10,000)
<b>Total cash and cash equivalents</b>	<b>208,848</b>	<b>646,592</b>

**The Ethnic Inclusion Foundation**

**Consolidated Cash Flow Statement for the year ended 31 December 2023**

**The Ethnic Inclusion Foundation**

**Cash Flow Statement for the year ended 31 December 2023 - Continued**

**Analysis of change in net debt**

	<i><b>At start of year</b></i>	<i><b>Cash Flows and</b></i>	<i><b>At end of year</b></i>
Cash	656,592	(437,744)	218,848
Overdrafts repayable on demand	(10,000)	-	(10,000)
		(437,744)	(437,744)
Loans falling due after more than one year	(2,200,737)	-	(2,200,737)
<b>Total</b>	<u>(1,554,145)</u>	<u>(437,744)</u>	<u>(2,638,481)</u>

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2023

#### 1 Accounting policies

##### *Policies relating to the production of the accounts.*

##### **Basis of preparation and accounting convention**

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

##### **Going Concern**

The Board of Trustees has assessed the going concern of the group in detail and is confident that the group will have adequate resources to continue in operational existence for the foreseeable future.

##### **Nature of income**

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

##### **Categories of Income**

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

**Income from exchange transactions** is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

**Income from a non-exchange transaction** is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2023

#### Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Dividends are accrued when the shareholder's right to receive payment is established.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

#### Accounting for deferred income and income received in advance

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

#### Income from legacies

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied that the property in question will not be required to satisfy claims in the estate, that it is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then the amount concerned is treated as an adjusting event and accrued as income in the accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of the life tenant.

If it is doubtful that full settlement of a legacy debtor will be received, then an adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the Statement of Financial Activities

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2023

#### Donated goods, facilities and services

**Donated fixed assets** are recognised at the current fair value. All such donations are recognised as donation income, and debited to fixed assets.

**Donated goods that are not fixed assets** are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt. When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

The carrying amount of any stock held for distribution is assessed for impairment at the reporting date. All donated goods are recognised as donation income, and debited to trading stock. When trading stock is subsequently sold, or appropriated to meet an expense, then the carrying value of the stock is recognised as an expense. In accordance with the SORP, goods donated for distribution to beneficiaries, or for consumption by the charity are included in '*legacies and donations*'. Goods donated for resale are included in '*Income from other trading activities*'

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt. If the goods held are to be distributed freely or for a nominal consideration, then the carrying amount is subsequently adjusted to reflect the lower of deemed cost adjusted for any loss of service potential and replacement cost. Replacement cost is the economic cost incurred if the charity was to replace the service potential of the donated goods at its own expense in the most economic manner.

**Donated services and facilities** (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received, (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

#### Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

#### ***Policies relating to expenditure on goods and services provided to the charity.***

##### **Recognition of liabilities and expenditure**

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2023

#### Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

**Staffing** - on the basis of time spent in connection with any particular activity.

**Staffing** - on a per capita basis, based on the number of people employed within any particular activity.

**Premises related costs** - on the proportion of floor area occupied by a particular activity.

**Non specific support costs** - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

**Estimation techniques** used in apportioning costs - give details

#### Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 5.

#### Tangible fixed assets

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Freehold premises	2 % on cost and includes land not being depreciation
Fixtures and fittings	20 and 25 % on reducing balance and 20% on cost
Computer equipment	33 % on cost

#### Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

#### Stocks and work in progress

Stock is valued at the lower of cost and net realisable value.

#### Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

## 2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2023

#### 3 Net surplus before tax in the financial year

	2023	2022
	£	£
The net surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	140,906	107,122
Trustees' remuneration	71,379	51,372
Pension costs	17,302	15,859
Auditors' remuneration	20,500	15,500

#### 4 Interest payable

	2023	2022
	£	£
Bank interest payable	771	1,042

#### 5 Staff costs and emoluments

##### Salary costs

	2023	2022
	£	£
Gross Salaries excluding trustees and key management personnel	806,761	669,462
Employer's National Insurance for all staff	57,974	56,489
Employer's contribution to defined benefit pension schemes	9,223	9,082
Employer's operating costs of defined contribution pension schemes	8,079	6,777
Trustees' Remuneration as detailed in note 7	71,379	51,372
Other benefits paid to trustees, as detailed in note 7	1,321	1,321
<b>Total salaries, wages and related costs</b>	<b>954,737</b>	<b>794,503</b>

The average number of part time staff employed in the year was 43      46

##### The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on charitable activities	37	38
Engaged on management and administration	6	6

#### 6 Remuneration and payments to Trustees as Executive Directors and persons connected with them

A Bhanot as the Managing Director (MD) of the company (EIF) and its subsidiary Peepul Enterprises Ltd (PEL) was remunerated £71,379 (2022-£51,372) from EIF and £46,069 (2022-£46,069) from PEL, with Pension Contributions in EIF of £1,321 and PEL of £883. Mr Bhanot also runs as the MD of the EIF subsidiary Peepul Centre Charity's social enterprise activities but being its Trustee takes a salary of £NIL.

No other Trustee received any remuneration from EIF.

S Syan received remuneration from an EIF subsidiary PEL as its legal director of £nil (2022 - £5,000). Mr Syan works free for legal issues at EIF as a Trustee.

Dr S Bhanot received remuneration from an EIF subsidiary Peepul Centre as Head of Peepul Health of £14,014 (2022-£7,432).

Dr Bhanot a Trustee of EIF works free in EIF on Health matters and specifically in her work with our partner Careif but

## **The Ethnic Inclusion Foundation**

### **Notes to the Accounts for the year ended 31 December 2023**

as the Head of Peepul Health at Peepul Centre she runs the Health division there to deliver projects like the Mental Health

Crisis Café and high level Health Conferences at the Centre.

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2023

#### 7 Remuneration and payments to Trustees and persons connected with them

	2023	2022
	£	£
<i>Remuneration payable to trustees or connected persons</i>		
Trustee's remuneration as MD	71,379	51,372
<b>Total remuneration</b>	<b>71,379</b>	<b>51,372</b>

	2023	2022
	£	£
<i>Employer's National Insurance contributions on above remuneration</i>		
Trustee's remuneration as MD	9,039	6,196
	<b>9,039</b>	<b>6,196</b>

	2023	2022
	£	£
<i>Pension payments relating to trustees or connected persons</i>		
Trustee's remuneration as MD	1,321	1,321
	<b>1,321</b>	<b>1,321</b>

#### 8 Tangible fixed assets

<i>Current Year</i>	Land and Buildings	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2023	3,956,876	645,584	13,232	4,615,692
Additions	-	172,495	8,511	181,006
<b>At 31 December 2023</b>	<b>3,956,876</b>	<b>818,079</b>	<b>21,743</b>	<b>4,796,698</b>
<b>Depreciation</b>				
At 1 January 2023	726,294	546,185	6,483	1,278,962
Charge for the year	79,418	56,521	4,967	140,906
<b>At 31 December 2023</b>	<b>805,712</b>	<b>602,706</b>	<b>11,450</b>	<b>1,419,868</b>
<b>Net book value</b>				
<b>At 31 December 2023</b>	<b>3,151,164</b>	<b>215,373</b>	<b>10,293</b>	<b>3,376,830</b>
<b>At 31 December 2022</b>	<b>3,230,582</b>	<b>99,399</b>	<b>6,749</b>	<b>3,336,730</b>

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2023

#### 9 Investments held as fixed assets

	Investments in subsidiaries	Listed investments	Other Classes of Investment	Total
	£	£	£	£
<b>Carrying values of investments</b>				
At 1 January 2023	-	-	16,100,000	16,100,000
<b>At 31 December 2023</b>	<b>-</b>	<b>-</b>	<b>16,100,000</b>	<b>16,100,000</b>
<b>Analysis between fair value and historical cost</b>				
Investments as above held at fair value	-	-	16,100,000	16,100,000

#### Analysis of Other Classes of Investment

	Included at historical cost, less write down	Included at fair value	Total
	£	£	£
<b>Summary of other classes of investments at 31 December 2023</b>			
Cash or cash equivalents	-	16,100,000	16,100,000

#### 10 Stocks & Work in Progress

	2023	2022
	£	£
Stocks before write downs	7,107	6,720
	<u>7,107</u>	<u>6,720</u>

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2023

*Analysis of the carrying value of stocks and work in progress by activities*

Activity	Work in Progress		Stocks	
	2023	2022	2023	2022
	£	£	£	£
Charitable activity 1	-	-	7,107	6,720
	<u>-</u>	<u>-</u>	<u>7,107</u>	<u>6,720</u>

#### 11 Debtors

	2023	2022
	£	£
Trade debtors	182,636	69,899
Prepayments and accrued income	13,101	22,185
Other debtors	1,091	2,195
	<u>196,828</u>	<u>94,279</u>

#### 12 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	10,000	10,000
Trade creditors	79,975	77,976
Accruals	113,138	145,562
PAYE, NIC VAT and other taxes	111,045	71,527
Other creditors	300,662	281,912
	<u>614,820</u>	<u>586,977</u>

#### 13 Creditors: amounts falling due after one year

	2023	2022
	£	£
Bank loans and overdrafts	2,133,629	2,200,737
Amounts owed to group undertakings and undertakings in which the charity has a participating interest	-	-
	<u>2,133,629</u>	<u>2,200,737</u>

#### 14 Revaluation reserve

Current year	Current year	Current year	Current year	Prior Year
	Unrestricted	Restricted	Total Funds	Total Funds
	Funds	Funds	Total Funds	Total Funds
	2023	2023	2023	2022
	£	£	£	£
At 1 January 2023	7,944,959	-	7,944,959	7,944,959
At 31 December 2023	<u>7,944,959</u>	<u>-</u>	<u>7,944,959</u>	<u>7,944,959</u>
All the revaluations in the prior year was unrestricted.				
Prior year	Prior Year	Prior Year	Prior Year	
	Unrestricted	Restricted	Total Funds	
	Funds	Funds	Total Funds	
	2022	2022	2022	
	£	£	£	
At start of previous year	7,944,959	-	7,944,959	
At end of previous year	<u>7,944,959</u>	<u>-</u>	<u>7,944,959</u>	

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2023

#### 15 Income and Expenditure account summary

	2023 £	2022 £
<b>At 1 January 2023</b>		
Transfers in for the year	9,679,338	9,558,392
Prior year adjustments	(36,394)	(96,454)
At 1 January 2023	-	-
Surplus after tax for the year	9,642,944	9,461,938
	(219,053)	217,400
<b>At 31 December 2023</b>	<b>9,423,891</b>	<b>9,679,338</b>

#### 16 Related party transactions

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Trustee, Director and Chairman, A Bhanot is a director and shareholder of Online Accountancy Services Ltd which provides book-keeping and accountancy services to the charity and its subsidiaries. The book-keeping fee charged to the company was £18,000 and to a subsidiary Peepul Enterprises Ltd was £24,000 for the year (2022 - same amounts). Statutory Accounts preparation fees of £5,500 was charged to the company and £3,000 to Peepul Centre and £4,000 to Peepul Enterprises Ltd. Peepul Centre Charity Book-Keeping fees thus far has been charged £NIL.

The parent charity EIF gave a grant of £60,000 to Peepul Centre and advanced a loan of £448,105 to Peepul Enterprises Ltd. These balances represent cash flow requirements within the group. In addition, Peepul Enterprises Ltd owes the Ethnic Inclusion Ltd a sum of £167,009 at the end of the year on intercompany account. These balances represent cash flow requirements within the group.

#### 17 Particulars of how particular funds are represented by assets and liabilities

At 31 December 2023	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	3,376,830	-	-	3,376,830
Investments at valuation:-				
<i>Fixed asset investments</i>	16,100,000	-	-	16,100,000
Current Assets	403,435	-	19,348	422,783
Current Liabilities	(614,820)	-	-	(614,820)
Long Term Liabilities	(2,133,629)	-	-	(2,133,629)
	<b>17,131,816</b>	<b>-</b>	<b>19,348</b>	<b>17,151,164</b>
<b>At 1 January 2023</b>				
Tangible Fixed Assets	3,336,730	-	-	3,336,730
Investments at valuation:-				
Fixed asset investments	16,100,000	-	-	16,100,000
Current Assets	731,342	-	26,249	757,591
Current Liabilities	(586,977)	-	-	(586,977)
Long Term Liabilities	(2,200,737)	-	-	(2,200,737)
	<b>17,380,358</b>	<b>-</b>	<b>26,249</b>	<b>17,406,607</b>

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2023

#### 18 Change in total funds over the year as shown in Note 17 , analysed by individual funds

	Funds brought forward from 2022	Movement in funds in 2023	Transfers between funds in 2023	Funds carried forward to 2024
	£	See Note 19 £	See Note 21 £	£
<b>Unrestricted and designated funds:-</b>				
Unrestricted Revenue Funds	9,435,400	(212,151)	(36,394)	9,186,855
Unrestricted Revaluation Reserve	7,944,959	-	-	7,944,959
<b>Total unrestricted and designated funds</b>	<b>17,380,359</b>	<b>(212,151)</b>	<b>(36,394)</b>	<b>17,131,814</b>
<b>Restricted funds:-</b>				
Restrictes revenue Funds	26,249	(6,901)	-	19,348
<b>Total restricted funds</b>	<b>26,249</b>	<b>(6,901)</b>	<b>-</b>	<b>19,348</b>
<b>Total charity funds</b>	<b>17,406,608</b>	<b>(219,052)</b>	<b>(36,394)</b>	<b>17,151,162</b>

#### 19 Analysis of movements in funds over the year as shown in Note 18

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2023	2023	2023	2023
	£	£	£	£
<b>Unrestricted and designated funds:-</b>				
Unrestricted Revenue Funds	2,236,735	(2,448,886)	-	(212,151)
<b>Restricted funds:-</b>				
Restrictes revenue Funds	20,291	(27,192)	-	(6,901)
	<b>2,257,026</b>	<b>(2,476,078)</b>	<b>-</b>	<b>(219,052)</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2023 as required by the SORP 2015

*This analysis is classified by conventional nominal descriptions and not by activity.*

### 20 Donations, Grants and Legacies

	Current year Unrestricted Funds 2023 £	Current year Restricted Funds 2023 £	Current year Total Funds 2023 £	Prior Year Total Funds 2022 £
<b>Revenue grants from government and public bodies</b>				
Revenue grants from government and public bodies	32,448	20,291	52,739	63,553
<b>Total public sector revenue grants</b>	<b>32,448</b>	<b>20,291</b>	<b>52,739</b>	<b>63,553</b>
	Current year Unrestricted Funds 2023 £	Current year Restricted Funds 2023 £	Current year Total Funds 2023 £	Prior Year Total Funds 2022 £
<b>Covid - 19 grants</b>				
Covid - 19 grants	-	-	-	6,000
<b>Total Covid - 19 grants</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,000</b>
	Current year Unrestricted Funds 2023 £	Current year Restricted Funds 2023 £	Current year Total Funds 2023 £	Prior Year Total Funds 2022 £
<b>Ethnic Inclusion Foundation - Grants</b>				
Total Ethnic Inclusion Foundation - Grants	60,000	-	60,000	-
<b>Total Donations, Grants and Legacies</b>				
<b>Total Donations, Grants and Legacies</b> A1	<b>92,448</b>	<b>20,291</b>	<b>112,739</b>	<b>69,553</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2023 as required by the SORP 2015

### 21 Income from charitable activities - Trading Activities

<i>Current year</i>	Current year Unrestricted Funds 2023 £	Current year Restricted Funds 2023 £	Current year Total Funds 2023 £	Prior Year Total funds 2022 £
Primary purpose and ancillary trading Sale of goods and services in accordance with the charity's objects	461,124	-	461,124	1,093,605
<b>Total Primary purpose and ancillary trading</b>	<b>461,124</b>	<b>-</b>	<b>461,124</b>	<b>1,093,605</b>

### 22 Total Income from charitable activities

<i>Current year</i>	Current year Unrestricted Funds 2023 £	Current year Restricted Funds 2023 £	Current year Total Funds 2023 £	Prior Year Total Funds 2022 £
Total income from charitable trading	461,124	-	461,124	1,093,605
<b>Total from charitable activities A2</b>	<b>461,124</b>	<b>-</b>	<b>461,124</b>	<b>1,093,605</b>

### 23 Income from other, non charitable, trading activities

	Current year Unrestricted Funds 2023 £	Current year Restricted Funds 2023 £	Current year Total Funds 2023 £	Prior Year Total Funds 2022 £
Restaurant and bar income	157,892	-	157,892	110,622
<b>Total from other activities A3</b>	<b>157,892</b>	<b>-</b>	<b>157,892</b>	<b>110,622</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2023 as required by the SORP 2015

### 24 Investment income

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2023	2023	2023	2022
		£	£	£	£
Property Rental Income		1,515,965	-	1,515,965	1,197,616
Bank Interest Receivable		9,306	-	9,306	2,122
<b>Total investment income</b>	<b>A4</b>	<b>1,525,271</b>	<b>-</b>	<b>1,525,271</b>	<b>1,199,738</b>

### 25 Expenditure on charitable activities - Direct spending

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
<i>Current Year</i>		2023	2023	2023	2022
		£	£	£	£
Gross wages and salaries - charitable activities		594,819	11,550	606,369	483,649
Employers' NI - Charitable activities		32,158	-	32,158	28,763
Defined benefit pension costs - charitable activities		9,223	-	9,223	9,082
Defined contribution pension costs - charitable activities		1,075	-	1,075	919
Travel and Subsistence - Charitable Activities		1,308	-	1,308	6,881
Purchases		148,378	-	148,378	452,852
Health and Wellbeing sessions		-	15,642	15,642	15,482
Theatre cost		36,868	-	36,868	49,489
Directors Salary		66,136	-	66,136	82,267
<b>Total direct spending</b>	<b>B2a</b>	<b>889,965</b>	<b>27,192</b>	<b>917,157</b>	<b>1,129,384</b>

### 26 Expenditure on charitable activities- Grant funding of activities

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
<i>Current Year</i>		2023	2023	2023	2022
		£	£	£	£
Grants to institutions ( PC )		60,000	-	60,000	19,121
<b>Total grantmaking costs</b>	<b>B2c</b>	<b>60,000</b>	<b>-</b>	<b>60,000</b>	<b>19,121</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2023 as required by the SORP 2015

### 27 Support costs for charitable activities

<i>Current Year</i>	Current year	Current year	Current year	Prior Year
	Unrestricted	Restricted	Total Funds	Total Funds
	Funds	Funds		
	2023	2023	2023	2022
	£	£	£	£
<b><i>Premises Expenses</i></b>				
Rates and water charges	15,459	-	15,459	18,796
Staff training and welfare	1,611	-	1,611	6,947
Light heat and power	136,195	-	136,195	60,679
Cleaning and waste management	41,558	-	41,558	32,717
Premises repairs, renewals and maintenance	132,376	-	132,376	88,247
Property insurance	36,060	-	36,060	30,022
<b><i>Administrative overheads</i></b>				
Telephone, fax and internet	26,973	-	26,973	20,601
Stationery and printing	7,835	-	7,835	9,568
Subscriptions to periodicals	7,492	-	7,492	4,446
Hire of equipment	6,510	-	6,510	17,337
Software licences and expenses	5,883	-	5,883	4,482
Advertising and marketing	3,582	-	3,582	5,129
Sundry expenses	3,076	-	3,076	513
Travelling	7,402	-	7,402	491
Computer Costs	3,696	-	3,696	3,205

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2023 as required by the SORP 2015

### *Professional fees paid to advisors other than the auditor or examiner*

Accountancy fees other than examination or audit fees	15,000	-	15,000	22,500
Bookkeeping	43,500	-	43,500	42,000
Legal fees	-	-	-	(21,624)
Consultancy fees	4,250	-	4,250	-
Other legal and professional	350	-	350	350

### *Financial costs*

Bank charges	4,786	-	4,786	10,779
Depreciation & Amortisation in total for	140,906	-	140,906	107,122
Bank interest payable	771	-	771	1,042

<b>Support costs before reallocation</b>	<b>645,271</b>	<b>-</b>	<b>645,271</b>	<b>465,349</b>
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<b>Total support costs - Current Year</b>	<b>645,271</b>	<b>-</b>	<b>645,271</b>	<b>465,349</b>
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The basis of allocation of costs between activities is described under accounting policies

All the expenditure in the prior year was unrestricted.

### *Administrative overheads*

The basis of allocation of costs between activities is described under accounting policies

## 28 Other Expenditure - Governance costs

<i>Current Year</i>	Current year	Current year	Current year	Prior Year
	Unrestricted	Restricted	Total Funds	Total Funds
	Funds	Funds		
	2023	2023	2023	2022
	£	£	£	£
Auditor's fees	20,500	-	20,500	15,500
Trustees' remuneration	71,379	-	71,379	51,372
NIC on Trustees' remuneration	9,039	-	9,039	6,196
Trustees Defined benefit pension costs	1,321	-	1,321	1,321
Wages	16,856	-	16,856	16,445
Travel Expenses	1,816	-	1,816	1,592
Other professional fee	2,500	-	2,500	-
<b>Total Governance costs</b>	<b>123,411</b>	<b>-</b>	<b>123,411</b>	<b>92,426</b>

All the expenditure in the prior year was unrestricted.

## 29 Total Charitable expenditure

<i>Current Year</i>		Current year	Current year	Current year	Prior Year
		Unrestricted	Restricted	Total Funds	Total Funds
		Funds	Funds		
		2023	2023	2023	2022
		£	£	£	£
Total direct spending	<b>B2a</b>	889,965	27,192	917,157	1,129,384
Total grantmaking costs	<b>B2c</b>	60,000	-	60,000	19,121
Total support costs	<b>B2d</b>	645,271	-	645,271	465,349
Total Governance costs	<b>B2e</b>	123,411	-	123,411	92,426
<b>Total charitable expenditure</b>	<b>B2</b>	<b>1,718,647</b>	<b>27,192</b>	<b>1,745,839</b>	<b>1,706,280</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2023 as required by the SORP 2015

All the expenditure in the prior year was unrestricted.

<i>Prior Year</i>		Prior Year	Prior Year	Prior Year
		Unrestricted Funds	Restricted Funds	Total Funds
		2022	2022	2022
		£	£	£
Total direct spending	<b>B2a</b>	1,129,384	-	1,129,384
Total grantmaking costs	<b>B2c</b>	19,121	-	19,121
Total support costs	<b>B2d</b>	465,349	-	465,349
Total Governance costs	<b>B2e</b>	92,426	-	92,426
<b>Total charitable expenditure</b>	<b>B2</b>	<b>1,706,280</b>	<b>-</b>	<b>1,706,280</b>

### 30 Expenditure on raising funds and costs of investment management

<i>Current Year</i>		Current year	Current year	Current year	Prior Year
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		2023	2023	2023	2022
		£	£	£	£
Just giving charges		165	-	165	180
Commissions payable		-	-	-	42,386
Consultancy fee		3,003	-	3,003	800
Cleaning		42,800	-	42,800	35,722
Administrative expenses		4,221	-	4,221	4,016
Property repairs and maintenance for non charitable property		84,356	-	84,356	76,917
Property rate, light and heat		106,820	-	106,820	114,971
Interest payable		158,805	-	158,805	89,046
Management charges		-	-	-	6,561
Gross wages and salaries - fundraising activities		200,392	-	200,392	185,813
Employers' NI - fundraising activities		16,777	-	16,777	21,530
Defined contribution pension costs - fundraising activities		3,502	-	3,502	2,929
Telephone and Broadband		8,441	-	8,441	9,550
Insurance		36,158	-	36,158	42,783
Rates		64,799	-	64,799	34,533
<b>Total fundraising costs</b>	<b>B1</b>	<b>730,239</b>	<b>-</b>	<b>730,239</b>	<b>667,737</b>

## The Ethnic Inclusion Foundation

### Activity analysis of Income and expenditure for the for the year ended 31 December 2023

*This analysis is classified by activity and not by conventional nominal descriptions.*

#### 31 Analysis of income by activity

	SOFA ref	2023 £	2022 -
<b>Activity</b>			
<b>Income from charitable activities</b>			
Charitable activity 1		461,124	1,093,605
<b>Income from other, non charitable, trading activities</b>			
Governance costs		157,892	110,622
<b>Summary of Total Income, including the items above</b>			
Charitable activities	A2	461,124	1,093,605
Other activities	A3	157,892	110,622
Donations & Legacies	A1	112,739	69,553
Investment income	A4	1,525,271	1,199,737
<b>Total income as shown in the SOFA</b>	<b>A</b>	<b>2,257,026</b>	<b>2,473,517</b>
<b>Categories of income</b>			
Income from exchange transactions		2,257,026	2,473,517

#### 32 Analysis of charitable expenditure by activity

Activity	Direct costs	Support costs	Grant funding of activities	Total	Total
	2023	2023	2023	2023	2022
	£	£	£	£	£
<b>Charitable activity 1</b>					
Direct costs	917,157	-	-	917,157	-
Premises expenses	-	363,257	-	363,257	-
Administrative overheads	-	72,448	-	72,448	-
Professional fees	-	63,100	-	63,100	-
Financial costs	-	146,463	-	146,463	-
Grantmaking costs	-	-	60,000	60,000	-
<b>Total Charitable activity 1</b>	<b>917,157</b>	<b>645,268</b>	<b>60,000</b>	<b>1,622,425</b>	<b>-</b>

## The Ethnic Inclusion Foundation

### Activity analysis of Income and expenditure for the for the year ended 31 December 2023

#### Summary of charitable costs by activity

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2023	2023	2023	2023	2022
	£	£	£	£	£
Total Charitable activity 1	917,157	645,268	60,000	1,622,425	1,613,854
Total Governance costs as detailed in Note 28	-	123,411	-	123,411	92,426
<b>Total charitable expenditure</b>	<b>917,157</b>	<b>768,679</b>	<b>60,000</b>	<b>1,745,836</b>	<b>2,378,167</b>

The basis of allocation of costs between activities is described under accounting policies

The breakdown of this expenditure by type of spending (ie nominal classification) is detailed in note 29

#### Analysis of support and governance costs by charitable activities

Activity	Governance	Finance	Human Resources	Other Overheads	Total
Charitable activity 1	123,411	146,463	-	498,805	768,679
<b>Grand Total</b>	<b>123,411</b>	<b>146,463</b>	<b>-</b>	<b>498,805</b>	<b>768,679</b>

#### Summary of grant making by activity

	Grants to institutions	Grants to individuals	Support costs	Total	Total
	2023	2023	2023	2023	2022
	£	£	£	£	£
Charitable activity 1	-	-	60,000	60,000	19,121
	<b>-</b>	<b>-</b>	<b>60,000</b>	<b>60,000</b>	<b>19,121</b>

Fuller details of grants made and related costs, including support costs, are shown in note 26.

