

Diversity House Limited
(Centre for Innovation & Development)



ANNUAL REPORT
2021/2022

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DIVERSITY HOUSE EQUALITY, DIVERSITY & INCLUSION STATEMENT.

Diversity House is committed to promoting equality, valuing diversity; being fair and inclusive in all our work as; a charity that tackles social inequalities; a service provider and an employer; treating our stakeholders, service users, and staff (paid and unpaid) with dignity and respect and therefore ensuring that the equality duties are being met. We aim to build equality, diversity, and inclusion (EDI) into everything we do.

Diversity House believes EDI promotion is vital in combating injustice against those with protected characteristics under the Equality Act 2010. It is illegal and unfair for a person to experience a disadvantage based on a protected characteristic; all our staff and stakeholders are entitled to expect that they will be treated fairly. Diversity House strives to be a more inclusive workplace since non-discriminatory businesses operate more effectively and get the most significant rewards.

By utilising an intersectional approach in all interventions, we will continue to be a fully inclusive service where diversity is welcomed, respected, and treasured.

As an Equality and Human Rights Champion, we require all our partners and collaborators to comply with equalities legislation and actively promote Equality, Diversity, and Inclusion (EDI).

Aims

- To ensure equality of opportunity and outcome
- To promote an inclusive culture
- To secure freedom from discrimination based on gender, sexual orientation, culture, race, faith, belief, physical, sensory, or learning disability, mental or physical health, age, social or marital status, gender reassignment, pregnancy, and maternity.
- To ensure that no individuals or groups are denied access to services
- To promote diversity within a safe environment for all potential and current service users and staff in both service delivery and employment practice
- To identify factors and barriers which may result in prospective or actual service users being disadvantaged either directly or indirectly
- To take measures to compensate for these factors and remove barriers

- To continue to tackle discrimination by providing accessible services and creating inclusive support environments
- To include assertive community outreach as part of our delivery approach, ensuring that those living in rural areas or unable to reach us are targeted and supported

THE CHAIRPERSON'S STATEMENT

"I am pleased to confirm that Diversity House Limited supports the ten principles of the UN Compact concerning human rights, labour, environment, and anti-corruption. With this commitment, we express our intent to advance these principles within our sphere of influence and communicate it to our stakeholders.

We also pledge to take part in the activities of the UN Global Compact where appropriate and feasible - through, for instance, participation in Local Networks, involvement in specialised initiatives and workstreams, engagement in partnership projects, and reviewing and providing commentary to participating companies on their communication on progress".



Christine Locke
CEO
Diversity House signatory to the UN Global Compact



CHIEF EXECUTIVE'S INTRODUCTION

OUR ORGANISATION



The global pandemic-related volatility and upheaval of the previous year prompted our charity to scramble to implement initiatives to mitigate the virus's effects and create recovery strategies. Covid-19 severely disrupted our plans for the year. Despite the turmoil of the previous year, it was a good time for creativity and innovation. By this, I mean that although our charity was forced to leave the building it had occupied for fourteen years, we were able to turn the situation around by finding a new home that we renovated and is now the hub for innovation and development.

I'll provide a brief summary of our charity's work during this reporting year. This is because the charity and I have been very busy delivering a significant Government-funded initiative called UK Community Renewal Fund, which has left us with little time to provide our customary complex and in-depth end-of-year report. This does not imply, however, that our activities during the specified year were not perfectly and painstakingly documented.

During the reporting year, we carried out ten initiatives, and this report summarises several of the outstanding results. Our work as the National Census Support Center for Swale was one of these efforts. We went above and beyond to ensure that our communities filled out their census forms, and as a result, the charity and our CEO were recognised by the Office of National Statistics. Another significant accomplishment of the organisation was its zeal in conducting a three-country study with partners from Berlin and Belgium to examine how COVID-19 was perceived and experienced by BAME women in the UK, Germany, and Belgium. The study helped us and our collaborators develop interventions that increased the population's pandemic resilience.

