

Arise Foundation

Report and Accounts

Year ended 31 December 2022

Charity Registration Number
1165248

About Arise

Arise is a charity based in New York City and London, founded on the belief that more should be done to support grass-roots anti-slavery networks worldwide.

Our mission is to help these networks reach their potential by providing the support they need.

As an organisation, Arise consists of two charities, one established in the United States and one registered in England and Wales. The following set of accounts, for the year ended 31 December 2022 **only shows those activities that took place in the UK entity**. Arise's principal source of funding is US donations, details surrounding which can be found in Arise's US accounts.

To gain further information on the ongoing projects of the whole organisation please visit our website at <http://arisefdn.org>.

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Reference and administrative details of the charity, its trustees and advisers

Trustees	Mrs Karen Bradley David John Bringle Sister Lynda Dearlove RM MBE Rt Hon the Lord Hogan-Howe QPM Mrs Dee Jethwa Mrs Jane Leek Sister Patricia Murray IBVM Ms Beatrix Brenninkmeijer Schürholz Ms Wendy Strauss
Executive Director	Mr Luke de Pulford resigned 30th November 2023 Mr Martin Foley appointed 27th March 2023
Administrative address	Nazareth House 175,169 Hammersmith Road W6 8DB
Telephone	+44 (0) 203 903 7205
Charity registration number	1165248
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Principal bankers	HSBC PO Box 260 46 The Broadway London W5 5JR
Legal advisors	Edward A. Scofield, Esq Attorney at Law 201 East 87th Street Suite 3D New York, NY 10128

The trustees present their report together with the accounts of the Arise Foundation (the charity) for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 18 to 21 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Charitable objects

The object of the charity, as set out in its constitution, is the promotion of human rights (as set out in the universal declaration of human rights and subsequent United Nations' conventions and declarations) and elimination of the infringement of human rights by people trafficking anywhere in the world.

The principal aims and activities of the charity cover the following:

- ◆ Raising awareness of human rights issues;
- ◆ Monitoring abuses of human rights;
- ◆ Promoting public support for human rights;
- ◆ Providing technical advice to government and others on human rights matters;
- ◆ Commenting on human rights legislation;
- ◆ Obtaining redress for the victims of human rights abuse;
- ◆ Promoting respect for human rights among individuals and corporations; and
- ◆ Relieving the need among the victims of human rights abuse.

When setting the aims of the charity, the trustees have complied with their duty under section 17 of the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. The trustees believe they have demonstrated in detail throughout this report the ways in which the charity has been faithful to this guidance.

Our vision

Arise's vision is a world without slavery in which the human dignity of every person is respected.

Our mission

Arise was founded to confront the problem of human trafficking and slavery through front-line abolitionists. We seek to weave threads of solidarity between those devoted to the defence of human dignity at local level and those in a position to help them.

Our values

Respect for human dignity

No human being should be treated as a commodity. Yet we live in a world where human beings are bought, sold and forced into exploitation in their tens of millions. Every case of exploitation represents a failure of someone to uphold the inherent human dignity of another. Above all, therefore, we are committed to promoting individual human dignity, from which all rights and freedoms flow.

Solidarity

Where human dignity is under attack within the human family, solidarity demands we defend it. Belief in human dignity makes it impossible to turn your back on human suffering, regardless of creed, colour or other status. This confers a collective responsibility. The same solidarity demands that we challenge systems where unjust practices have become enshrined, leading to exploitation, and in the worst cases, direct enslavement, mutilation, and death. We are active in our commitment to solidarity - convening and connecting people of good will across all social and professional boundaries.

A front-line approach

At Arise we are committed to disrupting the structures of slavery permanently. This means seeking sustainable local solutions. Flowing from this commitment, we choose to collaborate with those working to provide direct services. These are selected individuals and organisations which reflect our values, which are running locally led, and - preferably - locally founded projects. We call these 'front-line' programs. We believe that this approach promotes greater local ownership amongst beneficiary communities, which improves participation and project longevity.

Person-centered

No two cases of exploitation are the same. For this reason, meeting the needs of survivors requires unflinching attentiveness, tenacity and an entrepreneurial spirit. At the same time, survivors are sometimes so affected by what they have endured that meeting their needs means providing stable, unconditional accompaniment over long periods. We believe that the qualities of creativity and unconditionality - which, to some degree, are in tension - are key to keeping human dignity at the heart of front line work and the antidote to commodification.