## The Ethnic Inclusion Foundation

### Activity analysis of Income and expenditure for the for the year ended 31 December 2023

#### 33 Analysis of non charitable expenditure by activity

##### Activity

<i>Fundraising activities</i>	Fundraising activities 2023 £	Fundraising activities 2022 £
Direct fundraising costs	730,239	667,737
<i>Governance costs</i>	Governance costs 2023 £	Governance costs 2022 £
Other Expenditure - Governance costs as detailed in Note 28	123,411	92,426
<b>Total non charitable expenditure</b>	<b>2023 £</b>	<b>2022 £</b>
Total costs of Fundraising activities	730,239	667,737
<b>Total non charitable expenditure</b>	<b>730,239</b>	<b>667,737</b>

The breakdown of this expenditure by type of spending (ie by nominal classification and by fund) is detailed in note 0

#### 34 Carrying value of work in progress analysed between activities

	2023	2022
	0	£
Charitable activity 1	7,107	6,720
	<u>7,107</u>	<u>6,720</u>



**THE ETHNIC INCLUSION FOUNDATION**

England & Wales - Charity number 1077002

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# Accounts

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Company Registration Number - 03758674

The Charity Registration Number is :- 1077002

The Ethnic Inclusion Foundation

Report and Accounts

31 December 2022

# The Ethnic Inclusion Foundation

## Report and accounts for the year ended 31 December 2022

### Contents

	<b>Page</b>
<b>Charity information</b>	1
<b>Trustees' Annual Report</b>	1
<b>Statement of directors' responsibilities</b>	9
<b>Independent auditor's report</b>	16
<b><i>Funds Statements:-</i></b>	
Statement of Financial Activities	17
Statement of Financial Activities - Prior Year statement	18
Statement of total recognised gains and losses	18
Movements in funds	19
Revaluation reserves	19
Revenue Funds	20
Fixed Asset funds	20
Income and Expenditure account	21
Summary of funds	21
<b>Balance sheet</b>	17
<b>Cash flow statement</b>	18
<b>Notes to the accounts</b>	19

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2022**

The Trustees present their Report and Accounts for the year ended 31 December 2022, which also comprises the Directors' Report required by the Companies Act 2006.

#### **Reference and administrative details**

##### ***The charity name.***

The legal name of the charity is:- The Ethnic Inclusion Foundation.

The charity is also known by its operating name, EIF.

##### ***The charity's areas operation and UK charitable registration.***

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1077002.

The charity does not operate in any overseas jurisdictions.

##### ***Legal structure of the charity***

The charity is constituted as a company limited by guarantee, registered under the Companies Acts . The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

The governing document is dated 21 April 1999 as amended on 28 Sept 2022

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2022**

**The principal operating address, telephone number, email and web addresses of the charity are:-**

Boardman House

64 Broadway, Stratford

London, E15 1NT

Telephone 2088101664

Email Address [info@ethnicinclusion.org.uk](mailto:info@ethnicinclusion.org.uk) Web address [www.ethnicinclusion.org.uk](http://www.ethnicinclusion.org.uk)

The registered office of the charity for Companies Act purposes is:-

126-128 Uxbridge Road

London, W13 8QS

Enter in step 4.12, Enter in step 4.13

**The following persons served as Trustees during the year ended 31 December 2022 :-**

Mr A Bhanot	Director (Managing)
Dr S Bhanot	Director (Health Non-Executive)
Mr S Syan	Director (Legal Non-Executive)
Mr D Joshi	(Resigned 21 April 2023)

All the trustees are individuals

The trustees who served as a trustee in the reporting period were as shown above, and there were no other changes during the year, or in the period between the year end and the approval of the accounts.

At the Annual General Meeting Trustees who retire every five years are re-elected if eligible for reappointment.

All the trustees are also members of the charity.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2022**

#### **Objects and activities of the charity**

##### ***The purposes of the charity as set out in its governing document.***

EIF raises its surplus for charitable purposes, by rentals of its investment property and other social enterprise activities on conferences and training. EIF's aims and objectives are encapsulated in its newly defined inclusivity goals on Equality, Health and Sustainability. Our focus remains on the Ethnic communities resilience and development under those three goals but on a wider scale for all communities and cultures. Diversity of cultures from the globe bring a natural dynamic change to the country but for a positive change, this diversity must be challenged by a shared value system, leading to an overall integration of people.

EIF delivers its aims through the delivery partners Peepul Centre Charity and its trading arm the Peepul Enterprises Ltd. For EIF's aim to reduce poverty it gives small grants, as and when required, to an independent Charity based in India, Peepul Delhi, to uplift the very disadvantaged communities, and particularly women to be economically self-reliant through micro-business entrepreneurship

EIF, thus, in a nutshell, formulates the charity strategies and then to deliver those strategic aims it uses its surplus funds to carry out projects by its delivery partners.

##### ***The main activities undertaken in relation to those purposes during the year.***

EIF manages its business community investment property in order to generate sufficient funds to support its charity works and meet the group's objectives. EIF carried out projects of social justice and community empowerment with its communities outreach.

EIF runs the East London Centre (ELC) for conferences and meetings at affordable rates, for primarily but not exclusively, the Ethnic and Health organisations with a charitable ethic, e.g., Churches, Foster Care Organisations, Police Security Training, Yoga and Wellbeing, and Ambulance Services Training.

EIF continued to work with Careif the Mental Health partner organisation, whilst for the present its Trustee on Health is delivering a project in the subsidiary Charity Peepul Centre by running a Mental Health Neighbourhood Crisis cafe at the Peepul Centre for the ethnic communities of the somewhat marginalised area of Belgrave in Leicester.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2022**

#### ***The main activities undertaken during the year to further the charity's purpose for the public benefit.***

EIF project on Health and Wellbeing, in partnership with Careif, is a long term project to help create a Mental Wellbeing institution for the Ethnic Communities so that their health issues can be dealt with in a culturally specific manner apt to their wellbeing, which would allow for familial, spiritual and cultural factors. To this end, a data gathering evidence is presently being compiled at EIF's subsidiary Peepul Centre Charity, our delivery partner.

EIF uses its surplus funds to meet the running costs of the Peepul Centre Charity and its social enterprise trading arm Peepul Enterprises Ltd. Peepul Centre is a large 100,000 sq.ft. community arts leisure centre providing services to the local communities of the Belgrave area where the Centre is situated, the majority of whom is of Ethnic extraction.

Peepul Centre is a national focal point in the Belgrave area of Leicester demonstrably bringing together people from all social, economic and cultural backgrounds. It is a model for a community centre of excellence, delivering high class services in the performing arts, dance and music, fitness and sports activities including for differently-abled individuals, childrens nursery facilities, catering and weddings and conferences facilities, and generally improving community life styles as a social enterprise at affordable rates, and with charitable aims. The concept is to help build and support vibrant self-sustaining communities through innovation, entrepreneurship and partnership working. Thus in the entire EIF group structure a large number of community organisations and a large number of people benefit.

Peepul Centre is a mega-lithic project which is sustained through EIF funding primarily, though the Health and Wellbeing project is funded by a partnership with the NHS. Efforts are being made to partner with the Arts Council England (ACE) to fund theatre projects, with a medium term aim of gaining an NPO (National Portfolio) status with ACE. Peepul Centre continued to facilitate the NHS Vaccination programme in its large auditorium and atrium spaces until May 2022.

EIF Trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the Charity.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2022**

#### ***The short term and longer term aims and objectives.***

Long term aims of the Charity is to continue on its goals of Equality for all, Health and Wellbeing of the People and Sustainability of living, with special but not exclusive focus on the ethnic communities. Our projects are undertaken with a view to achieving these goals in the long term.

For instance the Health and Wellbeing project in the short term is gathering ethnic culturally specific evidences at the Peepul Centre Charity but its ultimate aim is to feed that data into the long term project of EIF to help establish an institution for Ethnic Communities designed to suit their cultural specific needs.

Likewise, if ACE can partner with Peepul Centre Charity to help develop its theatrical programme, with funding, then EIF funds can be released for other pending projects under Equality, and in particular presently our Sustainability projects the Trustees would like to fund are presently constrained by the pressures of channelling our surplus funds to fill the deficit gap at Peepul Centre. The Chairman has in the past had to persuade some other EIF Trustees to continue funding the Peepul Centre for the sake of the communities on the premise that we are working with ACE to release public funds for the on theatre projects, which is the area that continues to makes substantial losses, without ACE help. The public funds from ACE will help create the arts and cultural activity at Peepul Centre that will bring benefits, not only to the community and the Asian artists, but this extra activity will begin to generate sufficient extra income for Peepul Centre to begin to move towards its own self-reliance goal, so to stand on its own feet, financially. Particularly, the ACE partnership will help create an even playing field for Peepul Centre with the other local theatre NPO's, which are all well-funded by ACE.

EIF took over the Peepul Centre in 2012 when it was running at a huge unmanageable loss and since then the new management cut those large losses to a more sustainable figure, but post Covid the Peepul Enterprises business levels have not yet fully recovered. Nonetheless, the major part of the losses are due to the under-utilisation of the Theatre space which EIF has no surplus funds to develop the arts for. This purpose built theatre was built by the ACE finances in 2005 and the old management's efforts thereafter to turn it into an NPO did not sadly materialised. The new management since 2012 has been trying to utilise this space more and more for the development of the Asian performing arts and now is hopeful for a more positive outcome with ACE.

#### ***The charity's strategies for achieving its aims and objectives in the future.***

EIF strategy is to continue funding projects that fulfil the Charity aims by delivering through our group and partner Charities looking after the Ethnic and other communities, including where required uplifting the disadvantaged communities.

#### ***How the activities undertaken during the year contributed to the achievement of the aims and objectives.***

The Charity and the Group activities are solely in line with the Charity's aims and objectives and their achievement thereof. Activities mentioned above all contribute to the delivery of Charity's objectives.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2022**

#### ***Resources used in the activities undertaken during the year.***

EIF raises its funds for charitable purposes through the efficient running of its rentals business and other social enterprise activities mentioned above. The staff resources are adequately remunerated and partners relationships are worked upon amicably to help deliver our activities

#### **The main achievements and performance of the charity during the year.**

Main achievement for the EIF Charity this year was to see the recovery of the East London Centre for Conferences, and also bring back post-Covid the rental tenants to occupy empty space created during Covid, thus creating surpluses again for our social enterprises projects.

#### ***The difference the charity's performance during the year has made to the beneficiaries of the charity.***

Charity's performance to raise funds and create sufficient surpluses to support large group projects is essential, which has continued to serve the communities and fulfil our objectives.

#### ***The degree to which the achievements and performance during the year have benefited wider society.***

By EIF supporting our group Charities we have ensured the Peepul Centre used as a Vaccination hub for a substantial population of Leicester, other charitable projects mentioned above have benefited the wider society through Arts, Fitness, Childrens Nursery, Health & Wellbeing and educational activities.

#### ***The performance of material fundraising activities during the year against the fundraising objectives set.***

EIF fundraising is mainly due to its running its social enterprise activities of renting the property it owns, together with providing conference facilities and training.

EIF group subsidiaries predominantly raise funds through their social enterprise activities also but now the PC Charity raises some funds from the NHS for their health and wellbeing work, and for its theatre some funds are raised with ACE.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2022**

#### ***Investment performance against the investment objectives.***

EIF raises funds through its investment income with maximising performance which is reviewed regularly, at least quarterly. Investment performance has been good and satisfactory during the year.

#### ***Expenditure incurred in the year in order to raise income in the future.***

Capital expenditure to upgrade the Air Conditioning system was authorised and contracted for in the year and expended in 2023.

### **Structure, governance and management of the charity**

#### ***The methods used to recruit and appoint new charity trustees.***

Trustees training and recruitment remains an ongoing process and some of them are required to take continuing professional development (CPD) courses in their own professions.

Governance is strengthened with the appointment of a highly skilled professional team with business and regulatory experience. One of the Trustees, Anil Bhanot, is the managing director (MD) tasked with running the business efficiently and ethically to create a surplus which can then be expended on charitable projects. EIF is a social enterprise charity and for its business part Anil Bhanot ensures that his fellow Trustees/Directors are not exposed to any risk, which before his appointment of MD, the EIF Trustees had experienced risk exposure by delegating authority to non-director employees, and particularly so in relation to the business creditors. Hence our Governance model is unlike other public funded Charities and equally one with a strong policy to avoid any conflicts of interest. For instance where public funds are received in the EIF Group, namely the subsidiary Peepul Centre Charity, these funds are monitored rigorously and checked by another Trustee independent of the MD.

Each of the Boards of the companies within the EIF Peepul Group have at least one different Trustee to ensure independence but at the same time to ensure a complimentary working environment for our shared aims, one Trustee Anil Bhanot is elected to sit on all the Boards as Chair.

EIF Charity Trustees are the members of the Charity, with no beneficial interest in the Charity, and each member guarantees to contribute £10 in the event of a winding up.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2022**

#### ***The policies and procedures for the induction and training of trustees.***

The Board of Trustees carries out an annual review of Governance. The aim is to assess the general effectiveness of the Board and also to identify any changes in process. The Board meets regularly to review the composition of the Trustees to achieve Charity's aims and also to identify any changes in process.

Trustee vacancies are advertised as and when required and on appointment are given full induction with all past disclosures and business contentions before their full acceptance of the position.

Any person or corporation desiring to become a trustee of the Charity may submit an application in writing to the Board signed by him or her on its behalf for admission in a form approved by the Board, and every such application shall be considered by each of the existing trustees to be voted upon with 2/3rds majority in favour of the appointment is elected. No reason for refusal to admit an application is given.

#### ***The charity's organisational structure.***

EIF is the sole parent of the Peepul Centre Charity (PC which in turn owns 100% of its trading arm Peepul Enterprises Ltd (PEL). Each Charity is distinct but complimentary in its aims and objectives. Each Charity has non-identical Board of Trustees, with different specialism and general experience, but are chaired by one Trustee across the Group to help maintain a united approach in prioritising each Charity's aims in a complimentary way.

The EIF Charity raises its revenue through its own investment property rental activities and other social enterprise activities. EIF is the Charity that does the strategy on the Charitable projects and then gives funding to its group companies to deliver the projects. EIF runs its business under the direction of one of the Trustees Anil Bhanot who is its MD. The other trustees are non executive directors to maintain a 'checks and balances' approach to running the Charity.

Peepul Centre Charity is also a social enterprise but our recent changes to bring its focus on South Asian Arts and Wellbeing means for this part we shall be primarily dependent on public funding. Already for the Wellbeing project a partnership is developed with the NHS but for the Arts projects we are developing our relationship with ACE and other bodies. For this reason here we have maintained a separation from Governance (unpaid Trustees) with the Executive (paid Employees) but one which needs to be developed with any future public funding receivable for the projects.

Peepul Enterprises Ltd is a social enterprise trading company which runs all the other activities at the Centre. Anil Bhanot is the MD of the Board of Directors who are all remunerated to run the business. However, due to its deficits - of running a 100,000 sq ft centre with large overheads, and income constraints at a level of affordable rates for the community - all directors take only a very reasonable level of remuneration, which EIF funds.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2022**

#### ***How the charity makes decisions and how decisions are delegated.***

The Board has delegated the authority to run the Charity to the Managing Director (MD), Anil Bhanot, who is also a Trustee on the Board. EIF is a social enterprise Charity for which the MD ensures the business is run proficiently and ethically. The MD keeps his fellow non-executive directors/trustees abreast of important issues and changes regularly so that important decisions are taken in a spirit of team work.

#### ***The Chief Executive Officer and other senior management personnel to whom day to day management is delegated***

The MD and other managers work in a team work environment with an extensive emphasis on team communications with all the staff.

#### ***Setting pay and remuneration of key management personnel***

The EIF Board sets the remuneration of the MD who in turn sets the salaries of the managers and, with managers agreement, of the staff.

The present MD salary always has been and is well below the market rates and has always been typically far below the past CEOs' salaries, as per past payroll records, yet under the present MD the Charity's income generating activity is much higher, yielding a higher surplus for Charitable projects.

#### ***How the subsidiary undertaking(s) is/are constituted and managed.***

EIF's subsidiary is the Peepul Centre, whose trading arm is the Peepul Enterprises Ltd. The group is managed by the MD and his managers team to ensure efficiency and joint working for our charitable aims.

#### ***The charity as a part of a wider network.***

The EIF Charity group comprises the Peepul Centre in UK and internationally it has an independent relation with a non-group charitable Trust set up in India which serves to uplift the disadvantaged communities with the help of a very small level of funding from EIF.

## The Ethnic Inclusion Foundation

Company Registration Number - 03758674

### Trustees' Annual Report for the year ended 31 December 2022

#### *The charity's relationships with related parties.*

The EIF employs Anil Bhanot, a Trustee, as Managing Director (MD), to run the social enterprise activities of EIF. No other Trustee is paid a remuneration at EIF. Mr Bhanot is also the MD of Peepul Enterprises Ltd and Surinder Syan was its legal director until the end of 31 December 2022. However, at the Peepul Centre Charity the MD running the social enterprise activity of PC takes a salary of £Nil and the Board is trying to create a split structure of Governance v Executive for the public funding arm of the PC Charity. The difference being one of running a social enterprise charity and the other a charity for which public funding is required so as to make it stand on its own feet.

Mr Anil Bhanot owns Online Accountancy Services Ltd which provides book-keeping and accountancy services to the Charities group. However, Mani Thapa FCCA a director of Online Accountancy Services Ltd and other staff are responsible for the work they do on book-keeping, payroll, management and statutory accounts and returns.

The Charity employs a Financial Controller who is responsible for the Bank transactions and reconciliations. The Financial Controller spends 50% of his time at Head Office with the Online Accountancy Staff and the other 50% on financial management at the Centre in Leicester.

The EIF and Peepul Centre Head Office is at the Online Accountancy premises owned by Anil Bhanot, for which no rent is charged to the EIF group. The Trustees meet quarterly and the management teams meet weekly at the Head Office, as well as at the operating offices of the Charities in the Group. Mr Bhanot manages the group from the Head Office with constant electronic communication and CCTV facilities, but also with weekly business and staff meetings at the operating premises.

Bankers Metro Bank PLC 1 The Mall London W5 2PL  
Accountants Online Accountancy Services Ltd

#### Financial review

#### *The charity's financial position at the end of the year ended 31 December 2022*

The financial position of the charity at 31 December 2022 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2022	2021
	£	£
<b>Net income</b>	99,499	(102,256)
Unrestricted Revenue Funds available for the general purposes of the charity	9,435,398	9,298,775
Unrestricted revaluation reserve	7,944,959	7,944,959
<b>Total Unrestricted Funds</b>	<b>17,380,357</b>	<b>17,243,734</b>
Restricted Revenue Funds	26,249	63,376
<b>Total Funds</b>	<b>17,406,606</b>	<b>17,307,110</b>

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

## **Trustees' Annual Report for the year ended 31 December 2022**

### ***Financial review of the position at the reporting date, 31 December 2022 .***

The Consolidated Statements of Financial Activities shows net income for the year 2022 of £99,796 (2021 - net expenditure of £102,255).

Total group income for the year amounted to £2,473,517 (2021 - £2,275,911). Total group expenditure for the year amounted to £2,373,721 (2021 - £2,378,166).

Income included commercial rents of £1,199,738 (2021 - £710,604), grant income for the delivery of charitable projects, income from delivering charitable activities and trading income through the subsidiary Peepul Enterprises Ltd of £1,093,604 (2021 - £1,188,394), which includes also the NHS hire rentals of the Centre as a Vaccination Hub.

The Group's property in London was independently valued at £15m on an existing use basis in 2019, which is reflected in the accounts. The Leicester property is subject to covenants by the Government agencies for its use as an asset for community activities only, to which the Trustees are fully committed to be carrying on doing.

### ***Policies on reserves.***

Total consolidated reserves of the EIF Peepul Group were £17,406,903 at 31 December 2022, (£17,307,110 - 2021), of which restricted reserves were £26,249 at 31 December 2022, (£63,376 - 2021).

The Unrestricted funds include £7,944,959 held in a fair value reserve which arose on the valuation of the investment properties.

The Reserves policy of EIF is to maintain £150,000 free cash reserves but is kept under constant review due to the cash flow constraints of Peepul Centre.

### ***Going Concern***

The Board of Trustees has assessed the going concern of the group in detail and is confident that the group will have adequate resources to continue in operational existence for the foreseeable future.

### ***Availability and adequacy of assets of each of the funds***

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2022**

#### ***Significant events which have affected the financial performance and the financial position.***

Whilst the EIF has seen its income levels returning post-Covid the Peepul Centre keeps working on recovering the pre-Covid social enterprise activities.

#### ***Investment policy and investment objectives.***

The Charity continues to invest in social enterprise operations of Peepul Enterprises for community's upliftment, while efficiently managing the social enterprise activities of the EIF to produce a return for the Charity for other charitable works.

#### ***The major risks to which the Charity is exposed and reviews and systems to mitigate them.***

The EIF maintains itself as a strong sustainable Charity but the Peepul Centre subsidiary needs to continue re-developing to recover its pre-Covid activity levels and to build a strong relationship with ACE for its arts projects, albeit its Health and Wellbeing projects are developing in leaps and bounds.

#### ***Factors likely to affect future financial performance .***

The EIF Charity building refurbishment is being carried out to ensure a good working environment for the stakeholders and customers and the Peepul Centre is building its relationship with ACE for arts projects funding.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

## **Trustees' Annual Report for the year ended 31 December 2022**

### **Other information about the charity and its activities**

#### **CHANGE OF AUDITORS**

Due to the health and wellbeing issues of our penultimate auditor we appointed a firm in Leicester to audit the group but we had a very bad experience with the working style of the firm. Their key audit staff worked only half days and then by email only. Whilst we appointed the firm with a hand shake with the partner we introduced to, the registered audit partner to sign the audit report and his audit staff were different. and Indeed we never met the audit partner, not even at the point of signing the accounts. Their key audit staff member, working half day, was effectively the sole person making audit decisions, whilst the partner whom we had shaken hands with had no say in the audit work, evidently. This key audit staff member made large adjustments which were eventually reversed but only after we had to fight our corner. Further, the adjustments on opening entries we were not specifically informed of nor they were discussed, as there were never any meetings, just email correspondence, as if in the Covid period.

Our staff had to continually keep answering enquiries repeatedly and it was as if their key audit staff member wanted to have the Charity closed, a point raised by the Chairman with them by email, and our management team definitely had no time left to work on the recovery of the business lost in the Covid period, due to their constant and repeated enquiries from their key audit staff member, invariably to provide duplicate information time and again. In the only one meeting the Chairman had with this key audit staff member the Chairman, he threatened to qualify the Audit reports, which he did so in March 2023 anyway, when the Chairman pressed for his materiality level, he reluctantly disclosed was £200. The Chairman having been a registered auditor himself in the past, before he took the role of running these charities, pointed out that at the minimum it should be £1,000.

We informed the firm of not observing, at the minimum, a good practice work-ethic recommended by the professional accountancy bodies and so after the last year's audited accounts were filed, which we believe were deliberately delayed by their key audit staff member in sole charge of the audit - as we never met the audit partner, not even spoke to him in a phone call - the Board of Trustees, all emotionally distressed - one EIF Trustee resigned citing high blood pressure - moved quickly to appoint new auditors, as listed below, who not only now conduct the audit largely working at the Head Office and for systems testing at the operating premises and the audit partner is in constant touch with us in meetings.

### **Employment of disabled persons**

The Charity has a policy of equal opportunities for all and in particularly differently-abled persons..

### **Details of The Auditor**

Naren Desai FCA MBA - Senior Statutory Auditor

Member of The Institute of Chartered Accountants in E&W

144-146 Kings Cross Road

London

WC1X 9DU

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2022**

#### **Statement as to disclosure of information to auditors**

The trustees state that so far as each of the trustees at the time this report was approved are aware:-

- a) There is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the auditors are unaware, and
- b) The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and establish that the auditors are aware of that information.

#### **Statement of the Directors Trustees' Responsibilities**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

## **The Ethnic Inclusion Foundation**

Company Registration Number - 03758674

### **Trustees' Annual Report for the year ended 31 December 2022**

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the auditor in relation to the Trustees' report is limited to examining the report and ensuring that, the report is consistent with the figures disclosed in the financial statements.

#### **Method of preparation of accounts - Small company provisions**

The financial statements are set out on pages 12 to 20.

The financial statements have been prepared implementing the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016)

These consolidated financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.

This report was approved by the board of trustees on 30 October 2023.



Anil Bhanot OBE  
Director and Trustee

The Ethnic Inclusion Foundation  
*Independent auditors' report  
to the members of The Ethnic Inclusion Foundation*

We have audited the financial statements of The Ethnic Inclusion Foundation for the year ended 31 December 2022 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity 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 in the UK and Republic of Ireland"

This report is made solely to the 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 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 company and the 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 auditors**

We have audited the financial statements of The Ethnic Inclusion Foundation for the year ended 31 December 2022 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity 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 in the UK and Republic of Ireland"

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors 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 Ethical Standards for Auditors.