In closing, let me express my admiration for our extraordinary team's professionalism, dedication, and tenacity. Our staff went beyond what was necessary, and the difficulties posed by the epidemic and creating strategies for the

recovery phase brought out the best in our personnel. This includes volunteers who have persisted in assisting us by delivering food hampers, making house calls, offering counseling, making friends, promoting good health, and other services. The board is immensely proud of how it handled the turbulent year and its ongoing adherence to Charity's core principles.

OUR CULTURE

Last year, we continued our journey on organisational culture. Diversity House is built on an unrelenting ambition to promote community integration, reintegration, inclusion, and cohesion. Our vision is to live in an equitable society. However, this ambition must be harnessed into a culture of kindness, respect, and support for staff, collaborators and service users.

Highlights from our Year

Find out about our resources and how we have engaged and supported people in 2021-2022

The various projects and interventions delivered this reporting period were:

- a) COVID Food - winter top up
- b) Multicultural food boxes
- c) Resilience
- d) Keeping active - cycling project
- e) Gender project - SWAG
- f) Resilience project for BAME elders
- g) Census support
- h) Digital inclusion (laptops and accessories) by Good Things Foundation
- i) 1920's weekend - heritage and community integration project
- j) KCF core support

We engaged 1452 people through the above interventions, and the information below illustrates what happened.

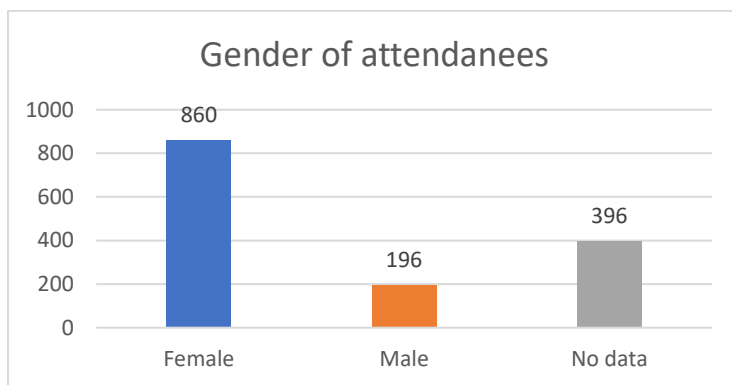
Helping hand:



We had 1452 engagements during this reporting period and spent 5036:22 people hours delivering interventions.

Gender of the participants:

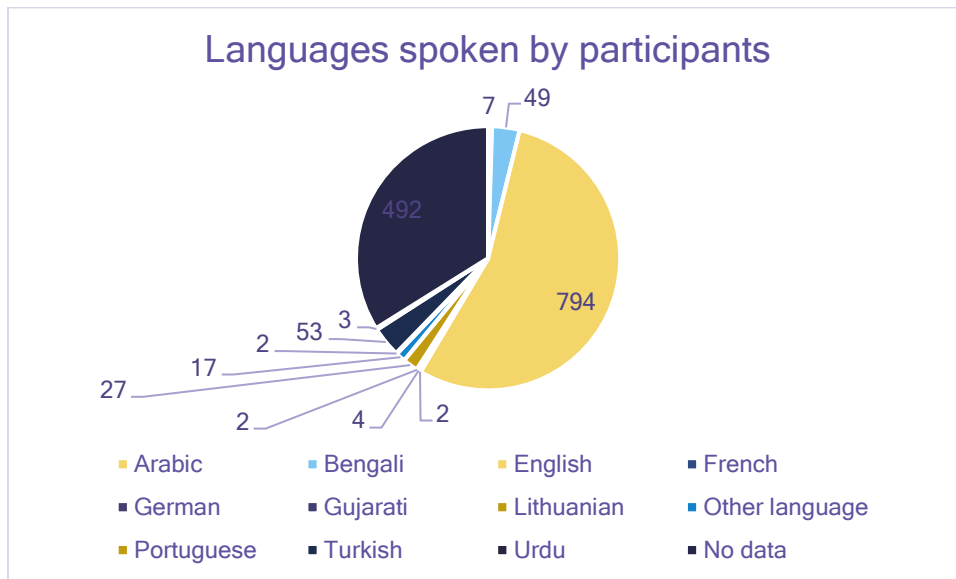
Eight hundred sixty (860) of our participants were females, 196 were males, and the remaining 396 participants preferred not to divulge their gender.