A patient catalyst

For all of the reasons above, we choose to work in a way which respects the expertise and right to self-determination of local activists. We aim to contribute to the building up of local networks in recognition of the truth that no one organisation alone can end slavery. We aim not to impose our ideas from the centre, but to listen, amplifying local voices, practising patience with our collaborators. It is our belief that this way of operating means that we can be a catalyst for positive change in the front line movement against modern slavery, adding capacity where we can, and supporting in other ways where our role is better fulfilled that way.

Our activities

Our approach is rooted in the belief that ending slavery is a joint enterprise. Collaboration is at the heart of what we do, finding and developing dynamic partnerships with front-line abolitionists which are formative for both giver and beneficiary. We catalyse exemplary front-line work against slavery. This might be through the provision of financial assistance. It might also be through the provision of advice, administrative or capacity building support, or raising awareness.

Prevention focus

One thread running through our selection of partners is an emphasis on prevention, which we see as the neglected 'P' in the famed four-pillar paradigm of anti-trafficking work: Prevention, Protection, Prosecution and Partnership. Prevention work we support includes education, the provision of viable alternatives to the promises of traffickers, awareness raising, and, in some cases, protection.

The United Nations Secretary General has repeatedly called for more attention to be given to such efforts. Yet, despite this, there has been little convincing movement. New anti-trafficking NGOs operating in this space have concentrated heavily on rescue, rehabilitation and prosecution, and the pattern of public and private investment has tended to follow.

As the US Department of State rightly says: "Without prevention, governments are left to respond to the consequences of *human trafficking without coming any nearer to seeing its end.*" (United States Department of State 2016 Trafficking in Persons Report)

Grant making policy

The trustees apply the funds of Arise Foundation at their discretion and in accordance with the charitable purposes and objectives of the charity.

The trustees have delegated a Grant Making Committee to consider the distribution of beneficial grants on its behalf, comprising elected trustees and others. The Committee makes recommendations in accordance with the charitable purposes and objectives of the Arise Foundation. Ultimate responsibility for the administration of grants remains with the trustees.

The number of projects that can be supported by the trustees is necessarily limited to the funding available for distribution each year. The trustees have determined that the priorities for the current funding period are:

- ◆ Organisations working to prevent trafficking in persons. Following a strategic review, the trustees determined that the work of the foundation would fall broadly into four categories: strategic investment, capacity building, amplification, and research. While most of our effort should always be focused on the first two categories (strategic investment and capacity building), Arise reached a point in our growth where it is clear that the current international development paradigms will not change unless the research consensus changes, and until there are people to advocate for that change. Believing that Arise is too small to change the landscape of anti-trafficking work alone, we realise the centrality of these two pillars - amplification and research - to our work.
- ◆ Organisations and their networks located in Eastern Europe, India, the Philippines, and Nigeria. Arise may also, from time to time, provide support to organisations in other countries.

Activities and achievements during the 2022 financial year

This year Arise positively impacted the lives of 56,804 people, which amounts to 12,147 families in 50 regions. As we expected, the impact of COVID-19 seemed to fade over the year, but its impact reverberated through the communities we serve. Moreover, the war in Ukraine and the subsequent upending of supply chains deeply impacted our programming over the year as we, in part, pivoted our work to meet that growing need. During this year we also opened an office in Albania, expanding and consolidating our

Activities and achievements during the 2022 financial year (continued)

growing work there and across Eastern Europe. We were also delighted to see the world reopening after the years of lockdown, with our staff finally freer to travel and meet each other across the world.

In Nigeria we deepened our work with the network of women religious working to address exploitation. Our network grew to include over 36 groups, working in all areas of Nigeria to build local sustainable prevention work. Our programmes there included a series of over 100 hours of training provided to these frontline workers to grow their skills in everything from project management to identifying and responding to need. Our Philippines team faced ongoing challenges with high levels of COVID-based restrictions in the country, but we were delighted to have a launch conference with network partners in Manila in the summer. Our Albania team hosted four capacity building trainings for our 9 network partners, including online training on advocacy and a two-day leader's retreat for our local partners. With the increasing focus on Albania and issues around migration and trafficking, Arise was delighted to be able to amplify the voices of our frontline partners to feed into discussions across the UK.