#### **Scope of the audit of the accounts**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

#### **Opinion on the accounts**

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs at 31 December 2022 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

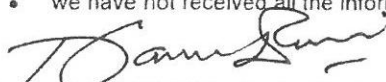
#### **Opinion on other matters prescribed by the Companies Act 2006**

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

#### **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:

- 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 accounts 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



Naren Desai FCA MBA - Senior Statutory Auditor  
(Senior Statutory Auditor)  
for and on behalf of  
Andrew Murray & Co

Accountants and Statutory Auditors  
30 October 2023

144-146 Kings Cross Road  
London  
WC1X 9DU

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2022**

**Consolidated Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 December 2022, as required by the Companies Act 2006)**

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2022	2022	2022	2021
		£	£	£	£
<b>Income &amp; Endowments from:</b>					
Donations & Legacies	A1	29,251	40,302	69,553	138,822
Charitable activities	A2	1,093,604	-	1,093,604	1,188,394
Other trading activities	A3	110,622	-	110,622	22,058
Investments	A4	1,199,738	-	1,199,738	710,604
Other	A5	-	-	-	216,033
<b>Total income</b>	<b>A</b>	<b>2,433,215</b>	<b>40,302</b>	<b>2,473,517</b>	<b>2,275,911</b>
<b>Expenditure on:</b>					
Raising funds	B1	666,937	-	666,937	657,661
Charitable activities	B2	1,629,652	77,429	1,707,081	1,720,506
Other	B3	-	-	-	-
<b>Total expenditure</b>	<b>B</b>	<b>2,296,589</b>	<b>77,429</b>	<b>2,374,018</b>	<b>2,378,167</b>
<b>Net income for the year</b>		<b>136,626</b>	<b>(37,127)</b>	<b>99,499</b>	<b>(102,256)</b>
<b>Net income after transfers</b>	<b>A-B-C</b>	<b>136,626</b>	<b>(37,127)</b>	<b>99,499</b>	<b>(102,256)</b>
<b>Net movement in funds</b>		<b>136,626</b>	<b>(37,127)</b>	<b>99,499</b>	<b>(102,256)</b>
<b>Reconciliation of funds:-</b>					
<b>Total funds brought forward</b>		17,243,731	63,376	17,307,107	17,409,366
<b>Total funds carried forward</b>		<b>17,380,357</b>	<b>26,249</b>	<b>17,406,606</b>	<b>17,307,110</b>

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All the prior year transactions were unrestricted items, and no further analysis is required

All activities derive from continuing operations

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2022**

	SORP Ref	Prior Year Unrestricted Funds 2021 £	Prior Year Restricted Funds 2021 £	Prior Year Total Funds 2021 £
<b>Income &amp; Endowments from:</b>				
Donations & Legacies	A1	138,822	-	138,822
Charitable activities	A2	1,188,394	-	1,188,394
Other trading activities	A3	22,058	-	22,058
Investments	A4	710,604	-	710,604
Other	A5	216,033	-	216,033
<b>Total income</b>	<b>A</b>	<b>2,275,911</b>	<b>-</b>	<b>2,275,911</b>
<b>Expenditure on:</b>				
Raising funds	B1	657,661	-	657,661
Charitable activities	B2	1,720,506	-	1,720,506
Other	B3	-	-	-
Tax on surplus on ordinary activi	B3	-	-	-
Other taxation	B3	-	-	-
<b>Total expenditure</b>	<b>B</b>	<b>2,378,167</b>	<b>-</b>	<b>2,378,167</b>
Net gains on investments	B4	-	-	-
<b>Net income for the year</b>		<b>(102,256)</b>	<b>-</b>	<b>(102,256)</b>
<b>Transfers between funds</b>	<b>C</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income after transfers</b>		<b>(102,256)</b>	<b>-</b>	<b>(102,256)</b>
<b>Net movement in funds</b>		<b>(102,256)</b>	<b>-</b>	<b>(102,256)</b>
<b>Reconciliation of funds:-</b>	<b>E</b>			
<b>Total funds brought forward</b>		<b>17,550,504</b>	<b>63,376</b>	<b>17,409,366</b>
<b>Total funds carried forward</b>		<b>17,448,248</b>	<b>63,376</b>	<b>17,307,110</b>

**All activities derive from continuing operations**

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.'

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2022**

**The Ethnic Inclusion Foundation - Group Resources applied in the year ended 31 December 2022 towards fixed assets for Charity use:-**

	2022 £	2021 £
Funds generated in the year as detailed in the SOFA	99,499	(102,256)
Resources applied on functional fixed assets	(31,720)	(63,618)
Other applications of funds	-	-
<b>Net resources available to fund charitable activities</b>	<b><u>67,779</u></b>	<b><u>(165,874)</u></b>

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2022**

**Consolidated movements in revenue and capital funds for the year ended 31 December 2022**

**Revenue accumulated funds**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Last year Total Funds 2021 £
Accumulated funds brought forward	9,298,772	63,376	9,362,148	9,668,922
Recognised gains and losses before transfers	<u>136,626</u>	<u>(37,127)</u>	<u>99,499</u>	<u>(102,256)</u>
	<b>9,435,398</b>	<b>26,249</b>	<b>9,461,647</b>	<b>9,566,666</b>
(From)/To unrestricted revenue funds	-	-	-	(204,515)
<b>Closing revenue funds</b>	<u><b>9,435,398</b></u>	<u><b>26,249</b></u>	<u><b>9,461,647</b></u>	<u><b>9,362,151</b></u>

**Consolidated Revaluation Reserve Fund**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Last year Total Funds 2021 £
At 1 January	7,944,959	-	7,944,959	7,944,959
<b>At 31 December</b>	<u><b>7,944,959</b></u>	<u><b>-</b></u>	<u><b>7,944,959</b></u>	<u><b>7,944,959</b></u>

**Summary of consolidated funds**

	Unrestricted and Designated funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Last Year Total Funds 2021 £
Revenue accumulated funds	9,435,398	26,249	9,461,647	9,362,151
Revaluation reserve fund	7,944,959	-	7,944,959	7,944,959
<b>Total funds</b>	<u><b>17,380,357</b></u>	<u><b>26,249</b></u>	<u><b>17,406,606</b></u>	<u><b>17,307,110</b></u>

**The Ethnic Inclusion Foundation - Consolidated Statement of Financial Activities for the year ended 31 December 2022**

**The Ethnic Inclusion Foundation  
Consolidated Income and Expenditure Account for the year ended 31 December 2022 as required by the Companies Act 2006**

	2022	2021
	£	£
<b>Income</b>		
Income from operations	1,273,778	1,349,274
Investment income and interest		
Income from investments, other than interest receivable	1,197,616	710,076
Interest receivable	2,122	528
Other operating income	-	216,033
<b>Gross income in the year before exceptional items</b>	<b>2,473,516</b>	<b>2,275,911</b>
<b>Gross income in the year including exceptional items</b>	<b>2,473,516</b>	<b>2,275,911</b>
<b>Expenditure</b>		
Charitable expenditure, excluding depreciation and amortisation	1,506,489	1,532,112
Depreciation and amortisation	107,123	104,896
Fundraising costs	666,937	657,661
Governance costs	92,426	83,042
Other expenditure	-	(117,899)
Interest payable	1,042	456
Realised losses on disposals of social investments which are programme related	-	-
<b>Total expenditure in the year</b>	<b>2,374,017</b>	<b>2,260,268</b>
<b>Net income before tax in the financial year</b>	<b>99,499</b>	<b>15,643</b>
Tax on surplus on ordinary activities	-	-
<b>Net income after tax in the financial year</b>	<b>99,499</b>	<b>15,643</b>
<b>Retained surplus for the financial year</b>	<b>99,499</b>	<b>15,643</b>

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

## The Ethnic Inclusion Foundation - Balance Sheet as at 31 December 2022

	SORP		2022	2021
	Note	Ref	£	£
<b>Fixed assets</b>				
	A			
Tangible assets	8	A2	3,336,729	3,412,131
Investments held as fixed assets	10	A4	16,100,000	16,100,000
Investments	17	A4	-	-
<b>Total fixed assets</b>			<u>19,436,729</u>	<u>19,512,131</u>
<b>Current assets</b>				
	B			
Stocks		B1	6,720	6,580
Debtors	12	B2	94,279	75,055
Cash at bank and in hand		B4	656,592	668,693
<b>Total current assets</b>			<u>757,591</u>	<u>750,328</u>
<b>Creditors: amounts falling due within one year</b>	13	C1	<u>(586,977)</u>	<u>(762,930)</u>
<b>Net current assets</b>			170,614	(12,602)
			<u>19,607,343</u>	<u>19,499,529</u>
<b>Net assets</b>				
Creditors: amounts falling due after more than one year	14	C2	(2,200,737)	(2,192,419)
<b>The total net assets of the charity</b>			<u><b>17,406,606</b></u>	<u><b>17,307,110</b></u>

The total net assets of the charity are funded by the funds of the charity, as follows:-

<b>Restricted funds</b>				
Restricted Revenue Funds	18	D2	26,249	63,376
			26,249	63,376
<b>Unrestricted Funds</b>				
Unrestricted Revenue Funds	18	D3	9,435,398	9,298,775
Unrestricted Revaluation Reserve	18	D4	<u>7,944,959</u>	<u>7,944,959</u>
			17,380,357	17,243,734
<b>Designated Funds</b>				
<b>Total charity funds</b>			<u><b>17,406,606</b></u>	<u><b>17,307,110</b></u>

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

## The Ethnic Inclusion Foundation - Balance Sheet as at 31 December 2022

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The charitable group is subject to audit under charity legislation, and the report of the Charities Act auditor is on page 11.

The consolidated financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006, applicable to companies subject to the small companies regime.

A handwritten signature in black ink, consisting of the letters 'AB' followed by a stylized, cursive flourish that ends in a long horizontal line.

Anil Bhanot OBE

Trustee

Approved by the board of trustees on 30 October 2023

The Ethnic Inclusion Foundation

Consolidated Cash Flow Statement for the year ended 31 December 2022

	2022	2021
	£	£
<b>Cash flows from operating activities</b>		
Net cash provided by operating activities as shown below	A <u>(1,180,115)</u>	<u>(707,964)</u>
<b>Cash flows from investing activities</b>		
Interest received	2,122	528
Other investment income, including rents from investments	1,197,616	710,076
Purchase of property, plant and equipment	(31,720)	(63,618)
<b>Net cash provided by investing activities</b>	B <u>1,168,018</u>	<u>646,986</u>
<b>Cash flows from financing activities</b>		
Cash inflows from new borrowings	(88,437)	-
<b>Net cash provided by financing activities</b>	C <u>(88,437)</u>	<u>-</u>
<b>Overall cash provided by all activities</b>	A+B+C <u>(100,534)</u>	<u>(60,978)</u>
<b>Cash movements</b>		
Change in cash and cash equivalents from activities in the year ended 31 December 2022	(12,101)	(60,978)
Cash and cash equivalents at 1 January 2022	658,693	-
Change in cash and cash equivalents due to exchange rate movements	-	-
<b>Cash at bank and in hand less overdrafts at 31 December</b>	<u>646,592</u>	<u>(60,978)</u>

The Ethnic Inclusion Foundation

Consolidated Cash Flow Statement for the year ended 31 December 2022

The Ethnic Inclusion Foundation

Cash Flow Statement for the year ended 31 December 2022 - Continued

Reconciliation of net income to net cash flow from operating activities

Net income as shown in the Statement of Financial Activities	99,499	(102,256)
<b>Adjustments for :-</b>		
Depreciation charges	107,123	104,896
Write downs of investments	-	-
Net unrealised losses on investment assets	-	-
Dividends, interest and rents from investments	(1,199,738)	(710,604)
Decrease in stocks	(140)	-
Decrease in debtors	(19,224)	-
Increase in creditors, excluding loans	(167,635)	-
<b>Net cash provided by operating activities</b>	<b>A</b>	
	<u>(1,180,115)</u>	<u>(707,964)</u>

Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash in hand at for the year ended 31 December 2022	656,592	668,693
Notice deposits - (less than 3 months)	-	-
Overdrafts facility repayable on demand	(10,000)	(10,000)
<b>Total cash and cash equivalents</b>	<u>646,592</u>	<u>658,693</u>

**The Ethnic Inclusion Foundation**

**Consolidated Cash Flow Statement for the year ended 31 December 2022**

**The Ethnic Inclusion Foundation**

**Cash Flow Statement for the year ended 31 December 2022 - Continued**

**Analysis of change in net debt**

	<i>At start of year</i>	<i>Cash Flows and</i>	<i>At end of year</i>
Cash	668,693	(12,101)	656,592
Overdrafts repayable on demand	(10,000)	-	(10,000)
		(12,101)	(12,101)
Loans falling due within one year	(96,754)	96,754	-
Loans falling due after more than one year	(2,192,419)	-	(2,192,419)
<b>Total</b>	<u>(1,630,480)</u>	<u>84,653</u>	<u>(2,204,520)</u>

# The Ethnic Inclusion Foundation

## Notes to the Accounts for the year ended 31 December 2022

### 1 Accounting policies

#### *Policies relating to the production of the accounts.*

##### **Basis of preparation and accounting convention**

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

##### **Going Concern**

The Board of Trustees has assessed the going concern of the group in detail and is confident that the group will have adequate resources to continue in operational existence for the foreseeable future.

##### **Nature of income**

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

##### **Categories of Income**

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

**Income from exchange transactions** is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

**Income from a non-exchange transaction** is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2022

#### Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Dividends are accrued when the shareholder's right to receive payment is established.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

#### Accounting for deferred income and income received in advance

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

#### Income from legacies

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied that the property in question will not be required to satisfy claims in the estate, that it is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then the amount concerned is treated as an adjusting event and accrued as income in the accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of the life tenant.

If it is doubtful that full settlement of a legacy debtor will be received, then an adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the Statement of Financial Activities

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2022

#### Donated goods, facilities and services

**Donated fixed assets** are recognised at the current fair value. All such donations are recognised as donation income, and debited to fixed assets.

**Donated goods that are not fixed assets** are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt. When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

The carrying amount of any stock held for distribution is assessed for impairment at the reporting date. All donated goods are recognised as donation income, and debited to trading stock. When trading stock is subsequently sold, or appropriated to meet an expense, then the carrying value of the stock is recognised as an expense. In accordance with the SORP, goods donated for distribution to beneficiaries, or for consumption by the charity are included in *'legacies and donations'*. Goods donated for resale are included in *'Income from other trading activities'*

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt. If the goods held are to be distributed freely or for a nominal consideration, then the carrying amount is subsequently adjusted to reflect the lower of deemed cost adjusted for any loss of service potential and replacement cost. Replacement cost is the economic cost incurred if the charity was to replace the service potential of the donated goods at its own expense in the most economic manner.

#### Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

#### ***Policies relating to expenditure on goods and services provided to the charity.***

##### Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2022

#### Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

**Staffing** - on the basis of time spent in connection with any particular activity.

**Staffing** - on a per capita basis, based on the number of people employed within any particular activity.

**Premises related costs** - on the proportion of floor area occupied by a particular activity.

**Non specific support costs** - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

**Estimation techniques** used in apportioning costs - give details

#### Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 7.

#### Tangible fixed assets

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Freehold premises	2 % on cost and includes land not being depreciation
Fixtures and fittings	20 and 25 % on reducing balance and 20% on cost
Computer equipment	33 % on cost

#### Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

#### Stocks and work in progress

Stock is valued at the lower of cost and net realisable value.

#### Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

## 2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2022

#### 3 Net surplus before tax in the financial year

	2022	2021
	£	£
The net surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	107,123	104,896
Trustees' remuneration	51,372	46,350
Pension costs	14,940	14,865
Auditors' remuneration	15,500	15,500

#### 4 Interest payable

	2022	2021
	£	£
Bank interest payable	1,042	456

#### 5 Staff costs and emoluments

<b>Salary costs</b>	2022	2021
	£	£
Gross Salaries excluding trustees and key management personnel	445,640	560,285
Employer's National Insurance for all staff	56,489	52,371
Employer's contribution to defined benefit pension schemes	9,082	9,669
Employer's operating costs of defined contribution pension schemes	5,858	5,196
Trustees' Remuneration as detailed in note 7	51,372	46,350
Other benefits paid to trustees, as detailed in note 7	1,321	1,202
<b>Total salaries, wages and related costs</b>	<b>569,762</b>	<b>675,073</b>

The average number of part time staff employed in the year was 43      46

#### *The estimated equivalent number of full time staff deployed in different activities in the year was:-*

Engaged on charitable activities	37	38
Engaged on management and administration	6	6

#### 6 Remuneration and payments to Trustees as Executive Directors and persons connected with them

A Bhanot as the Managing Director (MD) of the company (EIF) and its subsidiary Peepul Enterprises Ltd (PEL) was remunerated £51,372 (2021-£46,350) from EIF and £46,069 (2021-£46,350) from PEL, with Pension Contributions in EIF

of £1,281 and PEL of £1,195. Mr Bhanot also runs as the MD of the EIF subsidiary Peepul Centre Charity's social

enterprise activities but being its Trustee takes a salary of £NIL.

No other Trustee received any remuneration from EIF.

S Syan received remuneration from an EIF subsidiary PEL as its legal director of £5,000 (2021 - £6,000). Mr Syan works

free for legal issues at EIF as a Trustee but worked in a remunerative capacity on legal work at the social enterprise

subsidiary company PEL until October 2022.

## **The Ethnic Inclusion Foundation**

### **Notes to the Accounts for the year ended 31 December 2022**

Dr S Bhanot received remuneration from an EIF subsidiary Peepul Centre as Head of Peepul Health of £7,432 (2021-£Nil).

Dr Bhanot a Trustee of EIF works free in EIF on Health matters and specifically in her work with our partner Careif but

as the Head of Peepul Health at Peepul Centre she runs the Health division there to deliver projects like the Mental Health

Crisis Café and high level Health Conferences at the Centre.

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2022

#### 7 Remuneration and payments to Trustees and persons connected with them

	2022	2021
	£	£
Trustees' remuneration	51,372	45,350
<b>Total remuneration</b>	<b>51,372</b>	<b>46,350</b>

	2022	2021
	£	£
<i>Employer's National Insurance contributions on above remuneration</i>		
Trustees' remuneration	6,053	5,176
	<b>6,196</b>	<b>5,176</b>

	2022	2021
	£	£
<i>Pension payments relating to trustees or connected persons</i>		
Trustees' remuneration	1,321	1,202
	<b>1,321</b>	<b>1,202</b>

#### 8 Tangible fixed assets

<i>Current Year</i>	Land and Buildings	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2022	3,956,876	613,864	13,232	4,583,972
Additions	-	31,720	-	31,720
<b>At 31 December 2022</b>	<b>3,956,876</b>	<b>645,584</b>	<b>13,232</b>	<b>4,615,692</b>
<b>Depreciation</b>				
At 1 January 2022	646,876	522,891	2,073	1,171,840
Charge for the year	79,419	23,294	4,410	107,123
<b>At 31 December 2022</b>	<b>726,295</b>	<b>546,185</b>	<b>6,483</b>	<b>1,278,963</b>
<b>Net book value</b>				
<b>At 31 December 2022</b>	<b>3,230,581</b>	<b>99,399</b>	<b>6,749</b>	<b>3,336,729</b>
<b>At 31 December 2021</b>	<b>3,310,000</b>	<b>90,973</b>	<b>11,159</b>	<b>3,412,132</b>

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2022

<i>Prior Year</i>	Land and Buildings	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
<b>Cost</b>				
01 January 2021	3,924,876	595,478	-	4,520,354
Additions	32,000	18,386	13,232	63,618
Transfers to fixed assets	-	-	-	-
Surplus on revaluation	-	-	-	-
Disposals	-	-	-	-
<b>31 December 2021</b>	<b>3,956,876</b>	<b>613,864</b>	<b>13,232</b>	<b>4,583,972</b>

#### 9 Revaluation Reserve

Revaluation of the land and building was last done on 10 October 2019 by Mr Peter Costello a RICS Registered Valuer at £15 million. The trustees have agreed this to be a fair valuation at 31st December 2022 in accordance with the accounting policy adopted, further valuation will be carried out in 2024. No depreciation has been charged, as it's an investment property.

#### 10 Investments held as fixed assets

	Investments in subsidiaries	Listed investments	Other Classes of Investment	Total
	£	£	£	£
<b>Carrying values of investments</b>				
At 1 January 2022	-	-	16,100,000	16,100,000
<b>At 31 December 2022</b>	<b>-</b>	<b>-</b>	<b>16,100,000</b>	<b>16,100,000</b>
<b>Analysis between fair value and historical cost</b>				
Investments as above held at fair value	-	-	16,100,000	16,100,000

#### Analysis of Other Classes of Investment

	Included at historical cost, less write down	Included at fair value	Total
	£	£	£
<b>Summary of other classes of investments at 31 December 2022</b>			
Cash or cash equivalents	-	16,100,000	16,100,000

#### 11 Stocks & Work in Progress

	2022	2021
	£	£
Stocks before write downs	6,720	6,580
	<u>6,720</u>	<u>6,580</u>

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2022

*Analysis of the carrying value of stocks and work in progress by activities*

Activity	Work in Progress		Stocks	
	2022	2021	2022	2021
	£	£	£	£
Charitable activity 1	-	-	6,720	6,580
	<u>-</u>	<u>-</u>	<u>6,720</u>	<u>6,580</u>

#### 12 Debtors

	2022	2021
	£	£
Trade debtors	69,899	37,546
Amounts owed by group undertakings and undertakings in which the charity has a participating interest	-	1
Prepayments and accrued income	22,185	20,169
Other debtors	2,195	17,339
	<u>94,279</u>	<u>75,055</u>

#### 13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	10,000	106,754
Trade creditors	77,976	136,125
Accruals	145,562	182,903
PAYE, NIC VAT and other taxes	71,527	68,800
Other creditors	281,912	268,348
	<u>586,977</u>	<u>762,930</u>

#### 14 Creditors: amounts falling due after one year

	2022	2021
	£	£
Bank loans and overdrafts	2,200,737	2,192,419

#### 15 Revaluation reserve

Current year	Current year	Current year	Current year	Prior Year
	Unrestricted	Restricted	Total Funds	Total Funds
	Funds	Funds		
	2022	2022	2022	2021
	£	£	£	£
At 1 January 2022	7,944,959	-	7,944,959	7,944,959
At 31 December 2022	<u>7,944,959</u>	<u>-</u>	<u>7,944,959</u>	<u>7,944,959</u>

All the revaluations in the prior year was unrestricted.

Prior year	Prior Year	Prior Year	Prior Year
	Unrestricted	Restricted	Total Funds
	Funds	Funds	
	2021	2021	2021
	£	£	£
At start of previous year	7,944,959	-	7,944,959
At end of previous year	<u>7,944,959</u>	<u>-</u>	<u>7,944,959</u>

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2022

#### 16 Income and Expenditure account summary

	2022	2021
	£	£
<b>At 1 January 2022</b>	9,579,843	9,668,921
Transfers in for the year	-	(104,721)
At 1 January 2022	9,579,843	9,564,200
Surplus after tax for the year	99,499	15,643
<b>At 31 December 2022</b>	<b>9,679,342</b>	<b>9,579,843</b>

#### 17 Related party transactions

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Trustee, Director and Chairman, A Bhanot is a director and shareholder of Online Accountancy Services Ltd which provides book-keeping and accountancy services to the charity and its subsidiaries. The book-keeping fee charged to the company was £18,000 and to a subsidiary Peepul Enterprises Ltd was £24,000 for the year (2021 - same amounts). Statutory Accounts preparation fees of £5,500 was charged to the company and £3,000 to Peepul Centre and £4,000 to Peepul Enterprises Ltd. Peepul Centre Charity Book-Keeping fees thus far has been charged £NIL.

The related party balances for the Ethnic Inclusion Foundation at 31.12.2022 receivable from Peepul Centre group was £87,752, ( Peepul Centre Charity £35,500 credit balance and Peepul Enterprises Ltd £123,252 debit balance). These balances represent cash flow requirements within the group.