Ethnicity	Number of participants
Any other Black/African/Caribbean background	29
Any other ethnic group	32
Any other Mixed/Multiple ethnic backgrounds	1
Any other White background	24
Arab	1
Asian - Asian British	72
Asian/Asian - Asian	45
Black/ Caribbean/ African - Black British	396
European	49
Mixed - White and Black African	25
Mixed/Multiple ethnic groups - White and Asian	2
No data	437
White - English/ Welsh/ Scottish/ Irish/ British	339
Total	1452

Languages of those supported during the year under review

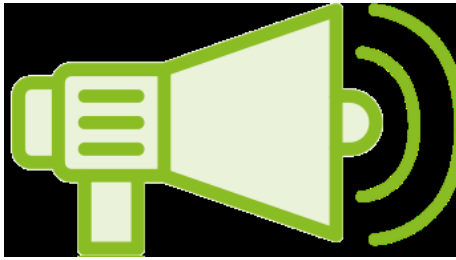
Several people from different backgrounds and diverse languages received support from the charity. The chart below depicts the languages spoken:



Migration Status\:

Immigration status	Number of attendances
Asylum seeker awaiting decision	4
Discretionary leave to remain	3
EEA National currently working	2
EEA National receiving welfare benefits	20
Husband/Wife sponsorship	6
Indefinite leave to remain	12
UK National	617
Work visa	5
No data	783

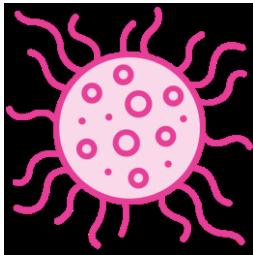
Listening and supporting:



We switched to a more hybrid method of service delivery this year. We paid attention to the 1452 people who participated in our interventions; everybody got support and advice when needed.

Among those service users, 190 participated in virtual support and socialisation, while 212 made contact over the phone and via email.

Beyond the pandemic:



To reunite our communities and help them begin their recovery from the epidemic, we received support from Kent County Council. Swale Borough Council soon began funding our initiatives with the COVID - Winter Food Top Up award. Diversity House was able to carry on with the multicultural food boxes it started at the beginning of the pandemic.



Morrisons' sense of community is another thing we owe them.

Morrisons has consistently donated food goods, school supplies, and other household essentials to our nonprofit.

These contributions have helped us significantly to continue aiding individuals in our communities who need our assistance.

Soldiers of love



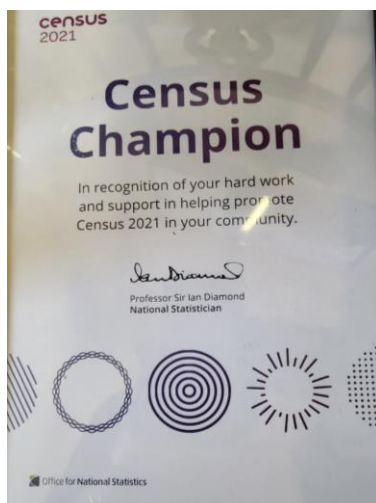
One hundred and nine volunteers

helped us by loaning us spaces to store food boxes, packaging and delivering food boxes, door knocking, and organising events. The volunteers helped us relocate to our current base and were involved in refurbishing our center.

The National Census:



We hired four new employees to assist with setting up the census support center. These employees ensured that we not only helped center patrons fill out their census forms, but also actively worked with the ONS office to pinpoint the Swale areas that needed to be focused on for the census's completion. Our organisation and the CEO received the title of "census champion" in recognition of our efforts to assist the residents of Swale in completing the survey.