Reacting to the war in Ukraine, Arise worked with frontline groups in Poland and Romania to meet the need of vulnerable refugees who were at high-risk of being preyed on by traffickers. Support ranged from help with finding accommodation, to language lessons and child care – but all of this ensures that there is wrap-around support for people at one of the most vulnerable times of their lives. Arise is committed to longer-term support for these communities and is working with our partners to ensure that they can continue to meet this need after the international focus has moved on. This has also involved commissioning and disseminating research into the changing needs of, and support structures for, refugees in Eastern Europe.

This year also saw a maturing of our grants and programmes models. Building on the ability to be more strategic with our grant portfolio, Arise was able to provide 37 strategic and programmatic grants to groups across the world supporting over 50,000 people. These not only supported direct work with those vulnerable to trafficking, but also supported research into effective interventions and support to networks to build their capacity and the skills of their members. Our average grant size grew in the last year and with our growing staff members we provided close support to nearly all grantees to develop bespoke monitoring and evaluation systems. We also expanded our work on an app to support our frontline partners to collect their data more easily, with this being piloted with several of our key partners in India. Arise is continuing to evaluate its programmatic and grant work to ensure that we remain nimble to respond to, and effectively support our frontline partners, while meeting our requirements as a maturing charity.

Finally, this year saw a return to our focus on amplification of our frontline network partners. Arise supported interventions at various government and UN bodies and facilitated one of our partners speaking at the launch for the UN Special Rapporteur for Trafficking in Persons' report on the agricultural sector. There was also increasing amplification work through partnerships with media and broader interest in our research programmes. Arise looks forward to strategically developing this to ensure that the frontline community is given the weight it deserves in policy and international fora.

Arise's broader team now includes three in Nigeria, two in the Philippines, one in India, one in Albania, and a rapidly expanding team in London and New York. While we remain committed to keeping our central staff as lean as possible, it is essential that we have adequate resources to support our model, which at times requires intensive

Activities and achievements during the 2022 financial year

accompaniment of frontline organisations. To this end, we hired two new staff members in London during 2022, one to support the Programmes team and the other to support the Communications and Relationships team.

Financial review

Results for the period

A summary of the period's results can be found on page 15 of the accounts.

Total income for the year amounted to £1,224,167 (2021 – £882,443) and was derived from donations from both individuals and organisations.

Expenditure in the year totalled £1,094,159 (2021 – £636,063). Expenditure includes expenditure on charitable activities of £1,011,619 (2021 – £574,345) and expenditure on raising funds of £82,540 (2021 – £61,718). Details of charitable grants are included in note 3 to the accounts.

Net income for the year and increase in funds for the year, therefore, was £130,008 (2021 – net income of £246,380).

Financial position

The balance sheet shows total funds of £529,552 at 31 December 2022 (2021 – £399,544).

Reserves policy and going concern assessment

The charity was established in January 2016 and has a policy of six months of operational expenditure in recognition of responsibilities towards staff and grantees. Free reserves are total unrestricted funds less the amount held within fixed assets and any funds which are designated. At 31 December 2022 the charity's free reserves were £168,996 (2021 – £397,175), the equivalent to 2 months of reserves (2021 – 7 months).

The trustees have considered the level of reserves, and while the policy for free reserves remains six months, there are no concerns regarding the Foundation's ability to continue as a going concern for the foreseeable future. The proportion of restricted reserves is expected to decrease going forward with the completion of planned programs in the designated countries of funding. While a main source of funding remains Arise Foundation America, Inc which confirms its intention to continue to support Arise Foundation UK, the ability to grow free reserves in the coming year is considered by the trustees to be a secure target. Fundraising will specifically target unrestricted donations and an increased level of unrestricted funds will be provided by Arise Foundation America, Inc.

Governance, structure and management

Governing document

Arise Foundation is a Charitable Incorporated Organisation (CIO) governed by a constitution dated 20 January 2016. It is a registered charity, Charity Registration Number: 1165248.

Trustees

The charity has nine trustees. There must be at least three charity trustees and no more than twelve.

Every trustee must be appointed by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment, the trustees must have regard to the skills, knowledge and experience needed for the effective administration of the charity.

The names of the trustees who served during the year and at the time of approving the accounts are set out below. All trustees served for the entire year except where stated.