#### 17 Particulars of how particular funds are represented by assets and liabilities

<b>At 31 December 2022</b>	Unrestricted	Designated	Restricted	Total
	funds	funds	funds	Funds
	£	£	£	£
Tangible Fixed Assets	3,336,729	-	-	3,336,729
Investments at valuation:-				
<i>Fixed asset investments</i>	16,100,000	-	-	16,100,000
<i>Programme related investments</i>	-	-	-	-
Current Assets	731,342	-	26,249	757,591
Current Liabilities	(586,977)	-	-	(586,977)
Long Term Liabilities	(2,200,737)	-	-	(2,200,737)
	<b>17,380,357</b>	<b>-</b>	<b>26,249</b>	<b>17,406,606</b>
<b>At 1 January 2022</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	funds	funds	funds	Funds
	£	£	£	£
Tangible Fixed Assets	3,412,132	-	-	3,412,132
Investments at valuation:-				
Fixed asset investments	16,100,000	-	-	16,100,000
Programme related investments	-	-	-	-
Current Assets	686,952	-	63,376	750,328
Current Liabilities	(762,930)	-	-	(762,930)
Long Term Liabilities	(2,192,419)	-	-	(2,192,419)
	<b>17,243,735</b>	<b>-</b>	<b>63,376</b>	<b>17,307,111</b>

## The Ethnic Inclusion Foundation

### Notes to the Accounts for the year ended 31 December 2022

#### 18 Change in total funds over the year as shown in Note 17 , analysed by individual funds

	Funds brought forward from 2021	Movement in funds in 2022	Transfers between funds in 2022	Funds carried forward to 2023
	£	See Note 19 £	See Note 0 £	£
<i>Unrestricted and designated funds:-</i>				
Unrestricted Revenue Funds	9,298,775	136,626	-	9,435,401
Unrestricted Revaluation Reserve	7,944,959	-	-	7,944,959
<b>Total unrestricted and designated funds</b>	<b>17,243,734</b>	<b>136,626</b>	<b>-</b>	<b>17,380,360</b>
<i>Restricted funds:-</i>				
Restricted Fixed Asset Funds	-	-	-	-
Restricted Revaluation Reserve	-	-	-	-
Restricted revenue Funds	63,376	(37,127)	-	26,249
<b>Total restricted funds</b>	<b>63,376</b>	<b>(37,127)</b>	<b>-</b>	<b>26,249</b>
<b>Total charity funds</b>	<b>17,307,110</b>	<b>99,499</b>	<b>-</b>	<b>17,406,609</b>

#### 19 Analysis of movements in funds over the year as shown in Note 18

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2022 £	2022 £	2022 £	2022 £
<i>Unrestricted and designated funds:-</i>				
Unrestricted Revenue Funds	2,433,215	(2,296,589)	-	136,626
<i>Restricted funds:-</i>				
Restricted Fixed Asset Funds	-	-	-	-
Restricted Revaluation Reserve	-	-	-	-
Restricted revenue Funds	40,302	(77,429)	-	(37,127)
	<b>2,473,517</b>	<b>(2,374,018)</b>	<b>-</b>	<b>99,499</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2022 as required by the SORP 2015

*This analysis is classified by conventional nominal descriptions and not by activity.*

### 20 Donations, Grants and Legacies

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
<b>Donations and gifts from individuals</b>				
Donations and gifts	-	-	-	460
<b>Total donations and gifts from individuals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>460</b>

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
<b>Revenue grants from government and public bodies</b>				
Revenue grants from government and public bodies	23,251	40,302	63,553	97,326
<b>Total public sector revenue grants</b>	<b>23,251</b>	<b>40,302</b>	<b>63,553</b>	<b>97,326</b>

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
<b>Covid - 19 grants</b>				
Covid - 19 grants	6,000	-	6,000	41,036
<b>Total Covid - 19 grants</b>	<b>6,000</b>	<b>-</b>	<b>6,000</b>	<b>41,036</b>

<b>Total Donations, Grants and Legacies</b>				
<b>Total Donations, Grants and Legacies</b> A1	<b>29,251</b>	<b>40,302</b>	<b>69,553</b>	<b>138,822</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2022 as required by the SORP 2015

### 21 Income from charitable activities - Trading Activities

<i>Current year</i>	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total funds 2021 £
<b>Primary purpose and ancillary trading</b> Sale of goods and services in accordance with the charity's objects	1,093,604	-	1,093,604	1,188,394
<b>Total Primary purpose and ancillary trading</b>	<b>1,093,604</b>	<b>-</b>	<b>1,093,604</b>	<b>1,188,394</b>

### 22 Total Income from charitable activities

<i>Current year</i>	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Total income from charitable trading	1,093,604	-	1,093,604	1,188,394
<b>Total from charitable activities A2</b>	<b>1,093,604</b>	<b>-</b>	<b>1,093,604</b>	<b>1,188,394</b>

### 23 Income from other, non charitable, trading activities

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Restaurant and bar income	110,622	-	110,622	12,272
Misc. trading	-	-	-	9,786
<b>Total from other activities A3</b>	<b>110,622</b>	<b>-</b>	<b>110,622</b>	<b>22,058</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2022 as required by the SORP 2015

### 24 Investment income

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2022	2022	2022	2021
		£	£	£	£
Property Rental Income		1,197,616	-	1,197,616	710,076
Bank Interest Receivable		2,122	-	2,122	528
<b>Total investment income</b>	<b>A4</b>	<b>1,199,738</b>	<b>-</b>	<b>1,199,738</b>	<b>710,604</b>

### 25 Other income and gains

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
<i>Current year</i>		2022	2022	2022	2021
		£	£	£	£
Management charges		-	-	-	108,487
Government grants		-	-	-	107,546
<b>Total other income</b>	<b>A5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>216,033</b>

### 26 Expenditure on charitable activities - Direct spending

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
<i>Current Year</i>		2022	2022	2022	2021
		£	£	£	£
Gross wages and salaries - charitable activities		259,827	-	259,827	389,770
Employers' NI - Charitable activities		28,763	-	28,763	32,368
Defined benefit pension costs - charitable activities		9,082	-	9,082	9,669
Travel and Subsistence - Charitable Activities		6,881	-	6,881	11,047
Purchases		452,852	-	452,852	41,363
Meals and Wellbeing Programme		-	-	-	86,574
Health and Wellbeing sessions		-	15,482	15,482	-
Theatre cost		9,524	39,966	49,489	32,069
Wages		153,190	21,981	175,171	246,376
Directors Salary		82,267	-	82,267	108,150
<b>Total direct spending</b>	<b>B2a</b>	<b>1,002,386</b>	<b>77,429</b>	<b>1,079,814</b>	<b>957,386</b>

### 27 Expenditure on charitable activities- Grant funding of activities

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
<i>Current Year</i>		2022	2022	2022	2021
		£	£	£	£
Grants to institutions		19,121	-	19,121	21,000
<b>Total grantmaking costs</b>	<b>B2c</b>	<b>19,121</b>	<b>-</b>	<b>19,121</b>	<b>21,000</b>

The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2022 as required by the SORP 2015

28 Support costs for charitable activities

<i>Current Year</i>	Current year	Current year	Current year	Prior Year
	Unrestricted	Restricted	Total Funds	Total Funds
	Funds	Funds		
	2022	2022	2022	2021
	£	£	£	£
<b>Employee costs not included in direct costs</b>				
Other salaries	-	-	-	-
Employer's NI - Other salaries	-	-	-	-
Defined benefit pension costs - Other salaries	-	-	-	-
<b>Premises Expenses</b>				
Salaries	-	-	-	31,602
Social security	-	-	-	1,360
Rates and water charges	18,796	-	18,796	20,651
Staff training and welfare	6,947	-	6,947	2,721
Light heat and power	60,679	-	60,679	136,689
Cleaning and waste management	32,717	-	32,717	26,500
Premises repairs, renewals and maintenance	88,247	-	88,247	49,039
Property insurance	30,022	-	30,022	24,503
Pensions	-	-	-	511
<b>Administrative overheads</b>				
Telephone, fax and internet	20,601	-	20,601	21,400
Postage	-	-	-	-
Stationery and printing	9,568	-	9,568	12,832
Social security	-	-	-	1,428
Subscriptions to periodicals	4,446	-	4,446	2,445
Salaries	48,651	-	48,651	31,651
Hire of equipment	17,337	-	17,337	13,504
Software licences and expenses	4,482	-	4,482	1,987
Rate and Water rate	-	-	-	41,036
Advertising and marketing	5,129	-	5,129	1,525
Sundry expenses	1,003	-	1,003	-
Pensions	919	-	919	511
Equipment, repairs, expenses and maintenance	-	-	-	-
Computer Costs	3,205	-	3,205	12,161
Bad debts	-	-	-	11,863

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2022 as required by the SORP 2015

### *Professional fees paid to advisors other than the auditor or examiner*

Accountancy fees other than examination or audit fees	22,500	-	22,500	14,850
Bookkeeping	42,000	-	42,000	42,000
Legal fees	(21,624)	-	(21,624)	43,741
Consultancy fees	800	-	800	-
Other legal and professional	350	-	350	-

### *Financial costs*

Bank charges	10,779	-	10,779	7,216
Depreciation & Amortisation in total for	107,123	-	107,123	104,896
Bank interest payable	1,042	-	1,042	456

<b>Support costs before reallocation</b>	<b>515,719</b>	<b>-</b>	<b>515,719</b>	<b>659,078</b>
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<b>Total support costs - Current Year</b>	<b>515,719</b>	<b>-</b>	<b>515,719</b>	<b>659,078</b>
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The basis of allocation of costs between activities is described under accounting policies

All the expenditure in the prior year was unrestricted.

### *Administrative overheads*

The basis of allocation of costs between activities is described under accounting policies

## 29 Other Expenditure - Governance costs

	Current year	Current year	Current year	Prior Year
	Unrestricted	Restricted	Total Funds	Total Funds
	Funds	Funds		
2022	2022	2022	2021	
£	£	£	£	
Auditor's fees	15,500	-	15,500	15,500
Trustees' remuneration	51,372	-	51,372	46,350
NIC on Trustees' remuneration	6,196	-	6,196	5,176
Trustees Defined benefit pension costs	1,321	-	1,321	1,202
Wages	16,445	-	16,445	14,222
Travel Expenses	1,592	-	1,592	592
<b>Total Governance costs</b>	<b>92,426</b>	<b>-</b>	<b>92,426</b>	<b>83,042</b>

All the expenditure in the prior year was unrestricted.

## 30 Total Charitable expenditure

		Current year	Current year	Current year	Prior Year
		Unrestricted	Restricted	Total Funds	Total Funds
		Funds	Funds		
2022	2022	2022	2021		
£	£	£	£		
Total direct spending	<b>B2a</b>	1,002,386	77,429	1,079,814	957,386
Total grantmaking costs	<b>B2c</b>	19,121	-	19,121	21,000
Total support costs	<b>B2d</b>	515,719	-	515,719	659,078
Total Governance costs	<b>B2e</b>	92,426	-	92,426	83,042
<b>Total charitable expenditure</b>	<b>B2</b>	<b>1,629,652</b>	<b>77,429</b>	<b>1,707,080</b>	<b>1,720,506</b>

## The Ethnic Inclusion Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2022 as required by the SORP 2015

All the expenditure in the prior year was unrestricted.

<i>Prior Year</i>		Prior Year Unrestricted Funds 2021 £	Prior Year Restricted Funds 2021 £	Prior Year Total Funds 2021 £
Total direct spending	<b>B2a</b>	957,386	-	957,386
Total grantmaking costs	<b>B2c</b>	21,000	-	21,000
Total support costs	<b>B2d</b>	659,078	-	659,078
Total Governance costs	<b>B2e</b>	83,042	-	83,042
<b>Total charitable expenditure</b>	<b>B2</b>	<b>1,720,506</b>	<b>-</b>	<b>1,720,506</b>

### 31 Expenditure on raising funds and costs of investment management

<i>Current Year</i>		Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Just giving charges		180	-	180	123
Commissions payable		42,386	-	42,386	31,272
Bad debts		-	-	-	69,868
Consultancy		35,722	-	35,722	28,126
Wages		4,016	-	4,016	3,252
Property repairs and maintenance for non charitable property		76,917	-	76,917	39,894
Management charges		121,532	-	121,532	192,631
Interest payable		89,046	-	89,046	71,914
Gross wages and salaries - fundraising activities		185,813	-	185,813	170,515
Employers' NI - fundraising activities		21,530	-	21,530	14,827
Defined contribution pension costs - fundraising activities		2,929	-	2,929	2,598
Telephone and Broadband		9,550	-	9,550	7,118
Insurance		42,783	-	42,783	25,523
Rates		34,533	-	34,533	-
<b>Total fundraising costs</b>	<b>B1</b>	<b>666,937</b>	<b>-</b>	<b>666,937</b>	<b>657,661</b>

## The Ethnic Inclusion Foundation

### Activity analysis of Income and expenditure for the for the year ended 31 December 2022

*This analysis is classified by activity and not by conventional nominal descriptions.*

#### 32 Analysis of income by activity

	SOFA ref	2022 £	2021 -
<b>Activity</b>			
<b>Income from charitable activities</b>			
Charitable activity 1		1,093,604	1,188,394
<b>Income from other, non charitable, trading activities</b>			
Governance costs		110,622	22,058
<b>Summary of Total Income, including the items above</b>			
Charitable activities	A2	1,093,604	1,188,394
Other activities	A3	110,622	22,058
Donations & Legacies	A1	69,553	138,822
Investment income	A4	1,199,737	710,605
Other income	A5	-	216,033
<b>Total income as shown in the SOFA</b>	<b>A</b>	<b>2,473,516</b>	<b>2,275,912</b>
<b>Categories of income</b>			
Income from exchange transactions		2,473,516	2,275,912

#### 33 Analysis of charitable expenditure by activity

Activity	Direct costs	Support costs	Grant funding of activities	Total	Total
	2022	2022	2022	2022	2021
	£	£	£	£	£
<b>Charitable activity 1</b>					
Direct costs	1,079,815	-	-	1,079,815	-
Premises expenses	-	237,408	-	237,408	-
Administrative overheads	-	115,342	-	115,342	-
Professional fees	-	44,026	-	44,026	-
Financial costs	-	118,944	-	118,944	-
Grantmaking costs	-	-	19,121	19,121	-
<b>Total Charitable activity 1</b>	<b>1,079,815</b>	<b>515,720</b>	<b>19,121</b>	<b>1,614,656</b>	<b>-</b>

## The Ethnic Inclusion Foundation

### Activity analysis of Income and expenditure for the for the year ended 31 December 2022

#### Summary of charitable costs by activity

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2022	2022	2022	2022	2021
	£	£	£	£	£
Total Charitable activity 1	1,079,815	515,720	19,121	1,614,656	2,295,125
Total Governance costs as detailed in Note 29	-	92,426	-	92,426	83,042
<b>Total charitable expenditure</b>	<b>1,079,815</b>	<b>608,146</b>	<b>19,121</b>	<b>1,707,082</b>	<b>2,378,167</b>

The basis of allocation of costs between activities is described under accounting policies

The breakdown of this expenditure by type of spending (ie nominal classification) is detailed in note 30

#### Analysis of support and governance costs by charitable activities

Activity	Governance	Finance	Human Resources	Other Overheads	Total
Charitable activity 1	92,283	118,944	-	396,776	608,003
<b>Grand Total</b>	<b>92,426</b>	<b>118,944</b>	<b>-</b>	<b>396,776</b>	<b>608,146</b>

#### Summary of grant making by activity

	Grants to institutions	Grants to individuals	Support costs	Total	Total
	2022	2022	2022	2022	2021
	£	£	£	£	£
Primary purpose and ancillary trading1	-	-	-	-	-
Primary purpose and ancillary trading2	-	-	-	-	-
Charitable activity 1	-	-	19,121	19,121	21,000
	<b>-</b>	<b>-</b>	<b>19,121</b>	<b>19,121</b>	<b>21,000</b>

Fuller details of grants made and related costs, including support costs, are shown in note 27.

## The Ethnic Inclusion Foundation

Activity analysis of Income and expenditure for the for the year ended 31 December 2022

### 34 Analysis of non charitable expenditure by activity

#### Activity

<i>Fundraising activities</i>	<b>Fundraising activities 2022 £</b>	<b>Fundraising activities 2021 £</b>
Direct fundraising costs	666,937	657,661
Indirect fundraising costs:-	-	-
<i>Governance costs</i>	<b>Governance costs 2022 0</b>	<b>Governance costs 2021 £</b>
Other Expenditure - Governance costs as detailed in Note 29	92,426	83,042
<i>Total non charitable expenditure</i>	<b>2022 0</b>	<b>2021 £</b>
Total costs of Fundraising activities	666,937	657,661
<b>Total non charitable expenditure</b>	<b>666,937</b>	<b>657,661</b>

The breakdown of this expenditure by type of spending (ie by nominal classification and by fund) is detailed in note 33

### 35 Carrying value of work in progress analysed between activities

	<b>2022 0</b>	<b>2021 £</b>
Charitable activity 1	6,720	6,580
	<b>6,720</b>	<b>6,580</b>

**THE ETHNIC INCLUSION FOUNDATION**

England & Wales - Charity number 1077002

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# Accounts

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REGISTERED COMPANY NUMBER: 03758674 (England and Wales)  
REGISTERED CHARITY NUMBER: 1077002

**Report of the Trustees and**  
**Consolidated Financial Statements for the Year Ended 31 December 2021**  
**for**  
**The Ethnic Inclusion Foundation**

Torr Waterfield Limited  
Statutory Auditor  
Park House  
37 Clarence Street  
Leicester  
Leicestershire  
LE1 3RW

**The Ethnic Inclusion Foundation**

**Contents of the Consolidated Financial Statements**  
**for the Year Ended 31 December 2021**

	<b>Page</b>
<b>Report of the Trustees</b>	1 to 8
<b>Report of the Independent Auditors</b>	9 to 12
<b>Consolidated Statement of Financial Activities</b>	13
<b>Consolidated Balance Sheet</b>	14
<b>Company Balance Sheet</b>	15
<b>Consolidated Cash Flow Statement</b>	16
<b>Notes to the Consolidated Cash Flow Statement</b>	17
<b>Notes to the Consolidated Financial Statements</b>	18 to 37

# The Ethnic Inclusion Foundation

## Report of the Trustees for the Year Ended 31 December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims**

The objectives of the EIF group are to promote any charitable purpose in the advancement of social justice policies in the UK, particularly for the Ethnic Minorities and any disadvantaged communities at one level and, on the other hand, continue to invest in social enterprise projects for the upliftment of the communities through art and sports and generally improving life style standards, where applicable with the help of advancing social technologies. The Charity owns community assets which are operated as social enterprises and any surplus is used towards public benefit in line with its charitable objectives.

EIF delivers its aims through delivery partners the Peepul Centre and Peepul Enterprises Ltd and on smaller scale for the very disadvantaged communities through Peepul Delhi Trust. EIF delivers its surplus funds for the benefit of the communities being served by its delivery partners, on practical projects, while it continues with its top level strategic work at EIF.

## **OBJECTIVES AND ACTIVITIES**

### **Significant activities**

EIF manages its business community investment property in order to generate sufficient funds to support its charity works and meet the group's objectives. EIF carried out projects of social justice and community empowerment with its communities outreach.

EIF runs the East London Centre (ELC) for conferences and meetings at affordable rates for primarily the Ethnic Minority organisations with a charitable ethic e.g., Churches, Foster Care organisations, Police and Security training, Yoga and wellbeing clinics etc.

EIF commissioned a research report on the mental wellbeing health inadequacies pertaining to the South Asian communities in particular, which our partners 'Careif' produced their recommendations on. The delivery of the projects emanating from these recommendations is being handled by our subsidiary Peepul Centre.

Peepul Centre is a national focal point in the Belgrave area of Leicester demonstrably bringing together people from all social, economic and cultural backgrounds. It is a model for a community centre of excellence, delivering high class services in performing arts, dance and music, fitness and sports including for differently abled individuals, children's nursery facilities, catering and weddings and conference facilities, and generally improving life styles as a social enterprise with charitable aims. The concept is to build and support a vibrant self-sustaining community through innovation, entrepreneurship and partnership working.

The Peepul Centre continued to prepare and deliver free meals for the vulnerable and NHS staff during 2021 and the theatre space was used to facilitate the Covid vaccinations run by the NHS throughout the year to April 2022.

During 2021 EIF continued developing its charitable projects in India under Peepul Delhi (a Regd. Trust). Due to Covid, Peepul Delhi continued making and distributing free meals to the Day Labourer communities in the area in 2021 but re-started its sanitary napkins, LED bulbs, sewing and beauty parlour training projects on a low key basis. Now in 2022 Peepul Delhi has started another project to provide vocational computer training.

The EIF group raises its revenue from its own social enterprise activities including property rentals and thus its performance as a successful business is of primary importance.

The Board and Senior Management have developed the India project, as reported above, impacting a substantial number of women through health projects and disadvantaged communities with other products.

Similarly, EIF has funded its group companies Peepul Centre and Peepul Enterprises Ltd for community upliftment in the Leicester area through their activities in fitness, arts and children's nursery and various other community based projects.

During 2021 Peepul Centre Leicester and Peepul Delhi continued to provide free meals to the local communities. Peepul Centre helped facilitate the NHS Covid vaccination programme throughout 2021 and up to April 2022.

The Trustees have conducted a comprehensive review of the stated objectives of the Charity and its operations for clearly defined public benefit in accordance with the guidelines published by the Charity Commission.

In our EIF group structure, a number of community organisations have benefitted from the meeting-space, arts and music events and considerable partnership events with statutory bodies such as the NHS and Leicester City Council.

The Peepul Centre our subsidiary and delivery partner meets the need for a high quality meeting and conference space - in addition to weddings, social occasions and corporate events - the idea is to place the venue as a "Celebration Place" - celebrating all the events in the life of the community and the individuals that make up the community - a positive focus, bringing out the best of the diverse community. In addition, the Peepul Centre has a purpose-built theatre of 314 tiered seats to help make a positive impact on the upliftment of the local Belgrave area and wider communities.

**Report of the Trustees**  
**for the Year Ended 31 December 2021**

**OBJECTIVES AND ACTIVITIES – continued**

Peepul Delhi is having a wide impact on disadvantaged communities in a Delhi locality, particularly on women's health and vocational training and now with a new project of computer training courses.

During 2021 Peepul Centre Leicester and Peepul Delhi have provided free cooked meals to local communities and in addition the Peepul Centre Leicester has facilitated its theatre space for the NHS vaccinations.

**Public benefit**

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

**Difference made to beneficiaries**

EIF sponsored a report on the minority health wellbeing with our charity partner Careif who produced a report which was edited by our Trustee for health and the recommendations in that report are now being test piloted through projects to be carried out with the communities through our delivery subsidiary the Peepul Centre.

Peepul Centre continued to provide hot free meals to the local vulnerable people and NHS staff, which amounted to over 100,000 cooked meals in our kitchen and also Peepul Centre facilitated its spaces for the NHS vaccinations.

Peepul Delhi also continued to serve 400 free hot meals a week to the local disadvantaged communities suffering under Covid restrictions. These meals were prepared and served daily to the day labourer communities in the local area.

**The significant charitable activities undertaken in the year.**

Significantly the EIF charity's activity was its work on the EIF's minority mental health report with several recommendations to be worked through until enough evidence and professional know-how in partnership with Careif can be built to help establish a culturally specific institution in the future.

The communities continue to benefit from the issues around inequalities that still play in the lives of ethnic minorities. At national level EIF raises and discusses these issues with appropriate authorities. The social enterprise activities outlined above help the general wellbeing of communities in Leicester under Peepul Centre Charity, and similarly in India under the Peepul Delhi Charity.

**Fundraising activities**

**The performance of material fundraising activities during the year**

EIF fundraising is through its management of a commercial property hiring out rental spaces and conference facilities, whilst keeping costs to a minimum to help increase surpluses to be spent on projects for public benefit. The projects are primarily delivered through our group subsidiaries which also raise funds through social enterprise activities and other project funding means.

EIF surplus funds are authorised by the Board to be spent only on projects which will make significant changes to the public with a view to their education, health and sustainability.

**Investment performance**

EIF raises funds through its investment income with maximising performance which is reviewed regularly and at least quarterly. Investment performance has been sound and satisfactory during the year with a fuller recovery post the pandemic.

**Report of the Trustees**  
**for the Year Ended 31 December 2021**

**FINANCIAL REVIEW**

**Financial position**

The Consolidated Statement of Financial Activities shows net expenditure of £102,253 (2020 – net income of £368,975).

Income included rents received for the use of the Peepul Centre as the Covid Vaccination Hub of £540,000 (2020 - £20,000), commercial rents of £710,604 (2020 - £1,166,223), grant income for the delivery of charitable projects, income from delivering charitable activities and trading income through the subsidiary Peepul Enterprises Limited. Other grant income was also received from the government to support the Charity through the Covid-19 pandemic. Total income for the year amounted to £2,167,423 (2020 - £2,293,774).

Total expenditure for the year was £2,269,676 (2020 - £1,924,799).

The Group's property in London was independently valued at £15m on an existing use basis in 2019, which is reflected in the Accounts. The Leicester property is subject to covenants by the Government agencies for its use as an asset for community activities only, which the Trustees are committed to be carrying on doing.

**Reserves policy**

As at 31 December 2021 the group had total reserves of £17,307,110 (2020 - £17,409,363), £63,376 of which was held in restricted reserves (2020 - £114,427).

Unrestricted funds includes £7,944,959 (2020 - £7,944,959) held in a fair value reserve which arose on the valuation of investment property.

After making allowances for restricted funds held and funds of £19,512,131 (2020 - £19,553,409) that can only be realised by disposing of tangible fixed assets and investment property, the group had negative residual reserves as at 31 December 2021 of £2,268,397 (2020 - £2,258,473).

The reserves policy of EIF is to maintain £150,000 of cash reserves, which we keep under constant review. The cash at bank as at 31 December 2021 was £668,694 (2020 - £408,813).

**Going concern**

The Board of Trustees has assessed the going concern of the group in detail and is confident that the group will have adequate resources to continue in operational existence for the foreseeable future.

**Investment policy and objectives**

The Charity continues to invest in social enterprise operations of Peepul Enterprise for community's upliftment while efficiently managing the social enterprise activities to produce a return for the charity in future for other charitable works.

The Charity is investing annually a smaller sum in India to make products for the disadvantaged communities from social technologies available mainly in India. The India project has also now started two vocational training projects for disadvantaged women. The Board has dropped the idea of purchasing premises in India for Peepul Delhi Trust due to not being familiar with their legislation and practices but will continue to fund projects in the subcontinent for disadvantage communities. Peepul Kathmandu will be funded on a project basis also.

**Report of the Trustees**  
**for the Year Ended 31 December 2021**

**FUTURE PLANS**

EIF, with the help of its specialist Trustee advising on health matters, has now embarked on a major Health project and has produced a report on the minority's wellbeing. Further pilot studies will be run at Peepul Centre to gather evidence and help develop culturally sensitive solutions for the South Asian communities and to that end a NHS Crisis cafe has already started in July 2022 at EIF's delivery subsidiary Peepul Centre.

The Charity through its group companies has continued to provide free cooked free meals in Leicester and in Delhi to the local vulnerable communities up to June 2021, whilst also the NHS has been using the Peepul Centre spaces for vaccinations for the entire year.

The EIF and Careif report requires a number of projects to be carried out in the future to gain sufficient evidence for a proposal to establish a minority culturally sensitive mental health institution.

EIF has a specialist skilled Board of Trustees and the new projects started in 2022 will make a significant difference to fulfilling charity's aims and objectives but these projects have a long lead time to mature fruition of their purpose.

Peepul Centre's aims are to develop its performing arts area with the help of Arts Council England and during 2021/22 we are completing a Research and Development project with that aim in mind.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, its Memorandum and Articles of Association, and constitutes a charitable company, limited by guarantee.

**Recruitment and appointment of new trustees**

Trustees training and recruitment remains an ongoing process. Governance has been strengthened with the appointment of a highly skilled professional team with business and regulatory expertise. One of the Trustees assumes the operational role of running the business as its managing director as the Charity is basically a social enterprise, generating its own revenue through business. Thus, the business has to run well with minimal trading risk to the Directors under company law, who are also the Trustees under Charity Law. To ensure good governance, however, the only Trustee who as Managing Director (MD) is paid a salary is Anil Bhanot who ensures that the business is run efficiently and to ensure all the Directors are protected under company law.

Any public funds received within the EIF Peepul Group are budgeted separately for a full rigorous check by all the Trustees and are spent in line with their approval, whilst one Trustee, independent of the MD, is made responsible to oversee any public funds spending.