Evidence-based knowledge



191 BAME women were interviewed on their experiences of COVID-19

Three-country collaborative research with partners from Germany, Belgium, and the UK

Testimonial

Good morning Christine I hope you are well and receive this message

I wanted to thank you so much for taking up my case for heating oil during this protracted cold period

I heard today (Thursday 11th) that Swale Borough Council had purchased 500 litres of oil for me which will be delivered shortly

You were the only person with the knowledge and courage to take this forward for me and I am eternally grateful

I have written to the Universal Credit Service Centre putting the case across very strongly for the inclusion of the one million plus oil users across the UK I do not see why a voucher cannot be issued to be spent with a supplier like gas and electricity it is discriminating against people like me who do not have a choice and have fallen on hard times

I have also put this in writing to the local authority and MP I think we all have a responsibility to each other during these odd times.

Thank you again Christine stay safe keep well.

Regards



Operating Headquarters:



We diligently renovated our center in the year under review, adding a cutting-edge digital suite, a sewing studio, a library, and a training room to ensure it truly serves as a hub for innovation and development as well as the heart and ear of our communities.

Health & Wellbeing/Health Literacy and Promotion:



227 people out of 1452 engaged in emotional support and workshops;
30



People engaged learnt to cycle, they engaged in weekly cycling and received their own bikes.

Looking Ahead

"I am confident that we are coming from a position of strength. We know the world will not go backwards, so instead of preparing for 'recovery', we are working towards a 'resurgence'".

Diversity House has weathered the severe and choppy waters caused by the pandemic and its aftermaths. The ability to adapt, be flexible, learn new things and apply our core strengths all go hand in hand. Moreover, the different programs we have established to reinforce the resilience of our communities have already begun to bear fruit. We will pursue these to continue bolstering our charity's ability to adapt and be resilient.

Also, we can see and feel the great opportunities such as a significant blow, like the COVID-19 pandemic, continued economic downturn, and people's apathy can have on our daily operation as a charity. Diversity House chooses to look and grab the opportunities the global pandemic and the roots of recovery offer. Working behind the scenes, we have polished our consultancy skills, forging learning alliances with our academic partners and published research articles, and formed closer relationships with local businesses, health and social care services, NGOs, and individuals to upskill and upscale our charity, making it ready for a 'center for innovation, development, and empowerment in Kent and outside of the county. We have become digitally savvy this year, and the COVID-19 pandemic and its aftermaths have accelerated this development. We have picked up the pace and will continue to power ahead - with digital topics, digital solutions, digital products, remote services, and web-based communication formats that will take Diversity House and our service users into the future. Furthermore, perhaps this has pushed us to deploy digital methods in our charity consistently. To this end, we announce that we are embarking on a digital inclusion journey and taking our whole community with us through our installed digital studios, which are now fully operational.

Stay safe.

Sincerely,



Christine Locke

CEO

12/01/2023

Diversity House Limited

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Diversity House Limited

Reference and Administrative Details

Chief Executive Officer

Christine Locke

Trustees

Mr Tunde Jotham

Christine Locke

Patrick Locke

Mrs Gloria Blessing Opara

Mr Steve Davey

Senior Management Team

Abtax CA Limited, Reporting Accountant

Principal Office

ISP House
Church Street
Sittingbourne
Kent
ME10 3EG

Charity Registration Number

1122960

Bankers

HSBC
Sittingbourne
115 High Street
Sittingbourne
Kent
ME10 4AL

Independent Examiner

Lydens Accountant
53 West Street
Sittingbourne
Kent
ME10 1AN

Accountants

Abtax CA Limited
Accountant
The Joiner shop
The Historic Dockyard
Main Gate Road
Chatham
England
ME4 4TZ

Diversity House Limited

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2022.