Trustee	Appointed/resigned
Rt Hon Prof the Lord Alton of Liverpool	Resigned 1st December 2022
Mrs Karen Bradley	Appointed 8th March 2022
David John Bringle	
Sister Lynda Dearlove RSM MBE	
Rt Hon the Lord Hogan-Howe QPM kt	
Mrs Dee Jethwa	Appointed 8th March 2022
Mrs Jane Leek	
Sister Cecilia Oebanda	Appointed 8th Mar 2022; Resigned 23rd November 2022
Sister Patricia Murray IBVM	
Mr Peter Smith	Resigned 23rd November 2022
Ms Beatrix Brenninkmeijer Schürholz	
Ms Wendy Strauss	

Statement of trustees' responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial period which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing the accounts the trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. As a result of the international scope of their work, they meet formally as often as necessary to review developments with regard to the charity or its activities and make any important decisions. The trustees use electronic means to be informed and kept up to date with developments within the charity. When necessary, the trustees seek advice and support from the charity's professional advisers. The day-to-day management of the charity's activities, and the implementation of policies, is delegated to the Chief Executive Officer.

Key management

The trustees consider that they comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. They receive no remuneration or reimbursement of expenses in connection with their duties as trustees.

Risk management

The trustees believe the significant risks facing the charity to be:

- ♦ *Staffing:* The Foundation currently depends heavily on a limited number of people. This poses a risk to the sustainability of the charity, as much of the knowledge of internal systems and management of external relationships are currently the responsibility of a few people. To bring structural stability and to prepare adequately for succession Arise has employed more people, and will invest in ensuring that they are adequately trained to take on extra responsibility should the need arise.
- ♦ *Funding:* Arise and its operations depend upon charitable giving. While we believe that there is sufficient support in the philanthropic community and among public bodies to sustain this work, we also acknowledge the inherent instability of this model. In order to mitigate these risks, our fundraising programme seeks to secure a core base of endowments in addition to working towards employing a member of staff with responsibility for development. We continued to make progress on securing multi year donations in 2022.
- ♦ *Misappropriation of grants:* As a grant-giving charity, there are risks associated with misappropriation and misallocation of funds by beneficiaries which carry reputational risks for the charity and for the security of its funding. Arise is working in areas judged by the international financial community to be high risk - getting the balance right between due diligence and adopting a trusting posture towards our grantees is not straightforward. We are vigilant to ensure that our approach is not undermined by imposing sufficient controls, and vice versa.

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

- ♦ *Failure to deliver on large grants due to circumstances beyond our control.* We are now in receipt of large multi-year grants from various organisations which pushes Arise towards a service delivery model, through our partners. We are mindful of the need to deliver.
- ♦ *Amplification work undermining frontline work.* As Arise becomes better known, we are under increasing pressure to advocate on behalf of our network. Sometimes this will bring us into conflict with governments which may not welcome criticism. Where there exists a clear and present danger to our frontline network as a result of advocacy, we always prioritise the well-being of our frontline.
- ♦ *Cyber threats.* Arise is constantly vigilant of the threat of cyber attacks. Many of our trustees and staff have a public profile which increases this threat. Arise has recently performed a security audit and is moving to offer trainings to trustees for this reason.
- ♦ *Data Protection:* We have a GDPR policy in place, which is kept under regular review.
- ♦ *Fundraising:* The Foundation aims to ensure compliance with best practice when undertaking fundraising activities. The foundation is not currently registered with the Fundraising Regulator. When donations from individuals are received the foundation aims to protect personal data and never sells data or swaps data with other organisations. The charity manages its own fundraising activities. The foundation undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2022, the foundation received no complaints about its fundraising activities.

The trustees are due to renew a formal review of risks, with the aim of updating the risk register to formally identify risks and implement mitigating actions.