Each of the Group Companies has at least one different Trustee on its Board for checks and balances over either of the Group Companies and Charities. However, since the charity is essentially a social enterprise generating primarily its own revenue the skill sets to run businesses is of paramount importance to the success of running this particular Charity Group. Thus, the Trustees are suitably qualified to suit the needs across the EIF Peepul social enterprise charities group.

The Board of Trustees carries out an annual review of Governance. The aim is to assess the general effectiveness of the Board and also to identify any changes in process. The Board meets regularly to review the composition of the Trustees and to act on any upcoming vacancies. Trustee vacancies are advertised as necessary. New Trustees are given full induction with all disclosures to date so they can make informed decisions from early on.

None of the members of the group have any beneficial interest in the group and all of the members of the group guarantee to contribute £10 in the event of a winding up.

Any person or corporation desiring to become a trustee of the charity may submit an application in writing to the Board signed by him or her on its behalf for admission in a form approved by the trustees, and every such application shall be considered by each of the existing trustees to be voted upon in the Board where on 2/3rds majority in favour of the appointment is elected. No reason for refusal to admit an application is given.

**STRUCTURE, GOVERNANCE AND MANAGEMENT – continued**

**Organisational structure**

EIF is the sole parent charity of Peepul Centre Charity which owns 100% its trading arm Peepul Enterprises Ltd. EIF also established Peepul Delhi to look after the disadvantaged communities there but with a small budget. Each Charity is distinct but complimentary in its charitable aims and objectives and for its distinct part each charity has a non-identical Board of Trustees with different specialisms, though there may be some overlaps of objectives but divided by strategy and delivery among the group charities.

The EIF Charity raises its revenue through its own investment property rental activities and social enterprises activities, and therefore this first aspect of the charity is to run the social enterprise business efficiently, in order to create a surplus to be spent on charitable projects. EIF group's social enterprises business is run by one of its directors as the managing director who is also a trustee. This approach ensures minimising any trading risk to other directors who are equally liable to the business and creditors under Company Law.

Then along with the non-executive directors who are also trustees an independent checks and balances approach is exercised overall on the Charity. The non-executive directors/trustees are non-remunerative and comprise at least 2/3rd's of the Board. The Charity's Constitution stipulates that at least 50% of the Trustees must be non-remunerative.

Peepul Centre Charity needs to be developed for arts and wellbeing for which public funding requirement is the key. Thus, Peepul Centre itself is now structured with the Governance verses the Executive split model so that no Trustee will be paid to maintain and oversee any public funding spend purely through the Executive for public benefit. This is different from the other social enterprise activities run by the directors where director management is required hands on.

**Related parties**

The EIF employs Anil Bhanot, a Trustee, as Managing Director to run the social enterprise and receives remuneration. No other Trustee is paid a remuneration at EIF. Mr Bhanot is also the managing director of Peepul Enterprises Ltd and Surinder Syan, a Trustee, is its legal director. However, at Peepul Centre the Charity no Trustee holds any executive director position to ensure a complete split between the Governance and the Executive.

Mr Anil Bhanot is the shareholder of Online Accountancy Services Ltd which provides accountancy services to the Charity. However, Mani Thapa FCCA a director of Online Accountancy Services Ltd who carries out the work on management accounts, payroll and taxation, and Companies House, Charities Commission and HMRC Returns as well as producing the annual charity accounts, which are then checked and reviewed by the independent Auditors. Online Accountancy Services Ltd provide services at less than the market rates and the fees for Book-keeping and Accountancy are disclosed as charged in the Profit and Loss Account.

The Charity employs a Financial Controller who is responsible for all bank transactions and reconciliations which segregates the accountancy duties with Online Accountancy Services Ltd to ensure proper financial checks and balances and in particular the bank is the responsibility of the Financial Controller. The Financial Controller works with Online Accountancy Services staff at the Head Office in London for 50% of the time and for the other 50% of his time he is responsible for financial and management responsibilities at the Peepul Enterprises Limited in Leicester.

The EIF Peepul Group's head office is at the Bhanot & Co. accountancy practice premises owned by Anil Bhanot, for which no rent is charged to the Charities group. The Trustees and the management teams meet at the head office as well as the operating offices of the charities in the group.

**The Ethnic Inclusion Foundation**

**Report of the Trustees**  
**for the Year Ended 31 December 2021**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
03758674 (England and Wales)

**Registered Charity number**  
1077002

**Registered office**  
126 - 128 Uxbridge Road  
Ealing  
London  
W13 8QS

**Principal address**  
Boardman House  
64 Broadway  
London  
E15 1NT

**Trustees**

S S Syan	Director
D K Joshi	Director
Dr S Bhanot	Director
A K Bhanot	Director

The company has an Indemnity Insurance policy in place for all of the Trustees (Directors).

**Company Secretary**

Online Accountancy Services Limited

**Auditors**

Torr Waterfield Limited  
Statutory Auditor  
Park House  
37 Clarence Street  
Leicester  
Leicestershire  
LE1 3RW

**Bankers**

Metro Bank Plc  
1 The Mall  
London  
W5 2PL

**CHANGE OF NAME**

The charitable company passed a special resolution on 28 September 2021 changing its name from The Ethnic Minority Foundation to The Ethnic Inclusion Foundation.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of The Ethnic Inclusion Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

## The Ethnic Inclusion Foundation

### Report of the Trustees for the Year Ended 31 December 2021

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable 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:

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

#### **AUDITORS**

The auditors, Torr Waterfield Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

#### **ACCOUNTS FILING DELAYS**

The charity and its subsidiaries changed auditors in June 2022 due to the health and well-being of the previous auditor. In October 2022 the incoming auditors informed us of their decision to give a 'no-disclaimer' report as they had not been able to get information from the outgoing auditor on opening balances. However, it took some time for the outgoing auditor to retrieve the files after which he gave the information by mid-December 2022. We were led to believe that the audit would be then finished by the end of December 2022 but with their key audit staff being on leave in December 2022 and busy on other work in January 2023 they resumed their work in February 2023 to finish by early March 2023. The audit was done extensively by email during 2022 with a short half-day visit to the Peepul Centre premises in February 2023. The delay in the filing of financial statements is not expected to recur in subsequent periods.

#### **DISCLAIMER OF OPINION**

Peepul Delhi was registered in India in 2017. The trustees are of the opinion that this is a stand-alone entity, funded and supported by EIF group, but not within the group structure, which has been the case since 2009 with a previously similar Trust registered under the name of EMF India. However, owing to the overlap in trustees and control, the auditors' interpretation of s24.18 and s24.21 is that the entity requires consolidation in the financial statements of the group. Owing to the distance between the UK and the overseas entities and the availability of records, testing of balances has not been possible for the current or prior year but the funds transferred to the entity were verified as shown in note 10 to the accounts. Whilst we believe the impact of any inclusion of the overseas entities would be minimal in relation to the group accounts, it would not be practicable to perform audit testing on these entities to substantiate this.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 15 March 2023 and signed on its behalf by:

A K Bhanot - Trustee

**Report of the Independent Auditors to the Members of  
The Ethnic Inclusion Foundation**

**Disclaimer of opinion**

We were engaged to audit the financial statements of The Ethnic Inclusion Foundation (the 'charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities (incorporating an income and expenditure account), consolidated and parent charitable company balance sheets, consolidated cash flow statement and notes to the consolidated cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

We do not express an opinion on the accompanying financial statements of the group and parent charitable company. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

**Basis for disclaimer of opinion**

We were not appointed as auditor of the group until after 31 December 2020. We were unable to audit the opening balances as at 1 January 2021 and were unable to use alternative means to obtain sufficient and appropriate evidence to support the opening balances. As such, we were unable to conclude that the opening balances do not contain misstatements that materially affect the group's financial statements for the year ended 31 December 2021.

In addition, the group includes two foreign subsidiaries, Peepul Centre Delhi and Peepul Centre Kathmandu, which have not been included in the group's financial statements for the year ended 31 December 2020 and 2021. Consequently, we have not performed any audit work in relation to these subsidiaries. As a result of this, we were unable to conclude on the impact of the exclusion of these two subsidiaries on the group's financial statements for the year ended 31 December 2021.

**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.

Because of the significance of the matters described in the basis for disclaimer of opinion section of our report, we have been unable to conclude as to whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. Consequently, we have been unable to conclude as to whether this gives rise to a material misstatement in the financial statements themselves.

**Opinions on other matters prescribed by the Companies Act 2006**

Notwithstanding our disclaimer of an opinion on the financial statements, in our opinion, based on the work undertaken in the course of the audit:

- The information given in the Report of the Directors prepared for the purposes of company law, which is included 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 Directors included within the Report of the Trustees has been prepared in accordance with applicable legal requirements

**Report of the Independent Auditors to the Members of  
The Ethnic Inclusion Foundation**

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

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the Report of the Directors included within the Report of the Trustees.

Arising solely from the limitation of our work referred to above:

- We have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- We were unable to determine whether adequate and proper accounting records have been kept.

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 companies 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 set out on page 7-8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Report of the Independent Auditors to the Members of  
The Ethnic Inclusion Foundation**

**Our responsibilities for the audit of the financial statements**

Our responsibility is to conduct an audit of the group's and parent charitable company's financial statements in accordance with International Standards on Auditing (UK) and to issue a Report of the Auditors.

However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in Note 1 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

The capability to detect irregularities is based on the auditor identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, and then designing and performing audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

a) Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, the following approach was taken:

- Understanding the nature of the industry and sector, control environment and business performance;
- Consideration of the results of our enquiries of management and those charged with governance about their own identification and assessment of the risks of irregularities;
- Understanding the company's policies and procedures on compliance with laws and regulations and management of fraud risk, including documentation of instances of non-compliance of laws and regulations and instances of actual, suspected or alleged fraud;
- Consideration of matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud;
- Understanding the legal and regulatory frameworks that the company operates in through enquiry of management and those charged with governance and understanding the company's industry and sector. The key laws and regulations that were considered to have an effect on material amounts and disclosures in the financial statements included the Companies Act and tax legislation.

b) Audit response to risks identified

Based on this understanding, the following audit procedures were designed and performed to respond to the risks identified.

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations described as having a direct effect on the financial statement;
- Enquiring of management, those charged with governance and, where applicable, the company's solicitors concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud
- Reviewing minutes of meetings of those charged with governance and, where applicable, correspondence with regulators;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business.
- Communication of potential fraud risks to all engagement team members and remaining alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

**Report of the Independent Auditors to the Members of  
The Ethnic Inclusion Foundation**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**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 parent charitable company's trustees those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Morris FCA (Senior Statutory Auditor)  
for and on behalf of Torr Waterfield Limited  
Statutory Auditor  
Park House  
37 Clarence Street  
Leicester  
Leicestershire  
LE1 3RW

Date: 15 March 2023

**The Ethnic Inclusion Foundation**

**Consolidated Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**for the Year Ended 31 December 2021**

	Notes	Unrestricted funds £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds as restated £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	460	97,326	97,786	309,659
<b>Charitable activities</b>					
Provision of facilities to the community	5	849,674	-	849,674	90,162
Provision of childcare		290,290	-	290,290	199,549
Provision of leisure facilities		48,429	-	48,429	42,296
Provision of meals		-	-	-	42,502
Provision of theatre performances		-	-	-	8,726
Other trading income	3	22,058	-	22,058	39,501
Investment income	4	710,604	-	710,604	1,166,223
Other income	6	<u>148,582</u>	-	<u>148,582</u>	<u>395,156</u>
<b>Total</b>		<u>2,070,097</u>	<u>97,326</u>	<u>2,167,423</u>	<u>2,293,774</u>
<b>EXPENDITURE ON</b>					
Raising funds	7	984,324	-	984,324	942,894
<b>Charitable activities</b>					
Provision of childcare	8	337,377	-	337,377	277,211
Provision of leisure facilities		185,054	-	185,054	156,861
Provision of facilities to the community		345,235	-	345,235	81,039
Provision of meals		3,050	100,000	103,050	122,437
Provision of theatre performances		245,259	48,377	293,636	316,676
Relief of sickness		1,000	-	1,000	5,000
Relief of poverty		<u>20,000</u>	-	<u>20,000</u>	<u>22,681</u>
<b>Total</b>		<u>2,121,299</u>	<u>148,377</u>	<u>2,269,676</u>	<u>1,924,799</u>
<b>NET INCOME/(EXPENDITURE)</b>		(51,202)	(51,051)	(102,253)	368,975
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>					
As previously reported		16,412,863	-	16,412,863	16,173,615
Prior year adjustment	16	<u>882,073</u>	<u>114,427</u>	<u>996,500</u>	<u>866,773</u>
<b>As restated</b>		<u>17,294,936</u>	<u>114,427</u>	<u>17,409,363</u>	<u>17,040,388</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>17,243,734</u></u>	<u><u>63,376</u></u>	<u><u>17,307,110</u></u>	<u><u>17,409,363</u></u>

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**The Ethnic Inclusion Foundation**

**Consolidated Balance Sheet**  
**31 December 2021**

	Notes	Unrestricted funds £	Restricted funds £	31.12.21 Total funds £	31.12.20 Total funds as restated £
<b>FIXED ASSETS</b>					
Tangible assets	17	3,412,131	-	3,412,131	3,453,409
<b>Investments</b>					
Investment property	19	<u>16,100,000</u>	<u>-</u>	<u>16,100,000</u>	<u>16,100,000</u>
		19,512,131	-	19,512,131	19,553,409
<b>CURRENT ASSETS</b>					
Stock	20	6,580	-	6,580	6,715
Debtors	21	60,882	4,900	65,782	234,286
Cash at bank		<u>610,218</u>	<u>58,476</u>	<u>668,694</u>	<u>408,813</u>
		677,680	63,376	741,056	649,814
<b>CREDITORS</b>					
Amounts falling due within one year	22	<u>(753,659)</u>	<u>-</u>	<u>(753,659)</u>	<u>(494,726)</u>
<b>NET CURRENT ASSETS</b>		<u>(75,979)</u>	<u>63,376</u>	<u>(12,603)</u>	<u>155,088</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		19,436,152	63,376	19,499,528	19,708,497
<b>CREDITORS</b>					
Amounts falling due after more than one year		<u>(2,192,418)</u>	<u>-</u>	<u>(2,192,418)</u>	<u>(2,299,134)</u>
<b>NET ASSETS</b>		<u><u>17,243,734</u></u>	<u><u>63,376</u></u>	<u><u>17,307,110</u></u>	<u><u>17,409,363</u></u>
<b>FUNDS</b>	26				
Unrestricted funds:					
General fund				9,298,775	9,349,977
Fair value reserve				<u>7,944,959</u>	<u>7,944,959</u>
				<u>17,243,734</u>	<u>17,294,936</u>
Restricted funds				<u>63,376</u>	<u>114,427</u>
<b>TOTAL FUNDS</b>				<u><u>17,307,110</u></u>	<u><u>17,409,363</u></u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 15 March 2023 and were signed on its behalf by:

A K Bhanot - Trustee

The notes form part of these financial statements

**The Ethnic Inclusion Foundation**

**Company Balance Sheet**  
**31 December 2021**

	Notes	Unrestricted funds £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds as restated £
<b>FIXED ASSETS</b>					
Tangible assets	17	58,533	-	58,533	73,166
Investment property	19	<u>15,000,000</u>	<u>-</u>	<u>15,000,000</u>	<u>15,000,000</u>
		15,058,533	-	15,058,533	15,073,166
<b>CURRENT ASSETS</b>					
Debtors	21	58,725	-	58,725	146,156
Cash at bank and in hand		<u>342,572</u>	<u>-</u>	<u>342,572</u>	<u>305,911</u>
		401,297	-	401,297	452,067
<b>CREDITORS</b>					
Amounts falling due within one year	22	<u>(452,919)</u>	<u>-</u>	<u>(452,919)</u>	<u>(317,744)</u>
<b>NET CURRENT ASSETS</b>		<u>(51,622)</u>	<u>-</u>	<u>(51,622)</u>	<u>134,323</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		15,006,911	-	15,006,911	15,207,489
<b>CREDITORS</b>					
Amounts falling due after more than one year	23	<u>(2,156,586)</u>	<u>-</u>	<u>(2,156,586)</u>	<u>(2,253,301)</u>
<b>NET ASSETS</b>		<u>12,850,325</u>	<u>-</u>	<u>12,850,325</u>	<u>12,954,188</u>
<b>FUNDS</b>	26				
Unrestricted funds:					
General fund				5,711,366	5,815,229
Fair value reserve				<u>7,138,959</u>	<u>7,138,959</u>
				<u>12,850,325</u>	<u>12,954,188</u>
Restricted funds				<u>-</u>	<u>-</u>
<b>TOTAL FUNDS</b>				<u>12,850,325</u>	<u>12,954,188</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 15 March 2023 and were signed on its behalf by:

A K Bhanot - Trustee

The notes form part of these financial statements

**The Ethnic Inclusion Foundation**

**Consolidated Cash Flow Statement**  
**for the Year Ended 31 December 2021**

	Notes	31.12.21 £	31.12.20 as restated £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	483,822	256,293
Interest paid		<u>(72,372)</u>	<u>(78,691)</u>
Net cash provided by operating activities		<u>411,450</u>	<u>177,602</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(63,618)	(19,623)
Interest received		<u>528</u>	<u>272</u>
Net cash provided by/(used in) investing activities		<u>(63,090)</u>	<u>(19,351)</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	50,001
Loan repayments in year		<u>(88,479)</u>	<u>(80,514)</u>
Net cash used in financing activities		<u>(88,479)</u>	<u>(30,513)</u>
<hr/>			
<b>Change in cash and cash equivalents in the reporting period</b>		259,881	127,738
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>408,813</u>	<u>281,075</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>668,694</u>	<u>408,813</u>

The notes form part of these financial statements

The Ethnic Inclusion Foundation

Notes to the Consolidated Cash Flow Statement  
for the Year Ended 31 December 2021

1. **RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.21	31.12.20 as restated
	£	£
<b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b>	(102,253)	368,975
<b>Adjustments for:</b>		
Depreciation charges	104,898	96,779
Interest received	(528)	(272)
Interest paid	72,372	78,691
Decrease in stocks	135	120
Decrease/(increase) in debtors	168,504	(182,787)
Increase/(decrease) in creditors	<u>240,694</u>	<u>(105,213)</u>
<b>Net cash provided by operations</b>	<u>483,822</u>	<u>256,293</u>

2. **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>408,813</u>	<u>259,881</u>	<u>668,694</u>
	<u>408,813</u>	<u>259,881</u>	<u>668,694</u>
<b>Debt</b>			
Debts falling due within 1 year	(88,517)	(18,237)	(106,754)
Debts falling due after 1 year	<u>(2,299,134)</u>	<u>106,716</u>	<u>(2,192,418)</u>
	<u>(2,387,651)</u>	<u>88,479</u>	<u>(2,299,172)</u>
<b>Total</b>	<u>(1,978,838)</u>	<u>348,360</u>	<u>(1,630,478)</u>

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

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

**Basis of consolidation**

The consolidated financial statements present the results of the company and its subsidiary (the 'Group') as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The Ethnic Inclusion Foundation (EIF) has the power to appoint and remove the members of the board of Peepul Centre which controls the entity's financial and operating policies. Peepul Centre's purposes are similar to those of EIF therefore the arrangement benefits the parent by contributing to its charitable aims and objectives. As EIF has control of Peepul Centre, it also controls its wholly owned subsidiary, Peepul Enterprises Limited.

**Statutory information**

The Ethnic Inclusion Foundation is a private company, limited by guarantee, registered in England Wales. The charitable company's registered numbers and registered office address can be found in the Trustees' Report.

The presentational currency of the financial statements is the Pound Sterling (£).

**Critical accounting judgements and key sources of estimation uncertainty**

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current accounting estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

ii) Investment property

Investment properties are valued periodically using a yield methodology. This uses market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and value can only be reliably tested in the market itself. Other inputs into the valuation are the annual rent per square metre and the capitalisation rate. The location, use and age of the property are also significant factors which are taken into consideration when determining the value of the property.

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

**1. ACCOUNTING POLICIES – continued**

**Critical accounting judgements and key sources of estimation uncertainty – continued**

iii) Stocks

In determining stock provisions, future demand and selling price is evaluated and appropriate provisions are made to reflect the risk of obsolescence and impairment in carrying value. The provisioning policy is in place to ensure that the carrying value of stock recognised in the financial statements is the lower of cost and estimated selling price, in accordance with the stated accounting policy.

iv) Classification of mixed-use property

In determining the proportions of the mixed-use property classified between tangible fixed assets and investment property, the Charity and the Group uses an estimate of the floor area that is occupied for earning rentals on a commercial basis compared to the total floor area of the freehold property and this portion is accounted for as investment property. The residual floor space is used either for delivering charitable activities or for general administrative purposes and is classified as a tangible fixed asset.

**Income**

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

Income from exchange transactions is income received by the charity for goods or services supplied

Income from non-exchange transactions is income received from a donor without providing equal value in exchange and includes donations, grants and legacies.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

Membership income is recognised in the period to which the membership relates.

Rental income from investment properties is recognised in the period to which it relates.

**Expenditure**

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

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

**1. ACCOUNTING POLICIES – continued**

**Allocation and apportionment of costs**

Direct costs that are specifically related to an activity are allocated to that activity. Support costs are apportioned between activities. All support costs incurred by the parent charitable company, The Ethnic Inclusion Foundation, are considered to be attributable to investment management costs. The support costs incurred by subsidiaries are apportioned between activities in accordance with the floor area occupied by each activity.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost and includes land not being depreciated
Fixtures and fittings	- 20% and 25% on reducing balance and 20% on cost
Computer equipment	- 33% on cost

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Donated goods**

Donated goods are recognised at their fair value at the date of donation, unless it is impractical to measure reliably their fair value.

If it is impractical to measure the fair value of goods donated for resale or if the costs of valuation outweigh the benefit to users of the accounts and the charity of this information, the donated goods must then be recognised when they are sold.

Donated services and facilities are measured and included in the accounts on the basis of the value of the gift to the charity, being the amount the charity would pay in the open market for an alternative item that would provide the equivalent benefit to the charity.

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

**1. ACCOUNTING POLICIES - continued**

**Volunteers**

In accordance with the SORP, the contribution of volunteers is not measured and accounted for within income of the charity, however the Trustees value the significant contribution made to the activities of the charity by unpaid volunteers.

**Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective rate of interest method, less any impairment.

**Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**Going concern**

After reviewing the charity's forecasts and projections, the trustees have a reasonable expectation 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 the financial statements.

**Government grants**

Government grants receivable are recognised in accordance with the performance model.

**2. DONATIONS AND LEGACIES - GROUP**

	31.12.21	31.12.20 as restated
	£	£
Donations	460	4,147
Grants	<u>97,326</u>	<u>305,512</u>
	<u>97,786</u>	<u>309,659</u>

Grants received, included in the above, are as follows:

	31.12.21	31.12.20 as restated
	£	£
Arts Council England - Cultural Recovery Fund	94,826	179,268
Leicester & Rutland Fund	-	14,019
Community Lottery	-	9,225
LCC	-	3,000
Barclays Community Fund	-	100,000
Leicestershire & Rutland Sport	<u>2,500</u>	<u>-</u>
	<u>97,326</u>	<u>305,512</u>

**The Ethnic Inclusion Foundation**

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

**3. OTHER TRADING ACTIVITIES - GROUP**

	31.12.21	31.12.20 as restated
	£	£
Restaurant and bar income	12,272	39,501
Misc. trading	<u>9,786</u>	<u>-</u>
	<u><u>22,058</u></u>	<u><u>39,501</u></u>

**4. INVESTMENT INCOME - GROUP**

	31.12.21	31.12.20 as restated
	£	£
Rents received	710,076	1,165,951
Deposit account interest	<u>528</u>	<u>272</u>
	<u><u>710,604</u></u>	<u><u>1,166,223</u></u>

**5. INCOME FROM CHARITABLE ACTIVITIES - GROUP**

		31.12.21	31.12.20 as restated
	Activity	£	£
Grants	Provision of meals	-	42,502
Covid Vaccination	Provision of facilities to the community	816,835	20,000
Rents received	Provision of facilities to the community	32,839	70,162
Childcare fees	Provision of childcare	110,625	82,426
NEG Funding	Provision of childcare	179,665	117,123
Gym membership	Provision of leisure facilities	39,713	32,315
Other gym income	Provision of leisure facilities	8,716	9,981
Theatre income	Provision of theatre performances	<u>-</u>	<u>8,726</u>
		<u><u>1,188,393</u></u>	<u><u>383,235</u></u>

Grants received, included in the above, are as follows:

	31.12.21	31.12.20 as restated
	£	£
DEFRA	<u>-</u>	<u>42,502</u>

**The Ethnic Inclusion Foundation**

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

**6. OTHER INCOME - GROUP**

	31.12.21	31.12.20 as restated
	£	£
Covid-19 Grant	<u>148,582</u>	<u>395,156</u>

Included in other income is Covid-19 related grants received that are not dependent on the entity being a Charity.