Objectives and activities

Objects and aims

Our charity's purposes, as set out in the objects contained in the Company's memorandum of association - are established for the benefit of disadvantaged communities, particularly those with a minority ethnic background in Kent, but not excluding others. The charity's objectives are:

- To promote community integration, inclusion, and cohesion in Swale and Kent.
- The advancement of education and training.
- The relief of need by the provision of advice, assistance, information, and 'drop-in services; the promotion of equality and diversity

Our charity aims to reduce social inequalities in Kent due to the socially constructed factors of gender, race/ethnicity, disability, culture, religion and beliefs, and others. This can be achieved by advancing education, raising awareness of equality and diversity, and promoting activities to foster cultural understanding between people from diverse backgrounds.

To ensure our work delivers our aims, we review our aims, objectives, and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The report highlights the success of each critical activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aims, objectives, and activities remain focused on our stated purposes. We have referred to the charity Commission's general guidance on public benefit when reviewing our aims and objectives and planning our future activities. In particular, the trustees consider how planned activities will contribute to their aims and objectives.

Objectives, strategies, and activities

The focus of our work.

Our main objectives for the year continued to be the promotion of equality, diversity, inclusion, and the reduction of disadvantages. The strategies we used to meet these objectives included:

- Provision of a range of services that reflect relevant quality standards and address the potential problems related to social inequalities.
- Reduction of poor access to community resources and disengagement, thereby addressing discrimination and people feeling at the edge of their communities.
- Applying the Equality Act of 2010 and the ten principles of the United Nations Global Compact concerning human rights, labour, environment, and anti-corruption.
- Working in partnership with other agencies to ensure that the most comprehensive ranges of services are available that best matches the needs of our service users.

Diversity House Limited

Trustees' Report

Fundraising disclosures

During the period under review, time was spent on fundraising activities. To put in an excellent case to funding bodies why particular projects should be funded, the Project Lead, the primary bid writer, spent approximately 800 hours in both desktop and primary research, gathering evidence of need and conducting gap analyses. During this period, a bid was put to the Heritage Lottery Fund for a grant through "our heritage" funding stream for a heritage recovery project. Another proposal for continuation funding for a previously BLF-funded project - the Swale Women Empowering Women project was put in after several months of consultation with women and girls in Swale. Another crucial initiative that funding was sought for was a project for BAME seniors. A proposal was made to the Independent Age Grant Fund to support BAME senior citizens through the pandemic. Other funders of our projects are outlined on section 12 of this report outlining funds (restricted and unrestricted).

Also, within this period, funding was sought and received from the following funders:

- Members grants
- Kent Community Foundation
- Kent County Council
- Culture and heritage grants from Swale Borough Council

Public benefit

Given the policies and objectives of the charity, as stated above, the Trustees report on the aspects of its activities which encapsulates 'public benefit'. To actualise our vision as stipulated earlier, Diversity House offers the following services, summarised below:

- Information, Advice, and Guidance (IAG)
- Culture and heritage
- Mentoring and Coaching
- Education and Training
- Drop-in-services
- Diversity House Youth Club
- Gender-specific project
- Community cohesion programs
- Health education
- Health promotion
- Community engagement
- Social networking events
- Volunteering
- Business briefing
- Employability program
- Knowledge exchange
- Cultural competency for practitioners
- Work placements
- Group session
- Consultancy
- Fundraising

- Support

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

Diversity House Limited

Trustees' Report

Financial review

Funds in deficit

There was no deficit in the year.

Principal funding sources

The principal funding sources are Big Lottery Fund, Heritage Lottery Fund, other government agencies, and local authorities

Structure, governance, and management

Nature of governing document

The charity is controlled by its governing documents, a deed of trust and constitutes a limited company, limited by guarantee as defined by the Companies Act 2006

Recruitment and appointment of trustees

When new or additional trustees are required, then beneficiaries and client organisations are invited to submit nominations, and subject to their compliance with the Memorandum and Articles of Association, the governing body of trustees for election considers them.

