

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

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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

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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 Web address 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.

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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.

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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.

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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.

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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.

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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.

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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.

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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

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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
	£	£
Net income	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
Total Unrestricted Funds	14,029,276	13,759,511
Restricted Revenue Funds	2,387,651	2,418,165
Total Restricted Funds	2,387,651	2,418,165
Total Funds	16,416,927	16,177,676

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.

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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.

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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.

A handwritten signature in black ink, appearing to read 'ABL' followed by a stylized flourish.

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

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 £
Income & Endowments from:					
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
Total income	A	2,206,440	-	2,206,440	2,155,429
Expenditure on:					
Raising funds	B1	597,229	-	597,229	638,445
Charitable activities	B2	1,369,960	-	1,369,960	1,515,126
Total expenditure	B	1,967,189	-	1,967,189	2,153,571
Net gains on investments	B4	-	-	-	-
Net income for the year		239,251	-	239,251	1,858
Net income after transfers	A-B-C	239,251	-	239,251	1,858
Net movement in funds		239,251	-	239,251	1,858
Reconciliation of funds:-					
	E				
Total funds brought forward		13,759,511	2,418,165	16,177,676	9,036,859
Unrestricted Revaluation Reserve					7,138,959
Total funds carried forward		13,998,762	2,418,165	16,416,927	16,177,676

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 Unrestricted Funds 2019 £	Prior Year Restricted Funds 2019 £	Prior Year Total Funds 2019 £
Income & Endowments from:				
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
Total income	A	2,155,429	-	2,155,429
Expenditure on:				
Raising funds	B1	638,445	-	638,445
Charitable activities	B2	1,515,126	-	1,515,126
Total expenditure	B	2,153,571	-	2,153,571
Net income for the year		1,858	-	1,858
Net income after transfers		1,858	-	1,858
Net gains on revaluation of fixed assets	D1	7,150,000	-	-
Net movement in funds		7,151,858	-	1,858
Reconciliation of funds:-				
Total funds brought forward	E	9,262,681		9,036,859
Unrestricted Revaluation Reserve				7,138,959
Total funds carried forward		16,414,539	-	16,177,676

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)
Net resources available to fund charitable activities	219,603	(3,686,841)

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
	6,890,317	2,387,651	9,277,968	2,418,165

Closing revenue funds	6,890,317	2,387,651	9,277,968	2,418,165
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Revaluation Reserve Fund

	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
At 31 December	7,138,959	-	7,138,959	13,759,511

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
Total funds	14,029,276	2,387,651	16,416,927	16,177,676

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 £
Income		
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
Gross income in the year before exceptional items	2,206,440	2,155,429
Gross income in the year including exceptional items	2,206,440	2,155,429
Expenditure		
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	-	-
Total expenditure in the year	1,967,189	2,153,571
Net income before tax in the financial year	239,251	1,858
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	239,251	1,858
Retained surplus for the financial year	239,251	1,858

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	£	£
Fixed assets		A		
Tangible assets	8	A2	3,656,640	3,745,369
Investments held as fixed assets	10	A4	15,000,000	15,000,000
Total fixed assets			<u>18,656,640</u>	<u>18,745,369</u>
Current assets		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
Total current assets			<u>587,748</u>	<u>343,489</u>
Creditors: amounts falling due within one year	13	C1	<u>(439,810)</u>	<u>(493,017)</u>
Net current assets/(liabilities)			147,938	(149,528)
			<u>18,804,578</u>	<u>18,595,841</u>
Total assets less current liabilities				
Creditors: amounts falling due after more than one year	14	C2	(2,387,651)	(2,418,165)
The total net assets of the charity			<u>16,416,927</u>	<u>16,177,676</u>
The total net assets of the charity are funded by the funds of the charity, as follows:-				
Restricted funds				
Restricted Revenue Funds	18	D2	<u>2,387,651</u>	<u>2,418,165</u>
			2,387,651	2,418,165
Unrestricted Funds				
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
Designated Funds				
Total charity funds			<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 £
Cash flows from operating activities		
Net cash used in operating activities as shown below	A <u>(1,020,363)</u>	<u>(11,167,126)</u>
Cash flows from investing activities		
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)
Net cash provided by /(used in)investing activities	B <u>1,148,074</u>	<u>(96,314)</u>
Cash flows from financing activities		
Cash inflows from new borrowings	(30,514)	122,579
Net cash (used in)/provided by financing activities	C <u>(30,514)</u>	<u>122,579</u>
Overall cash provided by /(used in)all activities	A+B+C <u>97,197</u>	<u>(11,140,861)</u>
Cash movements		
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
Cash at bank and in hand less overdrafts at 31 December	<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
Adjustments for :-		
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)	-
Net cash used in operating activities	A (1,020,363)	(11,167,126)

Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand at for the year ended 31 December 2020	408,810	281,126
Overdrafts facility repayable on demand	-	(26)
Total cash and cash equivalents	408,810	281,100

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 Note 7.

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

4 Interest payable

	2020	2019
	£	£
Loan interest	78,691	84,371

THE ETHNIC MINORITY FOUNDATION

Notes to the Accounts for the year ended 31 December 2020

5 Staff costs and emoluments

Salary costs	2020	2019
	£	£
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	-	-
Total salaries, wages and related costs	874,070	945,196

Numbers of full time employees or full time equivalents	2020	2019
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

The estimated full time equivalent number of all staff employed as above	47	46
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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 :-

	£	£
	No	No
Numbers of such staff to whom benefits are accruing :-		
Auto enrolment pension schemes	43	42
	43	42

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
Total	115,317	-	-	101,803

	2020	2019
	£	£
These deferrals are included in creditors	101,803	115,317

The deferrals included in creditors relate to quarterly invoices.

8 Tangible fixed assets

	Land and Buildings	Fixtures, fittings, tools and equipment	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 January 2020	4,205,599	589,136	-	4,794,735
Additions	-	19,648	-	19,648
At 31 December 2020	4,205,599	608,784	-	4,814,383
Depreciation				
Transfers to Investments Property	573,880	475,486	-	1,049,366
Charge for the year	84,378	23,999	-	108,377
At 31 December 2020	658,258	499,485	-	1,157,743
Net book value				
At 31 December 2020	3,547,341	109,299	-	3,656,640
At 31 December 2019	3,631,719	113,650	-	3,745,369

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
	£	£	£	£
Carrying values of investments				
At 1 January 2020	-	-	15,000,000	15,000,000
At 31 December 2020	-	-	15,000,000	15,000,000
Analysis between fair value and historical cost				
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
	£	£	£
Summary of other classes of investments at 31 December 2020			
Cash or cash equivalents	-	15,000,000	15,000,000

11 Stocks & Work in Progress

	2020 £	2019 £
Stocks	6,715	6,865
	6,715	6,865

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
	172,223	55,499

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
	439,810	493,017

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	7,138,959	-	7,138,959	7,138,959

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	241,109	1,858

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:-				
Fixed asset investments	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)
	10,283,907	-	6,133,020	16,416,927
<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)
	10,044,656	-	6,133,020	16,177,676

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 £
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	6,651,066	239,251	-	6,890,317
Unrestricted Revaluation Reserve	7,138,959	-	-	7,138,959
Total unrestricted and designated funds	13,790,025	239,251	-	14,029,276
Restricted funds:-				
Restricted Revaluation Reserve		-	-	-
General fund	2,387,651	-	-	2,387,651
Total restricted funds	2,387,651	-	-	2,387,651
Total charity funds	16,177,676	239,251	-	16,416,927

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 £
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	2,206,440	(1,967,189)	-	239,251
Unrestricted Revaluation Reserve	-	-	-	-
	2,206,440	(1,967,189)	-	239,251

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
	£	£	£	£
Revenue grants from government and public bodies				
Leicester City Grant	39,222	-	39,222	-
Total public sector revenue grants	39,222	-	39,222	-
Grants receivable - Coronavirus Job Retention Scheme				
Total Grants receivable - Coronavirus Job Retention Scheme	358,934	-	358,934	-
Total Donations and Legacies A1	398,156	-	398,156	-

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
	£	£	£	£
Primary purpose and ancillary trading				
Arts Council Funding	35,000	-	35,000	6,871
Cultural Recovery Fund - 1	129,841	-	129,841	-
Charitable activities income	4,772	-	4,772	-
Total Primary purpose and ancillary trading	169,613	-	169,613	6,871