**7. RAISING FUNDS - GROUP**

**Raising donations and legacies**

	31.12.21	31.12.20 as restated
	£	£
Consultancy	-	500
Just giving charges	<u>123</u>	<u>586</u>
	<u>123</u>	<u>1,086</u>

**Other trading activities**

	31.12.21	31.12.20 as restated
	£	£
Purchases	26,984	34,569
Staff costs	62,755	87,293
Bad debts	11,863	-
Support costs (Note 11)	<u>164,100</u>	<u>135,067</u>
	<u>265,702</u>	<u>256,929</u>

**Investment management costs**

	31.12.21	31.12.20 as restated
	£	£
Staff costs	173,113	145,773
Bad debts	69,868	85,796
Cleaning	27,726	25,658
Administrative expenses	32,641	35,260
Commission and management fees	31,272	-
Property repairs	39,894	44,676
Property rates, light and heat	128,414	123,368
Interest payable and similar charges	71,916	78,691
Support costs (Note 11)	<u>143,655</u>	<u>145,657</u>
	<u>718,499</u>	<u>684,879</u>

Aggregate amounts	<u>984,324</u>	<u>942,894</u>
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**The Ethnic Inclusion Foundation**

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

**8. CHARITABLE ACTIVITIES COSTS - GROUP**

	Direct Costs (see note 9) £	Grant funding of activities (see note 10) £	Support costs (see note 11) £	Totals £
Provision of childcare	222,510	-	114,867	337,377
Provision of leisure facilities	68,056	-	116,998	185,054
Provision of facilities to the community	246,776	-	98,459	345,235
Provision of meals	103,050	-	-	103,050
Provision of theatre performances	129,537	-	164,099	293,636
Relief of sickness	-	1,000	-	1,000
Relief of poverty	-	20,000	-	20,000
	<u>769,929</u>	<u>21,000</u>	<u>494,423</u>	<u>1,285,352</u>

**9. DIRECT COSTS OF CHARITABLE ACTIVITIES – GROUP**

	31.12.21 £	31.12.20 as restated £
Staff costs	373,029	435,184
Food purchases	89,624	65,746
Theatre costs	33,762	29,270
Consultancy	400	-
Childcare costs	10,723	5,551
Covid vaccination expenses	246,376	-
Equipment hire	12,895	12,242
Gym purchases	700	130
Depreciation	2,420	-
	<u>769,929</u>	<u>548,123</u>

**10. GRANTS PAYABLE - GROUP**

	31.12.21 £	31.12.20 as restated £
Relief of sickness	1,000	5,000
Relief of poverty	20,000	22,681
	<u>21,000</u>	<u>27,681</u>

The total grants paid to institutions during the year was as follows:

	31.12.21 £	31.12.20 as restated £
Peepul Delhi	20,000	21,139
Mental Health	1,000	-
Choice International	-	4,500
Peepul Kathmandu	-	1,542
Integration Project	-	500
	<u>21,000</u>	<u>27,681</u>

**The Ethnic Inclusion Foundation**

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

**11. SUPPORT COSTS - GROUP**

	Management £	Finance £	Premises £
Other trading activities	32,237	1,918	94,716
Investment management costs	97,002	885	447
Provision of childcare	22,565	1,342	66,299
Provision of leisure facilities	22,565	1,342	66,299
Provision of facilities to the community	19,342	1,150	56,829
Provision of theatre performances	<u>32,237</u>	<u>1,918</u>	<u>94,715</u>
	<u>225,948</u>	<u>8,555</u>	<u>379,305</u>

	Administration £	Governance costs £	Totals £
Other trading activities	16,563	18,666	164,100
Investment management costs	6,996	38,325	143,655
Provision of childcare	11,595	13,066	114,867
Provision of leisure facilities	11,595	15,197	116,998
Provision of facilities to the community	9,939	11,199	98,459
Provision of theatre performances	<u>16,563</u>	<u>18,666</u>	<u>164,099</u>
	<u>73,251</u>	<u>115,119</u>	<u>802,178</u>

All support costs incurred by the parent company only are allocated to investment management costs.

Support costs incurred by subsidiary companies are allocated on the following basis;

Activity	Basis of allocation
Management	Floor area occupied by charitable activity
Finance	Floor area occupied by charitable activity
Premises	Floor area occupied by charitable activity
Administration	Floor area occupied by charitable activity
Governance costs	Floor area occupied by charitable activity

The proportion of floor area allocated to each activity has been estimated as;

	31.12.21	31.12.20
Other trading activities	25%	25%
Provision of childcare	17.5%	17.5%
Provision of leisure facilities	17.5%	17.5%
Provision of facilities to the community	15%	15%
Provision of theatre performances	25%	25%

**12. NET INCOME/(EXPENDITURE)**

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

	31.12.21	31.12.20
	£	as restated £
Auditors' remuneration	15,500	12,500
Depreciation - owned assets	<u>104,898</u>	<u>96,779</u>

**The Ethnic Inclusion Foundation**

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

**13. TRUSTEES' / DIRECTORS' REMUNERATION AND BENEFITS - GROUP**

	31.12.21	31.12.20 as restated
	£	£
Trustees' / Directors' salaries	98,700	69,560
Trustees' / Directors' social security	10,355	-
Trustees' / Directors' pension contributions	<u>1,203</u>	<u>-</u>
	<u>110,258</u>	<u>69,560</u>

A K Bhanot received remuneration of £46,350 from the Charity and a further £46,350 from the Charity's trading subsidiary, Peepul Enterprises Limited, for his role as Managing Director.

S S Syan received remuneration of £6,000 from the Charity's trading subsidiary, Peepul Enterprises Limited, for his role as Legal Director.

Total remuneration received by the Trustees / Directors from the Charity and its related entities was £98,700.

**Trustees' / Directors' expenses**

There were no trustees' / directors' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**14. STAFF COSTS - GROUP**

	31.12.21	31.12.20 as restated
	£	£
Wages and salaries	792,259	847,752
Social security costs	55,158	49,188
Other pension costs	<u>14,493</u>	<u>12,724</u>
	<u>861,910</u>	<u>909,664</u>

Total remuneration in relation to Key Management Personnel, included within the figures above, amounts to £160,500.

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

	31.12.21	31.12.20 as restated
Directors	8	6
Administration	<u>38</u>	<u>42</u>
	<u>46</u>	<u>48</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.12.21	31.12.20 as restated
£60,001 - £70,000	<u>1</u>	<u>-</u>

**The Ethnic Inclusion Foundation**

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

**15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	195,232	114,427	309,659
<b>Charitable activities</b>			
Provision of facilities to the community	90,162	-	90,162
Provision of childcare	199,549	-	199,549
Provision of leisure facilities	42,296	-	42,296
Provision of meals	42,502	-	42,502
Provision of theatre performances	8,726	-	8,726
Other trading income	39,501	-	39,501
Investment income	1,166,223	-	1,166,223
Other income	395,156	-	395,156
<b>Total</b>	<u>2,179,347</u>	<u>114,427</u>	<u>2,293,774</u>
<b>EXPENDITURE ON</b>			
Raising funds	942,894	-	942,894
<b>Charitable activities</b>			
Provision of childcare	277,211	-	277,211
Provision of leisure facilities	156,861	-	156,861
Provision of facilities to the community	81,039	-	81,039
Provision of meals	122,437	-	122,437
Provision of theatre performances	316,676	-	316,676
Relief of sickness	5,000	-	5,000
Relief of poverty	22,681	-	22,681
<b>Total</b>	<u>1,924,799</u>	<u>-</u>	<u>1,924,799</u>
<b>NET INCOME</b>	254,548	114,427	368,975
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>			
As previously reported	16,173,615	-	16,173,615
Prior year adjustment	866,773	-	866,773
<b>As restated</b>	<u>17,040,388</u>	<u>-</u>	<u>17,040,388</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>17,294,936</u></u>	<u><u>114,427</u></u>	<u><u>17,409,363</u></u>

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

**16. PRIOR YEAR ADJUSTMENT**

Grant income of £114,437 was awarded during the year ended 31 December 2020 but wasn't included in the financial statements.

Grant income of £4,800 had been recognised in the year ended 31 December 2020 when the Charity wasn't entitled to the income.

Depreciation of £5,600 per annum had been charged in error on the land element of freehold property.

Rental income of £1,500 had not been deferred as at 31 December 2020 when it related to the financial year ended 31 December 2021.

Rental income of £18,427 had not been deferred as at 31 December 2019 and 31 December 2020 when it related to a period in the following financial period.

Income of £20,000 for the Covid Vaccination centre was received in January 2021 but was for the period 18 December 2020 - 31 December 2020 and therefore should have been accrued for at 31 December 2020.

A provision of £10,000 was required as at 31 December 2020 for a legal claim against the charity but this wasn't reflected in the balance sheet.

Investment property had previously been accounted for within tangible fixed assets under the cost model. The comparatives have been restated to account for this as investment property at fair value and remove the depreciation previously charged.

The above adjustments have increased reserves by £866,773 as at 31 December 2019 and increased reserves by £996,500 as at 31 December 2020.

**17. TANGIBLE FIXED ASSETS – COMPANY**

	Fixtures and fittings £
<b>COST</b>	
At 1 January 2021 and 31 December 2021	<u>186,324</u>
<b>DEPRECIATION</b>	
At 1 January 2021	113,158
Charge for year	<u>14,633</u>
At 31 December 2021	<u>127,791</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u><u>58,533</u></u>
At 31 December 2020	<u><u>73,166</u></u>

**The Ethnic Inclusion Foundation**

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

**17. TANGIBLE FIXED ASSETS - GROUP**

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 January 2021	3,924,876	595,477	-	4,520,353
Additions	<u>32,000</u>	<u>18,386</u>	<u>13,232</u>	<u>63,618</u>
At 31 December 2021	<u>3,956,876</u>	<u>613,863</u>	<u>13,232</u>	<u>4,583,971</u>
<b>DEPRECIATION</b>				
At 1 January 2021	567,458	499,486	-	1,066,944
Charge for year	<u>79,418</u>	<u>23,405</u>	<u>2,073</u>	<u>104,896</u>
At 31 December 2021	<u>646,876</u>	<u>522,891</u>	<u>2,073</u>	<u>1,171,840</u>
<b>NET BOOK VALUE</b>				
At 31 December 2021	<u>3,310,000</u>	<u>90,972</u>	<u>11,159</u>	<u>3,412,131</u>
At 31 December 2020	<u>3,357,418</u>	<u>95,991</u>	<u>-</u>	<u>3,453,409</u>

Included in cost or valuation of land and buildings is freehold land of £280,000 which is not depreciated.

**18. FIXED ASSET INVESTMENTS**

**Peepul Centre**

Company number: 03964213

Charity registration number: 1092389

Registered office: 126-128 Uxbridge Road, London, W13 8QS

Nature of business: Charity

Means of control: The Ethnic Inclusion Foundation (EIF) has the power to appoint and remove the members of the board of Peepul Centre which controls the entity's financial and operating policies. Peepul Centre's purposes are similar to those of EIF therefore the arrangement benefits the parent by contributing to its charitable aims and objectives.

	31.12.21	31.12.20 as restated
Aggregate capital and reserves	4,943,147	5,039,822
Income	247,357	461,159
Expenditure	344,032	264,699
Net income / (expenditure)	(96,675)	196,460

**Peepul Enterprises Limited**

Company number: 05178708

Registered office: 7 Orchardson Avenue, Leicester, LE4 6DP

Nature of business: Social enterprise

	%		
	holding		
	100		
		31.12.21	31.12.20 as restated
Aggregate capital and reserves		(486,362)	(584,643)
Turnover		1,210,452	379,469
Expenditure		1,112,171	565,133
Profit / (loss)		98,281	(185,664)

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

**19. INVESTMENT PROPERTY - COMPANY**

	£
<b>FAIR VALUE</b>	
At 1 January 2021 and 31 December 2021	<u>15,000,000</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>15,000,000</u>
At 31 December 2020	<u>15,000,000</u>

The directors consider the fair value of the investment property to be £15,000,000 as at 31 December 2021.

The investment property was last valued by an independent, professionally qualified valuer in the financial year ended 31 December 2019.

**19. INVESTMENT PROPERTY - GROUP**

	£
<b>FAIR VALUE</b>	
At 1 January 2021 and 31 December 2021	<u>16,100,000</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>16,100,000</u>
At 31 December 2020	<u>16,100,000</u>

The directors consider the fair value of the investment property to be £16,100,000 as at 31 December 2021.

One of the investment properties was last valued by an independent, professionally qualified valuer in the financial year ended 31 December 2019.

**The Ethnic Inclusion Foundation**

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

**20. STOCKS - GROUP**

	31.12.21	31.12.20 as restated
	£	£
Stocks	<u>6,580</u>	<u>6,715</u>

All stocks held relate to the groups trading activities.

**21. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - COMPANY**

	31.12.21	31.12.20 as restated
	£	£
Trade debtors	33,862	73,426
Amounts owed by group undertakings	4,988	72,364
Other debtors	1,422	366
Prepayments and accrued income	<u>18,453</u>	<u>-</u>
	<u>58,725</u>	<u>146,156</u>

**21. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - GROUP**

	31.12.21	31.12.20 as restated
	£	£
Trade debtors	37,546	99,493
Other debtors	8,067	114,793
Prepayments and accrued income	<u>20,169</u>	<u>20,000</u>
	<u>65,782</u>	<u>234,286</u>

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

**22. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - COMPANY**

	31.12.21	31.12.20 as restated
	£	£
Bank loans and overdrafts (see note 24)	96,754	84,350
Trade creditors	56,817	61,505
VAT	13,067	15,117
Other creditors	211,450	91,605
Accruals and deferred income	<u>74,831</u>	<u>65,167</u>
	<u>452,919</u>	<u>317,744</u>

Accruals and deferred income includes deferred income of £70,076 (2020 - £65,167) relating to rental income for future periods.

**22. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - GROUP**

	31.12.21	31.12.20 as restated
	£	£
Bank loans and overdrafts (see note 24)	106,754	88,517
Trade creditors	136,124	145,490
Social security and other taxes	-	14,491
VAT	59,531	23,868
Other creditors	226,414	136,893
Accruals and deferred income	<u>224,836</u>	<u>85,467</u>
	<u>753,659</u>	<u>494,726</u>

Accruals and deferred income includes deferred income of £110,448 (2020 - £71,467). This comprises £35,572 (2020 - £nil) of NEG funding received in advance for childcare services for a term following the year end, £4,800 (2020 - £4,800) of grant income received where performance related conditions were not met as at 31 December 2021, and £70,076 (2020 - £66,667) of rental income received in advance of the period to which it relates.

**23. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - COMPANY**

	31.12.21	31.12.20 as restated
	£	£
Bank loans (see note 24)	<u>2,156,586</u>	<u>2,253,301</u>

**23. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - GROUP**

	31.12.21	31.12.20 as restated
	£	£
Bank loans (see note 24)	<u>2,192,418</u>	<u>2,299,134</u>

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

**24. LOANS - COMPANY**

An analysis of the maturity of loans is given below:

	31.12.21	31.12.20 as restated
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>96,754</u>	<u>84,350</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>202,022</u>	<u>96,754</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>560,093</u>	<u>575,417</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more than 5 years	1,394,471	1,581,130

**24. LOANS – GROUP**

An analysis of the maturity of loans is given below:

	31.12.21	31.12.20 as restated
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>106,754</u>	<u>88,517</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>212,021</u>	<u>106,753</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>585,926</u>	<u>605,417</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more than 5 years	1,394,471	1,586,964

**25. SECURED DEBTS – COMPANY AND GROUP**

The following secured debts are included within creditors:

	31.12.21	31.12.20 as restated
	£	£
Bank loans	<u>2,253,340</u>	<u>2,337,651</u>

The bank loan is secured on investment property.

**The Ethnic Inclusion Foundation**

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

**26. MOVEMENT IN FUNDS - COMPANY**

	At 1.1.21 £	Prior year adjustment £	Net movement in funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	5,833,656	(18,427)	(103,863)	5,711,366
Fair value reserve	<u>7,138,959</u>	<u>-</u>	<u>-</u>	<u>7,138,959</u>
	<u>12,972,615</u>	<u>(18,427)</u>	<u>(103,863)</u>	<u>12,850,325</u>
<b>TOTAL FUNDS</b>	<u><u>12,972,615</u></u>	<u><u>(18,427)</u></u>	<u><u>(103,863)</u></u>	<u><u>12,850,325</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	633,614	(737,477)	(103,863)
	<u>633,614</u>	<u>(737,477)</u>	<u>(103,863)</u>
<b>TOTAL FUNDS</b>	<u><u>633,614</u></u>	<u><u>(737,477)</u></u>	<u><u>(103,863)</u></u>

**Comparatives for movement in funds**

	At 1.1.20 £	Prior year adjustment £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	5,475,473	(18,427)	358,183	5,815,229
Fair value reserve	<u>7,138,959</u>	<u>-</u>	<u>-</u>	<u>7,138,959</u>
	<u>12,614,432</u>	<u>(18,427)</u>	<u>358,183</u>	<u>12,954,188</u>
<b>TOTAL FUNDS</b>	<u><u>12,614,432</u></u>	<u><u>(18,427)</u></u>	<u><u>358,183</u></u>	<u><u>12,954,188</u></u>

**The Ethnic Inclusion Foundation**

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

**26. MOVEMENT IN FUNDS – COMPANY - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,111,199	(753,016)	358,183
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>1,111,199</u>	<u>(753,016)</u>	<u>358,183</u>

**26. MOVEMENT IN FUNDS - GROUP**

	At 1.1.21 £	Prior year adjustment £	Net movement in funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	9,273,904	76,073	(51,202)	9,298,775
Fair value reserve	<u>7,138,959</u>	<u>806,000</u>	-	<u>7,944,959</u>
	16,412,863	882,073	(51,202)	17,243,734
<b>Restricted funds</b>				
Meals and Wellbeing Programme	-	100,000	(100,000)	-
Health and Wellbeing sessions	-	-	2,500	2,500
Theatre re-opening project	<u>-</u>	<u>14,427</u>	<u>46,449</u>	<u>60,876</u>
	-	114,427	(51,051)	63,376
<b>TOTAL FUNDS</b>	<u>16,412,863</u>	<u>996,500</u>	<u>(102,253)</u>	<u>17,307,110</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	2,070,097	(2,121,299)	(51,202)
<b>Restricted funds</b>			
Meals and Wellbeing Programme	-	(100,000)	(100,000)
Health and Wellbeing sessions	2,500	-	2,500
Theatre re-opening project	<u>94,826</u>	<u>(48,377)</u>	<u>46,449</u>
	<u>97,326</u>	<u>(148,377)</u>	<u>(51,051)</u>
<b>TOTAL FUNDS</b>	<u>2,167,423</u>	<u>(2,269,676)</u>	<u>(102,253)</u>

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

**26. MOVEMENT IN FUNDS – GROUP – continued**

**Comparatives for movement in funds**

	At 1.1.20 £	Prior year adjustment £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	9,034,656	60,773	254,548	9,349,977
Fair value reserve	<u>7,138,959</u>	<u>806,000</u>	<u>-</u>	<u>7,944,959</u>
	16,173,615	866,773	254,548	17,294,936
<b>Restricted funds</b>				
Meals and Wellbeing Programme	-	-	100,000	100,000
Theatre re-opening project	<u>-</u>	<u>-</u>	<u>14,427</u>	<u>14,427</u>
	<u>-</u>	<u>-</u>	<u>114,427</u>	<u>114,427</u>
<b>TOTAL FUNDS</b>	<u><u>16,173,615</u></u>	<u><u>866,773</u></u>	<u><u>368,975</u></u>	<u><u>17,409,363</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	2,179,347	(1,924,799)	254,548
<b>Restricted funds</b>			
Meals and Wellbeing Programme	100,000	-	100,000
Theatre re-opening project	<u>14,427</u>	<u>-</u>	<u>14,427</u>
	<u>114,427</u>	<u>-</u>	<u>114,427</u>
<b>TOTAL FUNDS</b>	<u><u>2,293,774</u></u>	<u><u>(1,924,799)</u></u>	<u><u>368,975</u></u>

**Meal and wellbeing programme**

Grants of £100,000 were awarded in 2020 to allow the centre to support both vulnerable individuals and key-workers in Leicester, with a particular focus on the local Belgrave area, throughout the Covid-19 pandemic. This was fully expended in the year ended 31 December 2021.

**Health and wellbeing sessions**

A grant of £2,500 was received during the year so we could raise awareness of Diabetes and support people with their health and wellbeing. This was fully expended in the year ended 31 December 2021.

**Theatre re-opening project**

Multiple grants were awarded during the year to develop and improve the performances on offer at the theatre.

**27. RELATED PARTY DISCLOSURES**

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Trustee, Director and Chairman, A Bhanot is a director and shareholder of Online Accountancy Services Ltd which provides bookkeeping and accountancy services to the charity and its subsidiaries. The bookkeeping fee charged to the subsidiaries was £24,000 for the year. Accountancy fees of £4,000, £3,000 and £5,500 were charged to Peepul Enterprises Limited, Peepul Centre and The Ethnic Inclusion Foundation, respectively.

As at 31 December 2021, Peepul Enterprises Limited owed A Bhanot £2,406 (2020: £14,906).

**THE ETHNIC INCLUSION FOUNDATION**

England & Wales - Charity number 1077002

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# Accounts

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The Charity Registration Number is :- 1077002  
England and Wales :- 03758674

## THE ETHNIC MINORITY FOUNDATION

Report and Accounts

31 December 2020

# THE ETHNIC MINORITY FOUNDATION

## Report and accounts for the year ended 31 December 2020

### Contents

	<b>Page</b>
<b>Annual Report Charity information</b>	1
<b>Trustees' Annual Report</b>	1
<b>Independent auditor's report</b>	15
<b><i>Funds Statements:-</i></b>	
Statement of Financial Activities	16
Statement of Financial Activities - Prior Year statement	17
Statement of total recognised gains and losses	18
Movements in funds	19
Income and Expenditure account	20
<b>Balance sheet</b>	21
<b>Cash flow statement</b>	23
<b>Notes to the accounts</b>	25

## **THE ETHNIC MINORITY FOUNDATION**

### **Trustees' Annual Report for the year ended 31 December 2020**

The Trustees present their Report and Accounts for the year ended 31 December 2020.

#### **Reference and administrative details**

##### ***The charity name.***

The legal name of the charity is:- THE ETHNIC MINORITY FOUNDATION  
The charity is also known by its operating names:- EM FOUNDATION or EMF

##### ***The charity's areas of operation and UK charitable registration.***

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1077002

##### ***Legal structure of the charity***

The governing document of the charity is the constitution of the CIO as approved by the Charity Commission in England & Wales (CCEW) .

The Governing Document is dated 21 April 1999

The trustees are all individuals.

The Charity is also a Limited Company by Guarantee registered at Companies House.  
The Trustees of the Charity are the Directors of the Company

## **THE ETHNIC MINORITY FOUNDATION**

### **Trustees' Annual Report for the year ended 31 December 2020**

**The principal operating address, telephone number, email and web addresses of the charity are:-**

64 Broadway

Boardman House, Stratford

London, E15 1NT

Telephone 02088101664 Email Address [info@emfoundation.org.uk](mailto:info@emfoundation.org.uk) Web address [www.emfoundation.org.uk](http://www.emfoundation.org.uk)

**The Trustees in office on the date the report was approved were:-**

Mr Anil Bhanot OBE, FCA

Mr Surinder Singh Syan LLB

Dr Santosh Bhanot PhD (Appointed 5th May 2020)

Mr Dilip Joshi MBE, FCILT (Appointed 10th June 2020)

Mr Sunil Purohit (Resigned 9th February 2020)

Ms Tangy Morgan (Resigned 11th February 2020)

### **Objects and activities of the charity**

#### ***The purposes of the charity as set out in its governing document.***

The objectives of the EMF group are to promote any charitable purpose in the advancement of social justice policies in the UK, particularly for the Ethnic Minorities and any disadvantaged communities at one level and, on the other hand, continue to invest in social enterprise projects for the upliftment of the communities in art and sports and generally improving life style standards, where applicable with the help of advancing social technologies. The Charity owns community assets which are operated as social enterprises and any surplus is used towards public benefit in line with its charitable objectives.

## **THE ETHNIC MINORITY FOUNDATION**

### **Trustees' Annual Report for the year ended 31 December 2020**

#### ***The main activities undertaken in relation to those purposes during the year.***

EMF manages its business community investment property in order to generate sufficient funds to support its charity works and meet the group's objectives. EMF has carried out projects of social justice and community empowerment with its communities outreach.

EMF runs the East London Centre (ELC) for conferences and meetings at affordable rates for primarily the Ethnic Minority organisations with a charitable ethic e.g., Churches, Foster Care organisations, Police and Security training, Yoga and wellbeing clinics etc.

During 2020 EMF continued developing its charitable projects in India under Peepul Delhi NGO and Peepul Centre Leicester, our wholly owned subsidiary in UK. Peepul Delhi NGO produced and distributed at subsidised costs, products like sanitary napkins and LED bulbs for the disadvantaged communities. In the early part of 2020 two more projects to vocationally train women on sewing and beauty parlour were started for which the take up was fast and growing. However due to Covid Peepul Delhi has primarily made and distributed free meals to the Day Labourer communities in the area in 2020.

Peepul Centre is a national focal point in the Belgrave area of Leicester demonstrably bringing together people from all social, economic and cultural backgrounds. It is a model for a community centre of excellence, delivering high class services in performing arts, dance and music, fitness and sports including for differently-abled individuals, children's nursery facilities, catering and weddings and conference facilities, and generally improving life styles as a social enterprise with charitable aims. The concept is to build and support a vibrant self-sustaining community through innovation, entrepreneurship and partnership working.

The Peepul Centre in this Covid year 2020 prepared and delivered free meals for the vulnerable and NHS staff which has been hugely successful in our aim to help the vulnerable members of the community. From the end of 2020 the Peepul Centre has facilitated its closed theatre for the NHS vaccinations and for the first 5 months in 2021 the NHS has delivered 100,000 vaccinations to the local communities.

The EMF group is achieving its main objectives described above through its group charity structure and Peepul Delhi Charitable NGO.

## **THE ETHNIC MINORITY FOUNDATION**

### **Trustees' Annual Report for the year ended 31 December 2020**

#### ***The main achievements and performance of the charity during the year.***

The EMF group raises its revenue from its own social enterprise activities including property rentals and thus its performance as a successful business is of primary importance.

The Board and Senior Management have developed the India project, as reported above, impacting a substantial number of women through health projects and disadvantaged communities with other products.

Similarly EMF has funded its group companies Peepul Centre and Peepul Enterprises Ltd for community upliftment in the Leicester area through their activities in fitness, arts and children's nursery and various other community based projects.

The Trustees pay particular regard to the Charity Commission's guidance on public benefit in managing the activities of the charity, and indeed the Chairman finds himself privileged to have the support of similarly minded management and staff team committed to do charitable work for communities.

During 2020 Peepul Centre Leicester and Peepul Delhi provided free meals to the local communities.

## **THE ETHNIC MINORITY FOUNDATION**

### **Trustees' Annual Report for the year ended 31 December 2020**

#### ***The main activities undertaken during the period to further the charity's purpose for the public benefit.***

The Trustees have conducted a comprehensive review of the stated objectives of the Charity and its operations for clearly defined public benefit in accordance with the guidelines published by the Charity Commission.