Induction and training of trustees

We have instituted policy or procedure for the training of trustees and, within the period under review, have carried out a trustee skills audit to identify what skills our trustees have and what additional skills are required to run the charity successfully.

Organisational structure

The board of trustees meets regularly as an entire board. There is also a standing committee comprised of honorary officers. The Director / Manager of Diversity house makes recommendations to the board of trustees and monitors operational activities. Staff and Volunteers of the Charity have delegated authority to carry out day-to-day work within policies agreed upon by the board. Financial standing orders give the necessary authorisation of different amounts.

Significant risks and management of those risks

Risk Management

Assurance against Fraud and error

The trustees have to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against Fraud and error.

Financial instruments

Objectives and policies

The charity's activities expose it to financial risks, including credit, cash flow, and liquidity risks. Financial derivatives are governed by the charity's policies approved by the board of trustees, which provide written principles on using financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Diversity House Limited

Trustees' Report

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest-bearing assets and liabilities are held at a fixed rates to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances, cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. A budget for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. The charity has no significant concentration of credit risk, with exposure spread over many counterparties and customers.

Liquidity risk

To maintain liquidity and ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance. Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

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



.....
Christine Locke
Chief Executive Officer and Trustee

Diversity House Limited

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.



.....
Christine Locke
Chief Executive Officer and Trustee

Diversity House Limited

Independent Examiner's Report to the trustees of Diversity House Limited

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

Responsibilities and basis of report

As the charity's trustees of Diversity House Limited you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

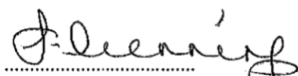
I report in respect of my examination of the Diversity House Limited's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Diversity House Limited as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



53 West Street
Sittingbourne
Kent
ME10 1AN

Date: 05/01/2023

Diversity House Limited

Statement of Financial Activities for the Year Ended 31 March 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies		43,298	99,796	143,094
Investment income	3	11	-	11
Total income		43,309	99,796	143,105
Expenditure on:				
Raising funds		-	(64,899)	(64,899)
Charitable activities		(244)	(146,362)	(146,606)
Total expenditure		(244)	(211,261)	(211,505)
Net income/(expenditure)		43,065	(111,465)	(68,400)
Net movement in funds		43,065	(111,465)	(68,400)
Reconciliation of funds				
Total funds brought forward		53,745	50,421	104,166
Total funds carried forward	12	96,810	(61,044)	35,766
	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies		32,376	107,237	139,613
Investment income	3	98	-	98
Total income		32,474	107,237	139,711
Expenditure on:				
Raising funds		-	(46,602)	(46,602)
Charitable activities		(2,381)	(111,002)	(113,383)
Total expenditure		(2,381)	(157,604)	(159,985)
Net income/(expenditure)		30,093	(50,367)	(20,274)
Net movement in funds		30,093	(50,367)	(20,274)
Reconciliation of funds				
Total funds brought forward		23,680	100,788	124,468
Total funds carried forward	12	53,773	50,421	104,194

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

The funds breakdown for 2021 is shown in note 12.

The notes on pages 10 to 18 form an integral part of these financial statements.

Diversity House Limited
(Registration number: 1122960)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Current assets			
Debtors	9	2,925	-
Cash at bank and in hand	10	96,930	116,102
		99,855	116,102
Creditors: Amounts falling due within one year	11	(64,089)	(11,908)
Net assets		35,766	104,194
Funds of the charity:			
Restricted income funds			
Restricted funds		(61,044)	50,421
Unrestricted income funds			
Unrestricted funds		96,810	53,773
Total funds	12	35,766	104,194

The financial statements on pages 9 to 19 were approved by the trustees, and authorised for issue on
and signed on their behalf by:



.....
Christine Locke
Chief Executive Officer and Trustee

Diversity House Limited

Diversity House Limited

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

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Diversity House Limited meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

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

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Diversity House Limited

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

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

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Depreciation and amortisation