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22 Charitable income from funders

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2020 £	2020 £	2020 £	2019 £
Grants Income				
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	-
Total Grants Income	111,481	-	111,481	-
Total Charitable income from funders	111,481	-	111,481	-

23 Total Income from charitable activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	£ 2020	£ 2020	£ 2020	£ 2019
Total income from charitable trading	169,613	-	169,613	6,871
Total Charitable income from funders	111,481	-	111,481	-
Total from charitable activities A2	281,094	-	281,094	6,871

24 Income from other, trading activities

	2020 Current year Unrestricted Funds	2020 Current year Restricted Funds	2020 Current year Total Funds	2019 Prior Year Total Funds
	2020 £	2020 £	2020 £	2019 £
Trading activities to raise funds for the charity	359,468	-	359,468	848,383
Total from other activities A3	359,468	-	359,468	848,383

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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
Total investment income	A4	-	1,167,722	1,300,175

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
Total direct spending	B2a	-	894,357	1,098,274

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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	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2020	2020	2020	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
Total charitable trading costs B2b	46,666	-	46,666	99,329

28 Expenditure on charitable activities- Grant funding of activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2020	2020	2020	2019
	£	£	£	£
Grants made to organisations	27,681	-	27,681	37,611
Costs relating to the award of grants	179,137	-	179,137	6,871
Total grantmaking costs B2c	206,818	-	206,818	44,482

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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
	27,681	-	27,681	37,611

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 £
Professional fees paid to advisors other than the auditor or examiner				
Accountancy fees other than audit fees	12,500	-	12,500	10,000
Legal fees	1,260	-	1,260	-
Management fees	-	-	-	50,922
Financial costs				
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
Support costs before reallocation	209,619	-	209,619	262,787
Total support costs	209,619	-	209,619	262,787

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
Total Governance costs	12,500	-	12,500	10,254

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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	B2a	894,357	-	894,357	1,098,274
Total charitable trading costs	B2b	46,666	-	46,666	99,329
Total grantmaking costs	B2c	206,818	-	206,818	44,482
Total support costs	B2d	209,619	-	209,619	262,787
Total Governance costs	B2e	12,500	-	12,500	10,254
Total charitable expenditure	B2	1,369,960	-	1,369,960	1,515,126

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
Total fundraising costs	B1	597,229	-	597,229	638,445

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Activity analysis of Income and expenditure for the for the year ended 31 December 2020

This analysis is classsified by activity and not by conventional nominal descriptions.

33 Analysis of income by activity

	SOFA ref	2020 £	2019 -
Activity			
Income from charitable activities			
Investment activities		281,094	-
Other income resources		-	6,871
Total Income from charitable activities	A2	281,094	6,871

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
Total income as shown in the SOFA	A	2,206,440	2,155,429

34 Analysis of charitable expenditure by activity

Activity	Direct costs	Support costs	Grant funding of activities	Total	Total
	2020	2020	2020	2020	2019
	£	£	£	£	£
Investment activities					
Charitable trading costs					
Professional fees	-	13,760	-	13,760	10,000
Financial costs	-	163,394	-	163,394	196,888
Total Investment activities	-	177,154	-	177,154	206,888

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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
	£	£	£	£	£
Charitable activities					
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
Total Charitable activities	941,023	32,465	206,818	1,180,306	806,704

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
Total charitable expenditure	941,023	222,119	206,818	1,369,960	1,023,846

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
Grand Total	12,500	195,859	-	13,760	222,119

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				
Total	27,681	-	-	-	37,611

Fuller details of grants made and related costs, including support costs, are shown in note 28.

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Activity analysis of Income and expenditure for the for the year ended 31 December 2020

35 Analysis of non charitable expenditure by activity

Activity

<i>Fundraising activities</i>	Fundraising activities 2020 £	Fundraising activities 2019 £
Direct fundraising costs	597,229	638,445
<i>Governance costs</i>	Governance costs 2020 £	Governance costs 2019 £
Other Expenditure - Governance costs as detailed in Note 30	12,500	10,254
Total non charitable expenditure	2020 £	2019 £
Total costs of Fundraising activities	597,229	638,445
Total non charitable expenditure	597,229	638,445

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