In our EMF group structure, a number of community organisations have benefitted from the meeting-space, arts and music events and considerable partnership events with statutory bodies such as the NHS and Leicester City Council.

The Peepul Centre meets the need for a high quality meeting and conference space - in addition to weddings, social occasions and corporate events - the idea is to place the venue as a "Celebration Place" - celebrating all the events in the life of the community and the individuals that make up the community - a positive focus, bringing out the best of the diverse community. In addition the Peepul Centre has a purpose-built theatre of 314 tiered seats to help make a positive impact on the upliftment of local Belgrave area and wider communities.

The India project now under its changed name Peepul Delhi NGO is progressing well, with a wide impact on disadvantaged communities, particularly on women's health and vocational training.

During 2020 Peepul Centre Leicester and Peepul Delhi have provided cooked meals to local communities and during 2021 the Peepul Centre Leicester has facilitated its theatre space for the NHS vaccinations which is running successfully.

#### ***The charity's strategies for achieving its aims and objectives in the future.***

During the Covid year of 2020 the Charity has been providing cooked free meals in Leicester and in Delhi for the local communities and that work continues in 2021, whilst also the NHS is using Peepul Centre spaces for vaccinations.

## **THE ETHNIC MINORITY FOUNDATION**

### **Trustees' Annual Report for the year ended 31 December 2020**

#### ***The difference the charity's performance during the year has made to the beneficiaries of the charity.***

Under Covid restrictions Peepul Centre is continuing to provide hot free meals to the local vulnerable people and NHS staff and now in 2021 it has also facilitated its spaces for the NHS vaccinations.

Peepul Delhi is serving 400 free hot meals a week to the local disadvantaged communities suffering under Covid restrictions. These meals are prepared and served daily to the day labourer communities in the area.

#### ***Expenditure incurred in the year in order to raise income in the future.***

The communities continue to benefit from the issues around inequalities that still play in the lives of ethnic minorities. At national level EMF raises and discusses these issues with appropriate authorities. The social enterprise activities outlined above help the general well being of communities in Leicester under Peepul Centre Charity, and similarly in India under the Peepul Delhi Charity.

## THE ETHNIC MINORITY FOUNDATION

### Trustees' Annual Report for the year ended 31 December 2020

#### Structure, governance and management of the charity

##### ***The methods used to recruit and appoint new charity trustees.***

Trustees training and recruitment remains an ongoing process. Governance has been strengthened with the appointment of a highly skilled professional team with business and regulatory expertise. One of the Trustees assumes the operational role of running the business as its managing director as the Charity is basically a social enterprise, generating its own revenue through business. Thus the business has to run well with minimal trading risk to the Directors under company law, who are also the Trustees under Charity Law. To ensure good governance, however, the only Trustee who as Managing Director (MD) is paid a reasonable salary is Anil Bhanot who ensures that the business is run efficiently to also help protect all the Directors under company law.

Any public funds received within the EMF Peepul Group are budgeted separately for a full rigorous check by all the Trustees and are spent in line with their approval, whilst one Trustee, independent of the MD, is made responsible to oversee any public funds spending.

Each of the Group Companies has at least one different Trustee on its Board for checks and balances over either of the Group Companies and Charities. However since the charity is essentially a social enterprise generating primarily its own revenue the skill sets to run businesses is of paramount importance to the success of running this particular Charity Group. Thus the Trustees are suitably qualified to suit the needs across the EMF Peepul social enterprise charities group.

Two new Trustees, suitably qualified, to guide the Charity on health and women's issues and on diversity issues, respectively, are appointed to strengthen the EMF Charity.

## **THE ETHNIC MINORITY FOUNDATION**

### **Trustees' Annual Report for the year ended 31 December 2020**

#### ***The policies and procedures for the induction and training of trustees.***

The Board of Trustees carries out an annual review of Governance. The aim is to assess the general effectiveness of the Board and also to identify any changes in process. The Board meets regularly to review the composition of the Trustees and to act on any upcoming vacancies. Trustee vacancies are advertised as necessary. New Trustees are given full induction with all disclosures to date so they can make informed decisions from early on.

None of the members of the group have any beneficial interest in the group and all of the members of the group guarantee to contribute £10 in the event of a winding up.

Any person or corporation desiring to become a trustee of the charity may submit an application in writing to the Board signed by him or her on its behalf for admission in a form approved by the trustees, and every such application shall be considered by each of the existing trustees to be voted upon in the Board where on 2/3rds majority in favour of the appointment is elected. No reason for refusal to admit an application is given.

#### ***The Charity's organisational structure.***

The Charity raises its revenue through its own social enterprise and property rental activities, and therefore this first aspect of the charity is to run the social enterprise business efficiently, in order to create a surplus to be spent on charitable projects. EMF group's social enterprises business is run by one of its directors as the managing director who is also a trustee. This approach ensures minimising any trading risk to other directors who are equally liable to the business and creditors under Company Law.

Then along with the non-executive directors who are also trustees an independent checks and balances approach is exercised overall on the Charity. The non-executive directors/trustees are non-remunerative and comprise at least 2/3rd's of the Board. The Charity's Constitution stipulates that at least 50% of the Trustees must be non-remunerative.

Having experienced major risks to the Board by a former CEO who was under an employee status only, the Board decided to appoint a fellow director in 2015 to manage the social enterprise charity so as to better ensure protection of directors under Company Law. Thus, the management structure is headed by the Managing Director, who is also the elected Chair for the EMF Peepul Group.

#### ***How the charity makes decisions and how decisions are delegated.***

## THE ETHNIC MINORITY FOUNDATION

### Trustees' Annual Report for the year ended 31 December 2020

#### *The charity's relationships with related parties.*

The EMF Board recognised the important role the Chairman played in running the EMF social enterprise charities from the year 2015 when he was appointed as Managing Director, with a nominal salary then of £12,000, to what quickly had turned into an all time consuming major management role. The Board agreed to review Anil Bhanot's salary to a more commensurate level at £45,000, as from 1st April 2020, save Mr Bhanot's waiver in the lockdown. No other Trustee is paid a remuneration.

Mr Anil Bhanot is the shareholder of Online Accountancy Services Ltd which provides accountancy services to the Charity. However, Mani Thapa FCCA a director of Online Accountancy Services Ltd who carries out the work on management accounts, payroll and taxation, and Companies House, Charities Commission and HMRC Returns as well as producing the annual charity accounts, which are then checked and reviewed by the independent Auditors. Online Accountancy Services Ltd provide services at less than the market rates and the fees for Book-keeping and Accountancy are disclosed as charged in the Profit and Loss Account. The Charity saves substantial costs due to this arrangement which used to be spiraling upwards, without delivering quality data.

The Charity employs a Financial Controller who is responsible for all bank transactions and reconciliations which segregates the accountancy duties with Online Accountancy Services Ltd to ensure proper financial checks and balances and in particular the bank is the responsibility of the Financial Controller. The Financial Controller works with Online Accountancy Services staff at the Head Office in London for 50% of the time and for the other 50% of his time he is responsible for financial and management responsibilities at the Peepul Enterprises Limited in Leicester.

The EMF Peepul Group's head office is at the Bhanot & Co. accountancy practice premises owned by Anil Bhanot, for which he charges no rent to the Charities group. The Trustees and the management teams meet at the head office.

Syan Law Ltd, a company owned by Surinder Syan a Trustee was paid £1,260 during the year for his work as Legal Director.

#### **Bankers**

Metro Bank Plc  
1 The Mall  
London  
W5 2PL

## THE ETHNIC MINORITY FOUNDATION

### Trustees' Annual Report for the year ended 31 December 2020

#### Financial review

#### *The charity's financial position at the end of the year ended 31 December 2020*

The financial position of the charity at 31 December 2020 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2020	2019
	£	£
<b>Net income</b>	239,251	1,858
Unrestricted Revenue Funds, include a substantial sum for properties costs	6,890,317	6,620,552
Unrestricted revaluation reserve	7,138,959	7,138,959
<b>Total Unrestricted Funds</b>	<b>14,029,276</b>	<b>13,759,511</b>
Restricted Revenue Funds	2,387,651	2,418,165
<b>Total Restricted Funds</b>	<b>2,387,651</b>	<b>2,418,165</b>
<b>Total Funds</b>	<b>16,416,927</b>	<b>16,177,676</b>

## **THE ETHNIC MINORITY FOUNDATION**

### **Trustees' Annual Report for the year ended 31 December 2020**

#### ***Financial review of the position at the reporting date, 31 December 2020 .***

The trustees consider the financial performance by the charity during the year to have been very satisfactory. The surplus for 2020 is £239,251, (2019: £1,858). The surplus is part-used to continually upgrade the Charity properties and allocate fund for future charitable projects.

The Group's properties in London and Leicester have been independently surveyor-valued at £15m each on existing use basis, but only the London property is revalued in the Accounts, thus creating a revaluation reserve of £7m. The Leicester property is subject to covenants by the Government agencies for its use as an asset for community activities only, which the Trustees are committed to be carrying on doing. The unrestricted reserves include a sum equivalent to the depreciated costs of the properties.

Specific changes in fixed assets are detailed in the notes to the accounts.

#### ***Policies on Reserves.***

The consolidated statement of financial activities shows total incoming resources of £2,206,440 (2019 £2,155,429) and net outgoing resources of £1,967,189 (2019 £2,153,571), in both years the social enterprise activities has generated a surplus for capital expenditure required to upgrade buildings and enable trustees plan to fund future charitable projects.

Reserves policy of EMF is to maintain £150,000 free reserves, which we keep under constant review. Due to cash flow pressures at the Peepul Centre this can fluctuate so it is quarterly reviewed.

Unrestricted reserves, which include a sum represented by property assets, is £14m (2019 £13.8m).

Restricted reserves remain £2.4m (2019 £2.4m), which are bank loans owed by the EMF Social Enterprises Charities Group.

The EMF group sees the 2020 year as a strengthening one, to a greater positive financial health.

#### ***Going Concern***

The Board of Trustees has assessed the going concern of the group in detail and is confident that the group will have adequate resources to continue in operational existence for the foreseeable future.

## **THE ETHNIC MINORITY FOUNDATION**

### **Trustees' Annual Report for the year ended 31 December 2020**

#### ***Availability and adequacy of assets of each of the funds***

The Board of Trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

#### ***Investment policy and investment objectives.***

The Charity continues to invest in social enterprise operations of Peepul Enterprise for communities upliftment while efficiently managing the social enterprise activities to produce a return for the charity in future for other charitable works.

The Charity is investing annually a smaller sum in India to make products for the disadvantaged communities from social technologies available mainly in India. The India project has also now started two vocational training projects for disadvantaged women. The Board had agreed to purchase a small freehold premises, rather than rely on the rental market, and our search continues to purchase a suitable freehold property in Delhi. The idea is to make Peepul Delhi self reliant in the long term, which will also help set up other satellite offices in the subcontinent, as during 2020 we extended Covid assistance to schools in Kathmandu Nepal under a fledgeling Peepul Kathmandu.

#### ***Risks and uncertainties facing the charity.***

Principles risks and uncertainties are reviewed by the Board periodically and regularly in terms of financial risks, reputational risks, liquidity risks, credit risk and regulatory risks.

This year 2020 may increase our business risk in the rental market due to Covid but we will plan to change our rental model accordingly.

## THE ETHNIC MINORITY FOUNDATION

### Trustees' Annual Report for the year ended 31 December 2020

#### **Auditors**

Devdutt Patel

Member of Member of the Association of Chartered Certified Accountants

Baltic House

4 & 5 Baltic Street East

London

EC1Y 0UJ

#### **Statement as to disclosure of information to auditors**

The trustees state that so far as each of the trustees at the time this report was approved are aware:-

- a) There is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the auditors are unaware, and
- b) The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and establish that the auditors are aware of that information.

#### **Statement of Trustees's Responsibilities**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) .

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

## THE ETHNIC MINORITY FOUNDATION

### Trustees' Annual Report for the year ended 31 December 2020

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the auditor in relation to the Trustees' report is limited to examining the report and ensuring that , the report is consistent with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 28 September 2021.

Handwritten signature of Mr Anil Bhanot OBE, consisting of the letters 'ABL' followed by a stylized signature.

Mr Anil Bhanot OBE  
Chairman

**THE ETHNIC MINORITY FOUNDATION**  
**Independent auditors' report**  
**to the members of THE ETHNIC MINORITY FOUNDATION**

We have audited the financial statements of The Ethnic Minority Foundation for the year ended 31 December 2020 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity 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 in the UK and Republic of Ireland"

This report is made solely to the 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 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 company and the 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors 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 Ethical Standards for Auditors.

**Scope of the audit of the accounts**

**A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)**

**Opinion on the accounts**

In our opinion the accounts:

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

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

**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:

- 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 accounts 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 accounts in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Devdutt Patel  
(Senior Statutory Auditor)  
for and on behalf of  
D M Patel & Co  
Accountants and Statutory Auditors  
28 September 2021



Baltic House  
4 & 5 Baltic Street East  
London  
EC1Y 0UJ

**THE ETHNIC MINORITY FOUNDATION - Statement of Financial Activities for the year ended 31 December 2020**

**Statement of Financial Activities for the year ended 31 December 2020**

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2020 £	2020 £	2020 £	2019 £
<b>Income &amp; Endowments from:</b>					
Donations & Legacies	A1	398,156	-	398,156	-
Charitable activities	A2	281,094	-	281,094	6,871
Other trading activities	A3	359,468	-	359,468	848,383
Investments	A4	1,167,722	-	1,167,722	1,300,175
<b>Total income</b>	<b>A</b>	<b>2,206,440</b>	<b>-</b>	<b>2,206,440</b>	<b>2,155,429</b>
<b>Expenditure on:</b>					
Raising funds	B1	597,229	-	597,229	638,445
Charitable activities	B2	1,369,960	-	1,369,960	1,515,126
<b>Total expenditure</b>	<b>B</b>	<b>1,967,189</b>	<b>-</b>	<b>1,967,189</b>	<b>2,153,571</b>
Net gains on investments	B4	-	-	-	-
<b>Net income for the year</b>		<b>239,251</b>	<b>-</b>	<b>239,251</b>	<b>1,858</b>
<b>Net income after transfers</b>	<b>A-B-C</b>	<b>239,251</b>	<b>-</b>	<b>239,251</b>	<b>1,858</b>
<b>Net movement in funds</b>		<b>239,251</b>	<b>-</b>	<b>239,251</b>	<b>1,858</b>
<b>Reconciliation of funds:-</b>					
	<b>E</b>				
<b>Total funds brought forward</b>		13,759,511	2,418,165	16,177,676	9,036,859
<b>Unrestricted Revaluation Reserve</b>					7,138,959
<b>Total funds carried forward</b>		<b>13,998,762</b>	<b>2,418,165</b>	<b>16,416,927</b>	<b>16,177,676</b>

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A Statement of Total Recognised Gains and Losses is included as a primary statement in these accounts.

All activities derive from continuing operations

**THE ETHNIC MINORITY FOUNDATION - Statement of Financial Activities for the year ended 31 December 2020**

The notes attached on pages 19 to 20 form an integral part of these accounts.

	SORP Ref	Prior Year		Prior Year
		Unrestricted Funds	Restricted Funds	Total Funds
		2019 £	2019 £	2019 £
<b>Income &amp; Endowments from:</b>				
Donations & Legacies	A1	-	-	-
Charitable activities	A2	6,871	-	6,871
Other trading activities	A3	848,383	-	848,383
Investments	A4	1,300,175	-	1,300,175
<b>Total income</b>	<b>A</b>	<b>2,155,429</b>	<b>-</b>	<b>2,155,429</b>
<b>Expenditure on:</b>				
Raising funds	B1	638,445	-	638,445
Charitable activities	B2	1,515,126	-	1,515,126
<b>Total expenditure</b>	<b>B</b>	<b>2,153,571</b>	<b>-</b>	<b>2,153,571</b>
<b>Net income for the year</b>		<b>1,858</b>	<b>-</b>	<b>1,858</b>
<b>Net income after transfers</b>		<b>1,858</b>	<b>-</b>	<b>1,858</b>
Net gains on revaluation of fixed assets	D1	7,150,000	-	-
<b>Net movement in funds</b>		<b>7,151,858</b>	<b>-</b>	<b>1,858</b>
<b>Reconciliation of funds:-</b>	<b>E</b>			
<b>Total funds brought forward</b>		<b>9,262,681</b>		<b>9,036,859</b>
<b>Unrestricted Revaluation Reserve</b>				<b>7,138,959</b>
<b>Total funds carried forward</b>		<b>16,414,539</b>	<b>-</b>	<b>16,177,676</b>

All activities derive from continuing operations

**THE ETHNIC MINORITY FOUNDATION - Statement of Financial Activities for the year ended 31 December 2020**

	2020 £	2019 £
Funds generated in the year as detailed in the SOFA	239,251	1,858
Resources applied on functional fixed assets	(19,648)	(3,688,699)
<b>Net resources available to fund charitable activities</b>	<b>219,603</b>	<b>(3,686,841)</b>

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

The notes attached on pages 19 to 20 form an integral part of these accounts.

**Movements in revenue and capital funds for the year ended 31 December 2020**

**Revenue accumulated funds**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Last year Total Funds 2019 £
Accumulated funds brought forward	6,651,066	2,387,651	9,038,717	2,416,307
Recognised gains and losses before transfers	239,251	-	239,251	1,858
	<b>6,890,317</b>	<b>2,387,651</b>	<b>9,277,968</b>	<b>2,418,165</b>
<b>Closing revenue funds</b>	<b>6,890,317</b>	<b>2,387,651</b>	<b>9,277,968</b>	<b>2,418,165</b>

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Last year Total Funds 2019 £
At 1 January	7,138,959	-	7,138,959	6,620,552
Net gains on revaluation of fixed assets	-	-	-	7,138,959
<b>At 31 December</b>	<b>7,138,959</b>	<b>-</b>	<b>7,138,959</b>	<b>13,759,511</b>

**Summary of funds**

	Unrestricted and Designated funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Last Year Total Funds 2019 £
Revenue accumulated funds	6,890,317	2,387,651	9,277,968	2,418,165
Revaluation reserve fund	7,138,959	-	7,138,959	13,759,511
<b>Total funds</b>	<b>14,029,276</b>	<b>2,387,651</b>	<b>16,416,927</b>	<b>16,177,676</b>

**THE ETHNIC MINORITY FOUNDATION - Statement of Financial Activities for the year ended 31 December 2020**

**THE ETHNIC MINORITY FOUNDATION  
Income and Expenditure Account for the year ended 31 December 2020 as required by the Companies Act 2006**

	2020 £	2019 £
<b>Income</b>		
Income from operations	1,038,718	855,254
Investment income and interest		
Income from investments, other than interest receivable	1,167,450	1,299,824
Interest receivable	272	351
<b>Gross income in the year before exceptional items</b>	<b>2,206,440</b>	<b>2,155,429</b>
<b>Gross income in the year including exceptional items</b>	<b>2,206,440</b>	<b>2,155,429</b>
<b>Expenditure</b>		
Charitable expenditure, excluding depreciation and amortisation	1,170,392	1,307,984
Depreciation and amortisation	108,377	112,517
Fundraising costs	597,229	638,445
Governance costs	12,500	10,254
Interest payable	78,691	84,371
Realised losses on disposals of social investments which are programme related	-	-
<b>Total expenditure in the year</b>	<b>1,967,189</b>	<b>2,153,571</b>
<b>Net income before tax in the financial year</b>	<b>239,251</b>	<b>1,858</b>
Tax on surplus on ordinary activities	-	-
<b>Net income after tax in the financial year</b>	<b>239,251</b>	<b>1,858</b>
<b>Retained surplus for the financial year</b>	<b>239,251</b>	<b>1,858</b>

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

**The notes attached on pages 19 to 20 form an integral part of these accounts.**

**THE ETHNIC MINORITY FOUNDATION - Balance Sheet as at 31 December 2020**

	SORP		2020	2019
	Note	Ref	£	£
<b>Fixed assets</b>				
	A			
Tangible assets	8	A2	3,656,640	3,745,369
Investments held as fixed assets	10	A4	15,000,000	15,000,000
<b>Total fixed assets</b>			<u>18,656,640</u>	<u>18,745,369</u>
<b>Current assets</b>				
	B			
Stocks		B1	6,715	6,865
Debtors	12	B2	172,223	55,499
Cash at bank and in hand		B4	408,810	281,125
<b>Total current assets</b>			<u>587,748</u>	<u>343,489</u>
<b>Creditors: amounts falling due within one year</b>	13	C1	<u>(439,810)</u>	<u>(493,017)</u>
<b>Net current assets/(liabilities)</b>			147,938	(149,528)
			<u>18,804,578</u>	<u>18,595,841</u>
<b>Total assets less current liabilities</b>				
Creditors: amounts falling due after more than one year	14	C2	(2,387,651)	(2,418,165)
<b>The total net assets of the charity</b>			<u>16,416,927</u>	<u>16,177,676</u>
 <b>The total net assets of the charity are funded by the funds of the charity, as follows:-</b>				
<b>Restricted funds</b>				
Restricted Revenue Funds	18	D2	<u>2,387,651</u>	<u>2,418,165</u>
			2,387,651	2,418,165
<b>Unrestricted Funds</b>				
Unrestricted Revenue Funds	18	D3	6,890,317	6,620,552
Unrestricted Revaluation Reserve	18	D4	<u>7,138,959</u>	<u>7,138,959</u>
			14,029,276	13,759,511
<b>Designated Funds</b>				
<b>Total charity funds</b>			<u>16,416,927</u>	<u>16,177,676</u>

## THE ETHNIC MINORITY FOUNDATION - Balance Sheet as at 31 December 2020

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The charity is subject to audit under charity legislation, and the report of the Charities Act auditor is on page 11.

The Trustees are satisfied that, although the charity is not registered under the Companies Acts, if it were so registered, it would be eligible to prepare accounts in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.

A handwritten signature in black ink, appearing to be 'AB' followed by a stylized flourish.

**Mr Anil Bhanot OBE**

Trustee

Approved by the board of trustees on 28 September 2021

**THE ETHNIC MINORITY FOUNDATION**

**Cash Flow Statement for the year ended 31 December 2020**

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities as shown below	A <u>(1,020,363)</u>	<u>(11,167,126)</u>
<b>Cash flows from investing activities</b>		
Interest received	272	351
Other investment income, including rents from investments	1,167,450	1,299,824
Proceeds from sale of property, plant and equipment	-	3,655,442
Purchase of property, plant and equipment	(19,648)	(33,257)
Purchase of investments	-	(5,018,674)
<b>Net cash provided by /(used in )investing activities</b>	B <u>1,148,074</u>	<u>(96,314)</u>
<b>Cash flows from financing activities</b>		
Cash inflows from new borrowings	(30,514)	122,579
<b>Net cash (used in )/provided by financing activities</b>	C <u>(30,514)</u>	<u>122,579</u>
<b>Overall cash provided by /(used in )all activities</b>	A+B+C <u>97,197</u>	<u>(11,140,861)</u>
<b>Cash movements</b>		
Change in cash and cash equivalents from activities in the year ended 31 December 2020	127,710	(11,140,861)
Cash and cash equivalents at 1 January 2020	281,100	217,528
<b>Cash at bank and in hand less overdrafts at 31 December</b>	<u>408,810</u>	<u>(10,923,333)</u>

**THE ETHNIC MINORITY FOUNDATION**

**Cash Flow Statement for the year ended 31 December 2020**

**THE ETHNIC MINORITY FOUNDATION**

**Cash Flow Statement for the year ended 31 December 2020 - Continued**

**Reconciliation of net income to net cash flow from operating activities**

Net income as shown in the Statement of Financial Activities	239,251	1,858
<b>Adjustments for :-</b>		
Depreciation charges	108,377	112,517
Write downs of investments	-	-
Net gains on investment assets	-	(9,981,326)
Dividends, interest and rents from investments	(1,167,722)	(1,300,175)
Decrease in stocks	150	-
Increase in debtors	(116,724)	-
Decrease in creditors, excluding loans	(83,695)	-
<b>Net cash used in operating activities</b>	<b>A</b>	
	<u>(1,020,363)</u>	<u>(11,167,126)</u>

**Analysis of cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cash in hand at for the year ended 31 December 2020	408,810	281,126
Overdrafts facility repayable on demand	-	(26)
<b>Total cash and cash equivalents</b>	<u><b>408,810</b></u>	<u><b>281,100</b></u>

# THE ETHNIC MINORITY FOUNDATION

## Notes to the Accounts for the year ended 31 December 2020

### 1 Accounting policies

#### *Policies relating to the production of the accounts.*

##### **Basis of preparation and accounting convention**

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) published by the Charity Commission in England & Wales (CCEW) ,effective January 2016, (The SORP), and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

##### **Nature of income**

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

##### **Categories of Income**

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

**Income from exchange transactions** is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

**Income from a non-exchange transaction** is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

## THE ETHNIC MINORITY FOUNDATION

### Notes to the Accounts for the year ended 31 December 2020

#### Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

#### Accounting for deferred income and income received in advance

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

#### Income from legacies

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied that the property in question will not be required to satisfy claims in the estate, that it is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then the amount concerned is treated as an adjusting event and accrued as income in the accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of the life tenant.

If it is doubtful that full settlement of a legacy debtor will be received, then an adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the Statement of Financial Activities

## THE ETHNIC MINORITY FOUNDATION

### Notes to the Accounts for the year ended 31 December 2020

#### Donated goods, facilities and services

**Donated fixed assets** are recognised at the current fair value. All such donations are recognised as donation income, and debited to fixed assets.

**Donated goods that are not fixed assets** are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt. When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

The carrying amount of any stock held for distribution is assessed for impairment at the reporting date. All donated goods are recognised as donation income, and debited to trading stock. When trading stock is subsequently sold, or appropriated to meet an expense, then the carrying value of the stock is recognised as an expense. In accordance with the SORP, goods donated for distribution to beneficiaries, or for consumption by the charity are included in '*legacies and donations*'. Goods donated for resale are included in '*Income from other trading activities*'.

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt. If the goods held are to be distributed freely or for a nominal consideration, then the carrying amount is subsequently adjusted to reflect the lower of deemed cost adjusted for any loss of service potential and replacement cost. Replacement cost is the economic cost incurred if the charity was to replace the service potential of the donated goods at its own expense in the most economic manner.