Asset class	Depreciation method and rate
Plant and machinery	20% Straight line basis

Trade debtors

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

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

Cash and cash equivalents

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

Trade creditors

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

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

Diversity House Limited

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

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

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

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

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Diversity House Limited

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

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or entitle the holder to put it back to the issuer before maturity are not contingent on future events other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Diversity House Limited

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

Derivative financial instruments

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Grants, including capital grants;			
Grants from other charities	43,298	99,796	143,094
Total for 2022	43,298	99,796	143,094
Total for 2021	32,376	107,237	139,613

3 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	11	11
Total for 2022	11	11
Total for 2021	98	98

Diversity House Limited

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

4 Analysis of governance and support costs

Charitable activities expenditure

Basis of allocation	Unrestricted funds General £	Restricted funds £	Total 2022 £
Rent and Insurance	-	(15,927)	(15,927)
Office and General Expenses	-	(44,933)	(44,933)
Salaries NI & Pension	-	(50,550)	(50,550)
Consultancy & advice (incl, Evaluation)	-	(4,039)	(4,039)
General Running Expenses	(124)	(61,443)	(61,567)
Sessional Workers	-	(32,404)	(32,404)
Volunteers Expenses	-	(966)	(966)
	(124)	(210,262)	(210,386)

Basis of allocation	Unrestricted funds General £	Restricted funds £	Total 2021 £
Rent and Insurance	-	(22,821)	(22,821)
Office and General Expenses	(659)	(13,546)	(14,205)
Salaries NI & Pension	-	(52,262)	(52,262)
Consultancy & advice (incl, Evaluation)	(3,214)	(10,235)	(13,449)
General Running Expenses	1,692	(41,550)	(39,858)
Publicity and Promotion	-	(150)	(150)
Sessional Workers	(80)	(4,164)	(4,244)
Training (Staff)	-	(3,160)	(3,160)
Travel (Staff)	-	(7,417)	(7,417)
Volunteers Expenses	-	(2,300)	(2,300)
Independent Examiner	(120)	-	(120)
	(2,381)	(157,605)	(159,986)

5 Trustees remuneration and expenses

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

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

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

6 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	50,550	52,262

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

	2022 No	2021 No
Average Number of Employees	4	4

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

7 Independent examiner's remuneration

	2022 £	2021 £
Other fees to examiners		
The examining of accounts of any associate of the charity	120	120

8 Taxation

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

9 Debtors

	2022 £
Prepayments	2,925

10 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	96,930	116,102
Bank overdrafts	(62,772)	-
Cash and cash equivalents in statement of cash flows	34,158	116,102

Diversity House Limited

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

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	62,772	-
Trade creditors	1,196	9,538
Other creditors	1	-
Accruals	120	2,370
	64,089	11,908

12 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £	
Unrestricted funds					
General	53,745	43,309	(244)	96,810	
Restricted funds	-	99,667	(160,711)	(61,044)	
Total funds	53,745	142,976	(160,955)	35,766	
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £

Unrestricted funds

General

General Funds	53,773	43,309	(124)	-	96,958
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Restricted funds

Swale BAME Legacy of Resilience	7,692	-	(7,692)	-	-
Swale BAME Shake your body	750	-	(750)	-	-
Covid Food - Winter Food Top Up	6,681	4,070	(10,751)	-	-
Swale Cultural Food Boxes	23,000	-	(23,000)	-	-
KCF Core Support	(73)	12,000	(10,383)	-	1,544
Good Things Foundation	4,267	3,943	(8,210)	-	-
SBC 1920's weekend	1,223	100	(1,323)	-	-
Other restricted donations	5,133	-	3,962	1,750	10,845
Big Lottery Fund (SWAG)	1,900	-	-	(1,900)	-
Independent Age (BAME resilience)	1	-	-	(1)	-
KCF - Covid Resilience	(6)	-	-	6	-

Diversity House Limited

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

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
KCC BAME Shake your Body	(78)	-	-	78	-
KCF - Covid Emergency Fund	(98)	-	-	98	-
NLCF - Swale BAME Beyond Covid	3	-	-	(3)	-
SBC - Defra Emergency Fund	29	-	-	(29)	-
Heritage Lottery Fund	-	29,200	(29,200)	-	-
Linda Hogan Community	-	500	(500)	-	-
Swale Great Big Green Week	-	500	(500)	-	-
Swale CVS - Sexual Health Focus Group	-	483	(483)	-	-
SBC - Self Isolation Support	-	20,000	(20,000)	-	-
KCC - Kent Sports Org	-	8,000	(8,000)	-	-
Great Big Green	-	500	(500)	-	-
KCC - Community Venues & Space	-	9,000	(3,139)	-	5,861
Diversity House Centre For Innovation	-	-	(84,215)	-	(84,215)
Self Isolation Support	-	5,000	(5,000)	-	-
SWAG Sewing Box Cafe	-	4,500	(578)	-	3,922
Bouncing Back	-	2,000	-	-	2,000
Total restricted funds	50,424	99,796	(210,262)	(1)	(60,043)
Total funds	104,197	143,105	(210,386)	(1)	36,915
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £		Balance at 31 March 2021 £
Unrestricted funds					
General	23,680	32,474	(2,381)		53,773
Restricted funds	-	155,763	(105,342)		50,421
Total funds	23,680	188,237	(107,723)		104,194

Diversity House Limited

Statement of Financial Activities by fund for the year Ended 31 March 2022

	Total Unrestricted Funds 2022 £	Total Unrestricted Funds 2021 £
Income and Endowments from:		
Donations and legacies	43,298	32,376
Investment income	11	98
Total income	43,309	32,474
Expenditure on:		
Charitable activities	(244)	(2,381)
Total expenditure	(244)	(2,381)
Net income	43,065	30,093
Net movement in funds	43,065	30,093
Reconciliation of funds		
Total funds brought forward	53,745	23,680
Total funds carried forward	96,810	53,773

Diversity House Limited

Statement of Financial Activities by fund for the year Ended 31 March 2022

	Total Restricted Funds 2022 £	Total Restricted Funds 2021 £
Income and Endowments from:		
Donations and legacies	99,796	107,237
Total income	99,796	107,237
Expenditure on:		
Raising funds	(64,899)	(46,602)
Charitable activities	(146,362)	(111,002)
Total expenditure	(211,261)	(157,604)
Net expenditure	(111,465)	(50,367)
Net movement in funds	(111,465)	(50,367)
Reconciliation of funds		
Total funds brought forward	50,421	100,788
Total funds carried forward	(61,044)	50,421

Diversity House Limited

Detailed Statement of Financial Activities for the Year Ended 31 March 2022

	Total 2022 £	Total 2021 £
Income and Endowments from:		
Donations and legacies (analysed below)	143,094	139,613
Investment income (analysed below)	11	98
Total income	143,105	139,711
Expenditure on:		
Raising funds (analysed below)	(64,899)	(46,602)
Charitable activities (analysed below)	(146,606)	(113,383)
Total expenditure	(211,505)	(159,985)
Net expenditure	(68,400)	(20,274)
Net movement in funds	(68,400)	(20,274)
Reconciliation of funds		
Total funds brought forward	104,166	124,468
Total funds carried forward	35,766	104,194
	2022	
	Restricted funds £	Total £
Income and Endowments from:		
Donations and legacies (analysed below)	99,796	143,094
Investment income (analysed below)	-	11
Total income	99,796	143,105
Expenditure on:		
Raising funds (analysed below)	(64,899)	(64,899)
Charitable activities (analysed below)	(146,362)	(146,606)
Total expenditure	(211,261)	(211,505)
Net expenditure	(111,465)	(68,400)
Net movement in funds	(111,465)	(68,400)
Reconciliation of funds		
Total funds brought forward	50,421	104,166
Total funds carried forward	(61,044)	35,766