**Donated services and facilities** (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received, (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

#### Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

## THE ETHNIC MINORITY FOUNDATION

### Notes to the Accounts for the year ended 31 December 2020

#### Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

#### Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

**Staffing** - on the basis of time spent in connection with any particular activity.

**Staffing** - on a per capita basis, based on the number of people employed within any particular activity.

**Premises related costs** - on the proportion of floor area occupied by a particular activity.

**Non specific support costs** - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

**Estimation techniques** used in apportioning costs - give details

#### Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note7.

#### *Policies relating to assets, liabilities and provisions and other matters.*

##### Fixed Asset Investments

Fixed asset investments in quoted shares, traded bonds, investment properties and similar investments are shown initially at cost upon acquisition and at their market value at the balance sheet date at the end of the financial period. Investment properties are not depreciated.

Fixed asset investments in unlisted equities are shown at the balance sheet date at the best estimate of their market value, where practicable. Where valuation techniques are considered unreliable or where, in the opinion of the trustees, the costs outweigh the benefits to the users of the accounts, the investment is included at cost, and a review is undertaken at each year end as to whether the asset should be written down.

Investments in subsidiaries, associates and joint ventures

All gains on fixed asset investments, whether realised or unrealised, are included in row B4 of the Statement of Financial Activities.

##### Social Investments

Any realised gains or losses on any programme related investment assets are included in row A5 of the Statement of Financial Activities (The SOFA). All gains on other social investments, whether realised or unrealised, are included in row B4 of the Statement of Financial Activities

## THE ETHNIC MINORITY FOUNDATION

### Notes to the Accounts for the year ended 31 December 2020

#### Intangible assets

Negative goodwill up to the fair value of the non-monetary assets acquired is recognised in the statement of financial activities in the periods in which the non-monetary assets are recovered, whether through depreciation or sale. Any negative goodwill in excess of the fair value of the non-monetary assets acquired is recognised in the statement of

#### Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over estimated useful lives.

Freehold Premises	2 % acquisition cost of Peeple Centre property
Leasehold premises	0 % on investment property
Fixtures, fittings & equipment	20 % Reducing balance

Investment properties are included in the balance sheet at their open market value, Although this accounting policy is in accordance with the SORP, it is departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In opinion of the Trustees compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or qualified.

#### Accounting for capital grants and fixed asset funds.

Gifts of tangible fixed assets or grants of a capital nature, given for the purposes of acquiring specific assets to be fully utilised in the furtherance of the objects of the charity, are credited to fixed asset funds after the donated asset has been received or sums have been properly expended on the restricted purpose.

Where the terms of the gift require the charity to hold the asset on an ongoing basis for a specific purpose, then the fixed asset fund so created is categorised as a restricted fixed asset fund, and the relevant restrictions are noted in the fixed asset note 8.

Where the terms of the gift are met once the asset is acquired, so allowing the charity to use the asset on an unrestricted basis, including the right to receive the proceeds of any future sale of the asset on an unrestricted basis, then the fixed asset fund so created is categorised as a designated fixed asset fund.

When assets are acquired for the furtherance of the charity's objects, utilising the charity's own unrestricted funds, a transfer is made from unrestricted funds to a designated fixed asset fund.

Whether acquired with unrestricted or restricted funds, the asset acquired is initially shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

As the related assets are depreciated, in accordance with the depreciation policy, in order to reflect the diminution in the asset, a transfer is made from the relevant fixed asset funds to either unrestricted or restricted revenue funds, as appropriate to the terms of the original gift, if any.

The effect of this policy is that the aggregate of all fixed asset funds shall equate to the net book value of fixed assets.

In the first year that this policy was adopted, a transfer to fixed asset funds was made equivalent to the net book value of the assets.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

## THE ETHNIC MINORITY FOUNDATION

### Notes to the Accounts for the year ended 31 December 2020

#### Stocks and work in progress

Stock is valued at the lower of cost and net realisable value.

#### Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

#### Financial instruments including cash and bank balances

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### (Basic financial assets)

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

#### (Basic financial liabilities)

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

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

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

#### Leasing and hire purchase contracts and commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

## THE ETHNIC MINORITY FOUNDATION

### Notes to the Accounts for the year ended 31 December 2020

#### Pensions - defined contribution schemes

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

#### Pensions - defined benefit schemes

The company operates a defined benefit pension scheme. Contributions are charged to the profit and loss account and liabilities are accounted for in accordance with the principles set out in module 17 of the SORP.

## 2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is recoverable by the charity, and is therefore not included in the relevant costs in the Statement of Financial Activities.

## 3 Net surplus before tax in the financial year

	2020	2019
	£	£

The net surplus before tax in the financial year is stated after charging:-

Depreciation of owned fixed assets	108,377	112,517
Pension costs	11,452	12,519
Auditors' remuneration	12,500	10,000
	<hr/>	<hr/>

## 4 Interest payable

	2020	2019
	£	£

Loan interest	78,691	84,371
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# THE ETHNIC MINORITY FOUNDATION

## Notes to the Accounts for the year ended 31 December 2020

### 5 Staff costs and emoluments

<b>Salary costs</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Gross Salaries excluding trustees and key management personnel	831,649	890,376
Employer's National Insurance for all staff	30,969	42,301
Employer's contribution to defined benefit pension schemes	3,467	3,904
Employer's operating costs of defined contribution pension schemes	7,985	8,615
Trustees' Remuneration as detailed in note 0	-	-
<b>Total salaries, wages and related costs</b>	<b>874,070</b>	<b>945,196</b>

<b>Numbers of full time employees or full time equivalents</b>	<b>2020</b>	<b>2019</b>
The average number of total staff employed in the year was	53	51
The average number of part time staff employed in the year was	12	11
The average number of full time staff employed in the year was	42	42
The estimated full time equivalent number of all staff employed in the year was	47	46

**The estimated equivalent number of full time staff deployed in different activities in the year was:-**

Engaged on charitable activities	37	35
Engaged on management and administration	10	10
<b>The estimated full time equivalent number of all staff employed as above</b>	<b>47</b>	<b>46</b>

Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

**The pension details of such higher paid staff were :-**

	<b>£</b>	<b>£</b>
	<b>No</b>	<b>No</b>
<b>Numbers of such staff to whom benefits are accruing :-</b>		
Auto enrolment pension schemes	43	42
	<b>43</b>	<b>42</b>

## THE ETHNIC MINORITY FOUNDATION

### Notes to the Accounts for the year ended 31 December 2020

#### 6 Trustees' expenses

The expenses reimbursed to trustees, or paid directly to third parties, in the current or prior year, was as shown below.

	2020	2019
	£	£
The amount reimbursed to trustees	-	254

The nature of the trustees' expenses was travel, subsistence etc.  
The number of trustees' to whom expenses were reimbursed was 2.

#### 7 Deferred income - Unrestricted and Designated funds

	Opening Deferrals	Released from prior years	Received less released in year	Deferred at year end
	£	£	£	£
Quarterly Invoices	115,317	-	-	101,803
<b>Total</b>	<u>115,317</u>	<u>-</u>	<u>-</u>	<u>101,803</u>
			2020	2019
			£	£
<b>These deferrals are included in creditors</b>			<u>101,803</u>	<u>115,317</u>

The deferrals included in creditors relate to quarterly invoices.

#### 8 Tangible fixed assets

	Land and Buildings	Fixtures, fittings, tools and equipment	Motor Vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2020	4,205,599	589,136	-	4,794,735
Additions	-	19,648	-	19,648
<b>At 31 December 2020</b>	<u>4,205,599</u>	<u>608,784</u>	<u>-</u>	<u>4,814,383</u>
<b>Depreciation</b>				
Transfers to Investments Property	573,880	475,486	-	1,049,366
Charge for the year	84,378	23,999	-	108,377
<b>At 31 December 2020</b>	<u>658,258</u>	<u>499,485</u>	<u>-</u>	<u>1,157,743</u>
<b>Net book value</b>				
At 31 December 2020	<u>3,547,341</u>	<u>109,299</u>	<u>-</u>	<u>3,656,640</u>
At 31 December 2019	<u>3,631,719</u>	<u>113,650</u>	<u>-</u>	<u>3,745,369</u>

## THE ETHNIC MINORITY FOUNDATION

### Notes to the Accounts for the year ended 31 December 2020

#### 9 Revaluation Reserve

Revaluation of the Boardman House has been done on 10 October 2019 by Mr Peter Costello a RICS Registered Valuer, which the directors accept at £15 million existing use basis. No depreciation is charged on Boardman House as it's an investment property.

#### 10 Investments held as fixed assets

	Investments in subsidiaries	Listed investments	Other Classes of Investment	Total
	£	£	£	£
<b>Carrying values of investments</b>				
At 1 January 2020	-	-	15,000,000	15,000,000
<b>At 31 December 2020</b>	<b>-</b>	<b>-</b>	<b>15,000,000</b>	<b>15,000,000</b>
<b>Analysis between fair value and historical cost</b>				
Investments as above held at fair value	-	-	15,000,000	15,000,000

#### Analysis of Other Classes of Investment

	Included at historical cost, less write down	Included at fair value	Total
	£	£	£
<b>Summary of other classes of investments at 31 December 2020</b>			
Cash or cash equivalents	-	15,000,000	15,000,000

#### 11 Stocks & Work in Progress

	2020 £	2019 £
Stocks	6,715	6,865
	<u>6,715</u>	<u>6,865</u>

## THE ETHNIC MINORITY FOUNDATION

### Notes to the Accounts for the year ended 31 December 2020

#### 12 Debtors

	2020	2019
	£	£
Trade debtors	86,388	39,100
Other debtors	85,835	16,399
	<u>172,223</u>	<u>55,499</u>

#### 13 Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	-	26
Trade creditors	159,757	193,047
Accruals	60,740	85,239
Deferred Income - Unrestricted & designated funds	101,803	115,317
PAYE, NIC VAT and other taxes	40,625	92,196
Other creditors	76,885	7,192
	<u>439,810</u>	<u>493,017</u>

#### 14 Creditors: amounts falling due after one year

	2020	2019
	£	£
Bank loans and overdrafts	2,387,651	2,418,165

#### 15 Revaluation reserve

	Current year Unrestricted Funds 2020	Current year Restricted Funds 2020	Current year Total Funds 2020	Prior Year Total Funds 2019
	£	£	£	£
At 1 January 2020	7,138,959		7,138,959	7,138,959
At 31 December 2020	<u>7,138,959</u>	<u>-</u>	<u>7,138,959</u>	<u>7,138,959</u>

#### 16 Income and Expenditure account summary

	2020	2019
	£	£
At 1 January 2020	1,858	-
Surplus for the year	239,251	1,858
At 31 December 2020	<u>241,109</u>	<u>1,858</u>

# THE ETHNIC MINORITY FOUNDATION

## Notes to the Accounts for the year ended 31 December 2020

### 17 Particulars of how particular funds are represented by assets and liabilities

<i>At 31 December 2020</i>	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	(88,729)	-	3,745,369	3,656,640
Investments at valuation:-				
<i>Fixed asset investments</i>	15,000,000	-	-	15,000,000
Current Assets	(1,799,903)	-	2,387,651	587,748
Current Liabilities	(439,810)	-	-	(439,810)
Long Term Liabilities	(2,387,651)	-	-	(2,387,651)
	<b>10,283,907</b>	<b>-</b>	<b>6,133,020</b>	<b>16,416,927</b>
<i>At 1 January 2020</i>	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	-	-	3,745,369	3,745,369
Investments at valuation:-				
Fixed asset investments	15,000,000	-	-	15,000,000
Current Assets	(2,044,162)	-	2,387,651	343,489
Current Liabilities	(493,017)	-	-	(493,017)
	<b>10,044,656</b>	<b>-</b>	<b>6,133,020</b>	<b>16,177,676</b>

### 18 Change in total funds over the year as shown in Note 17 , analysed by individual funds

	Funds brought forward from 2019 £	Movement in funds in 2020 See Note 19 £	Transfers between funds in 2020 See Note 19 £	Funds carried forward to 2021 £
<i>Unrestricted and designated funds:-</i>				
Unrestricted Revenue Funds	6,651,066	239,251	-	6,890,317
Unrestricted Revaluation Reserve	7,138,959	-	-	7,138,959
<b>Total unrestricted and designated funds</b>	<b>13,790,025</b>	<b>239,251</b>	<b>-</b>	<b>14,029,276</b>
<i>Restricted funds:-</i>				
Restricted Revaluation Reserve		-	-	-
General fund	2,387,651	-	-	2,387,651
<b>Total restricted funds</b>	<b>2,387,651</b>	<b>-</b>	<b>-</b>	<b>2,387,651</b>
<b>Total charity funds</b>	<b>16,177,676</b>	<b>239,251</b>	<b>-</b>	<b>16,416,927</b>

### 19 Analysis of movements in funds over the year as shown in Note 18

	Income 2020 £	Expenditure 2020 £	Other Gains & Losses 2020 £	Movement in funds 2020 £
<i>Unrestricted and designated funds:-</i>				
Unrestricted Revenue Funds	2,206,440	(1,967,189)	-	239,251
Unrestricted Revaluation Reserve	-	-	-	-
	<b>2,206,440</b>	<b>(1,967,189)</b>	<b>-</b>	<b>239,251</b>

## THE ETHNIC MINORITY FOUNDATION

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

*This analysis is classified by conventional nominal descriptions and not by activity.*

### 20 Donations and Legacies

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2020	2020	2020	2019
	£	£	£	£
<b>Revenue grants from government and public bodies</b>				
Leicester City Grant	39,222	-	39,222	-
<b>Total public sector revenue grants</b>	<b>39,222</b>	<b>-</b>	<b>39,222</b>	<b>-</b>
<b>Grants receivable - Coronavirus Job Retention Scheme</b>				
<b>Total Grants receivable - Coronavirus Job Retention Scheme</b>	<b>358,934</b>	<b>-</b>	<b>358,934</b>	<b>-</b>
<b>Total Donations and Legacies A1</b>	<b>398,156</b>	<b>-</b>	<b>398,156</b>	<b>-</b>

### 21 Income from charitable activities - Trading Activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2020	2020	2020	2019
	£	£	£	£
<b>Primary purpose and ancillary trading</b>				
Arts Council Funding	35,000	-	35,000	6,871
Cultural Recovery Fund - 1	129,841	-	129,841	-
Charitable activities income	4,772	-	4,772	-
<b>Total Primary purpose and ancillary trading</b>	<b>169,613</b>	<b>-</b>	<b>169,613</b>	<b>6,871</b>

## THE ETHNIC MINORITY FOUNDATION

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

### 22 Charitable income from funders

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
<b>Grants Income</b>				
Big Lottery - Sports	4,800	-	4,800	-
Leicester & Rutland Fund - 1	5,000	-	5,000	-
Leicester & Rutland Fund - 2	10,000	-	10,000	-
Community Lottery Grant	9,225	-	9,225	-
Defra Grant	42,502	-	42,502	-
<b>Total Grants Income</b>	<b>111,481</b>	<b>-</b>	<b>111,481</b>	<b>-</b>
<b>Total Charitable income from funders</b>	<b>111,481</b>	<b>-</b>	<b>111,481</b>	<b>-</b>

### 23 Total Income from charitable activities

	Current year Unrestricted Funds £ 2020	Current year Restricted Funds £ 2020	Current year Total Funds £ 2020	Prior Year Total Funds £ 2019
Total income from charitable trading	169,613	-	169,613	6,871
Total Charitable income from funders	111,481	-	111,481	-
<b>Total from charitable activities</b> A2	<b>281,094</b>	<b>-</b>	<b>281,094</b>	<b>6,871</b>

### 24 Income from other, trading activities

	2020 Current year Unrestricted Funds 2020 £	2020 Current year Restricted Funds 2020 £	2020 Current year Total Funds 2020 £	2019 Prior Year Total Funds 2019 £
Trading activities to raise funds for the charity	359,468	-	359,468	848,383
<b>Total from other activities</b> A3	<b>359,468</b>	<b>-</b>	<b>359,468</b>	<b>848,383</b>

## THE ETHNIC MINORITY FOUNDATION

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

### 25 Investment income

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Property Rental Income	1,167,450	-	1,167,450	1,299,824
Bank Interest Receivable	272	-	272	351
<b>Total investment income</b>	<b>A4</b>	<b>-</b>	<b>1,167,722</b>	<b>1,300,175</b>

### 26 Expenditure on charitable activities - Direct spending

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Gross wages and salaries - charitable activities	601,341	-	601,341	612,884
Employers' NI - Charitable activities	24,148	-	24,148	33,994
Defined contribution pension costs - charitable activities	7,985	-	7,985	8,615
Travel and Subsistence - Charitable Activities	-	-	-	3,974
Marketing and advertising of charitable services	2,689	-	2,689	11,041
Rates	4,139	-	4,139	16,416
Direct cost	100,925	-	100,925	210,669
Bad debts	-	-	-	16,405
Light and heat	63,817	-	63,817	85,078
Cleaning	20,285	-	20,285	13,391
Insurance	10,979	-	10,979	18,097
Repairs and maintenance	55,763	-	55,763	65,447
Sundry expenses	2,286	-	2,286	2,263
<b>Total direct spending</b>	<b>B2a</b>	<b>-</b>	<b>894,357</b>	<b>1,098,274</b>

## THE ETHNIC MINORITY FOUNDATION

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

### 27 Expenditure on charitable activities - Charitable trading

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Software	2,752	-	2,752	3,817
Printing, postage and stationery	2,098	-	2,098	3,952
Telephone	11,482	-	11,482	14,385
Computer costs	4,604	-	4,604	4,602
Equipment Hire and Leasing	13,698	-	13,698	20,395
Subscriptions	2,398	-	2,398	3,557
Legal & Professional fees	1,446	-	1,446	-
Security	-	-	-	28,285
Staff training and welfare	739	-	739	760
Hygiene	-	-	-	9,245
Equipment expensed	7,449	-	7,449	10,331
<b>Total charitable trading costs B2b</b>	<b>46,666</b>	<b>-</b>	<b>46,666</b>	<b>99,329</b>

### 28 Expenditure on charitable activities- Grant funding of activities

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Grants made to organisations	27,681	-	27,681	37,611
Costs relating to the award of grants	179,137	-	179,137	6,871
<b>Total grantmaking costs B2c</b>	<b>206,818</b>	<b>-</b>	<b>206,818</b>	<b>44,482</b>

## THE ETHNIC MINORITY FOUNDATION

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

### Breakdown of Grants made to organisations

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
EMF grants analysed	27,681	-	27,681	37,611
	<b>27,681</b>	<b>-</b>	<b>27,681</b>	<b>37,611</b>

### 29 Support costs for charitable activities

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
<b>Professional fees paid to advisors other than the auditor or examiner</b>				
Accountancy fees other than audit fees	12,500	-	12,500	10,000
Legal fees	1,260	-	1,260	-
Management fees	-	-	-	50,922
<b>Financial costs</b>				
Bank charges	8,791	-	8,791	4,977
Loan interest	78,691	-	78,691	84,371
Depreciation & Amortisation in total for the period	108,377	-	108,377	112,517
<b>Support costs before reallocation</b>	<b>209,619</b>	<b>-</b>	<b>209,619</b>	<b>262,787</b>
<b>Total support costs</b>	<b>209,619</b>	<b>-</b>	<b>209,619</b>	<b>262,787</b>

The basis of allocation of costs between activities is described under accounting policies

### 30 Other Expenditure - Governance costs

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Auditor's fees	12,500	-	12,500	10,000
Trustees' expenses	-	-	-	254
<b>Total Governance costs</b>	<b>12,500</b>	<b>-</b>	<b>12,500</b>	<b>10,254</b>

## THE ETHNIC MINORITY FOUNDATION

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

### 31 Total Charitable expenditure

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2020	2020	2020	2019
		£	£	£	£
Total direct spending	<b>B2a</b>	894,357	-	894,357	1,098,274
Total charitable trading costs	<b>B2b</b>	46,666	-	46,666	99,329
Total grantmaking costs	<b>B2c</b>	206,818	-	206,818	44,482
Total support costs	<b>B2d</b>	209,619	-	209,619	262,787
Total Governance costs	<b>B2e</b>	12,500	-	12,500	10,254
<b>Total charitable expenditure</b>	<b>B2</b>	<b>1,369,960</b>	<b>-</b>	<b>1,369,960</b>	<b>1,515,126</b>

### 32 Expenditure on raising funds and costs of investment management

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2020	2020	2020	2019
		£	£	£	£
Hardware & software		5,051	-	5,051	4,893
Legal fees		6,527	-	6,527	10,100
Book-keeping fees		18,100	-	18,100	16,602
Travel expenses		1,051	-	1,051	1,754
Movement in stock for non primary purpose trading		-	-	-	64
Property repairs and maintenance for non charitable property		54,109	-	54,109	81,981
Light & heat		71,113	-	71,113	94,156
Rates		52,257	-	52,257	55,715
Insurances		22,725	-	22,725	19,046
Other premises costs		2,451	-	2,451	2,733
Phone & broadband		6,699	-	6,699	11,370
Fund Raising cost		-	-	-	21,520
Gross wages and salaries - fundraising		230,308	-	230,308	277,492
Employers' NI - fundraising activities		6,821	-	6,821	8,307
Defined benefit pension costs - fundraising activities		3,467	-	3,467	3,904
Cleaning		25,659	-	25,659	26,121
Stationery and printing		572	-	572	242
Bad debts		85,796	-	85,796	-
Staff training and welfare		4,523	-	4,523	2,445
<b>Total fundraising costs</b>	<b>B1</b>	<b>597,229</b>	<b>-</b>	<b>597,229</b>	<b>638,445</b>

## THE ETHNIC MINORITY FOUNDATION

Activity analysis of Income and expenditure for the for the year ended 31 December 2020

*This analysis is classified by activity and not by conventional nominal descriptions.*

### 33 Analysis of income by activity

	SOFA ref	2020 £	2019 -
<b>Activity</b>			
<b>Income from charitable activities</b>			
Investment activities		281,094	-
Other income resources		-	6,871
<b>Total Income from charitable activities</b>	<b>A2</b>	<b>281,094</b>	<b>6,871</b>

#### *Summary of Total Income, including the items above*

Charitable activities	A2	281,094	6,871
Other activities	A3	359,468	848,383
Donations & Legacies	A1	398,156	-
Investment income	A4	1,167,722	1,300,175
<b>Total income as shown in the SOFA</b>	<b>A</b>	<b>2,206,440</b>	<b>2,155,429</b>

### 34 Analysis of charitable expenditure by activity

Activity	Direct costs	Support costs	Grant funding of activities	Total	Total
	2020 £	2020 £	2020 £	2020 £	2019 £
<b>Investment activities</b>					
Charitable trading costs					
Professional fees	-	13,760	-	13,760	10,000
Financial costs	-	163,394	-	163,394	196,888
<b>Total Investment activities</b>	<b>-</b>	<b>177,154</b>	<b>-</b>	<b>177,154</b>	<b>206,888</b>

## THE ETHNIC MINORITY FOUNDATION

### Activity analysis of Income and expenditure for the for the year ended 31 December 2020

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2020	2020	2020	2020	2019
	£	£	£	£	£
<b>Charitable activities</b>					
Direct costs	894,357	-	-	894,357	764,364
Charitable trading costs	46,666	-	-	46,666	98,539
Amortisation and Loan Interest costs	-	32,465	-	32,465	(99,654)
Grants paid	-	-	206,818	206,818	43,455
<b>Total Charitable activities</b>	<b>941,023</b>	<b>32,465</b>	<b>206,818</b>	<b>1,180,306</b>	<b>806,704</b>

#### Summary of charitable costs by activity

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2020	2020	2020	2020	2019
	£	£	£	£	£
Total Investment activities	-	177,154	-	177,154	206,888
Total Charitable activities	941,023	32,465	206,818	1,180,306	806,704
Total Governance costs as detailed in Note 30	-	12,500	-	12,500	10,254
<b>Total charitable expenditure</b>	<b>941,023</b>	<b>222,119</b>	<b>206,818</b>	<b>1,369,960</b>	<b>1,023,846</b>

The basis of allocation of costs between activities is described under accounting policies

The breakdown of this expenditure by type of spending (ie nominal classification) is detailed in note 31

#### Analysis of support and governance costs by charitable activities

Activity	Governance	Finance	Human Resources	Other Overheads	Total
Investment activities	-	163,394	-	13,760	177,154
Charitable activities	12,500	32,465	-	-	44,965
<b>Grand Total</b>	<b>12,500</b>	<b>195,859</b>	<b>-</b>	<b>13,760</b>	<b>222,119</b>

#### Summary of grant making by activity

	Grants to institutions	Grants to individuals	Support costs	Total	Total
	2020	2020	2020	2020	2019
	£	£	£	£	£
Charitable activities	-	-	-	-	2,800
Choice International	4,500	-	-	-	-
Diversity Grant	-	-	-	-	1,000
Peepul Delhi	21,139	-	-	-	33,811
Neelam Story Mental Health Vodeo	500	-	-	-	-
Peepul Kathmandu	1,542	-	-	-	-
	<b>27,681</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,611</b>

Fuller details of grants made and related costs, including support costs, are shown in note 28.

## THE ETHNIC MINORITY FOUNDATION

Activity analysis of Income and expenditure for the for the year ended 31 December 2020

### 35 Analysis of non charitable expenditure by activity

#### Activity

#### *Fundraising activities*

Fundraising activities	Fundraising activities
2020	2019
£	£

#### Direct fundraising costs

597,229	638,445
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#### *Governance costs*

Governance costs	Governance costs
2020	2019
£	£

Other Expenditure - Governance costs as detailed in Note 30

12,500	10,254
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#### **Total non charitable expenditure**

<b>2020</b>	<b>2019</b>
<b>£</b>	<b>£</b>

Total costs of Fundraising activities

597,229	638,445
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#### **Total non charitable expenditure**

<b>597,229</b>	<b>638,445</b>
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The breakdown of this expenditure by type of spending (ie by nominal classification and by fund) is detailed in note 0

### 36 Carrying value of work in progress analysed between activities

2020	2019
£	£

Charitable activities

6,715	6,865
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