Signed on behalf of the trustees:

B. Brenninkmeijer

Trustee

Approved by the trustees on: 27/06/2023

Independent auditor's report to the trustees of Arise Foundation

Opinion

We have audited the financial statements of Arise Foundation (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the financial statements; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Auditor's responsibilities for the audit of the financial statements (continued)

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the activities of the charity. These included but were not limited to the Charities Act 2011; and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- ◆ We assessed the extent of compliance with laws and regulations identified above by making enquiries of management and representatives of the trustees and review of the minutes of trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by:

- ◆ Making enquiries of management and representatives of the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected, and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Tested the authorisation of expenditure;
- ◆ Tested the implementation of key financial controls;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

Independent auditor's report Year ended 31 December 2022

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date 19 July 2023

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 31 December 2022
(including income and expenditure account)

	Notes	2022 Unrestricted General Funds £	2022 Restricted General Funds £	2022 Total Funds £	2021 Unrestricted General Funds £	2021 Restricted General Funds £	2021 Total Funds £
Income from							
Donations	1	237,963	984,828	1,222,791	882,233	--	882,233
Other income		<u>1,376</u>	--	<u>1,376</u>	<u>210</u>	--	<u>210</u>
Total income		239,339	984,828	1,224,167	882,443	--	882,443
Expenditure on							
Raising funds	2	60,508	22,032	82,540	61,718	--	61,718
Charitable activities: Elimination of the infringement of human rights	3	<u>404,281</u>	607,338	<u>1,011,619</u>	<u>574,345</u>	--	<u>574,345</u>
Total expenditure		464,789	629,370	1,094,159	636,063	--	636,063
Net income for the year and net movement in funds	5	(225,450)	355,458	130,008	246,380	--	246,380
Balances brought forward at the start of the year		<u>399,544</u>	--	<u>399,544</u>	<u>153,164</u>	--	<u>153,164</u>
Balances carried forward at the end of the year		<u>174,094</u>	355,458	<u>529,552</u>	<u>399,544</u>	--	<u>399,544</u>

All income and expenditure during the previous year was unrestricted.

All recognised gains and losses for the period are included in the statement of financial activities.

Balance sheet 31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Tangible assets					
Fixed assets	8		5,098		2,369
Current assets					
Debtors	9	74,323		17,516	
Cash at bank and in hand		625,305		429,147	
		699,628		446,663	
Current liabilities					
Creditors: amounts falling due					
within one year	10	(175,174)		(49,488)	
Net current assets			524,454		397,175
Total net assets			529,552		399,544
Represented by:					
The funds of the charity					
Unrestricted General Funds			174,094		399,544
Restricted Funds			355,458		–
Total Funds			529,552		399,544

Approved by the trustees and signed on their behalf by:



Trustee

Approved by the trustees on: 27/06/2023

Cash flows 31 December 2022

		2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	A	202,233	284,563
Cash flows from investing activities	B	(6,075)	(593)
Change in cash and cash equivalents in the year		196,158	283,970
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 January		429,147	145,177
Cash and cash equivalents at 31 December	C	625,305	429,147

A Reconciliation of net income to net cash (used in) from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	130,008	246,380
Adjusted for:		
Depreciation charges	3,346	1,261
Increase in debtors	(56,807)	(231)
Increase in creditors	125,686	37,153
Net cash provided by operating activities	202,233	284,563

B Cash flows from investing activities

	2022 £	2021 £
Purchase of tangible fixed assets	(6,075)	(593)
Net cash used in investing activities	(6,075)	(593)

C Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash and cash equivalents	429,147	196,158	625,305

Arise Foundation does not have any borrowings or lease obligations. Net debt consists therefore of the cash at bank and in hand only.

Principal accounting policies Year to 31 December 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below:

Basis of preparation

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

These accounts have been prepared for the year to 31 December 2022 with the comparatives for year ended 31 December 2021.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

Other than the allocation of governance and support costs between the various categories of expenditure, there are no items in the accounts where key judgements and estimates have been made.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income recognition (continued)

The principal source of income is donations.

Donations, receivable in cash, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated services and facilities provided to the charity are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the service is provided/the facilities are used by the charity. An equivalent amount is included as expenditure. Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. The classification between activities is as follows:

- ◆ Expenditure on raising funds comprises the cost of fundraising events as well as support costs;
- ◆ Expenditure on charitable activities includes all other costs associated with furthering the charitable purposes of the charity; the elimination of the infringement of human rights by people trafficking anywhere in the world by all or any means possible. Such costs include grants made in accordance with the charity's objects and administration costs.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial period are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support including in the form of financial procedures.

Principal accounting policies Year to 31 December 2022

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support and governance costs are apportioned using percentages based on the direct expenditure incurred on each of the activities of the charity.

Tangible fixed assets

Individual assets with an expected useful life exceeding one year are capitalised at cost. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computers and equipment	33% on a straight line basis
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Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Unrestricted funds comprise those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

Foreign currencies

Assets and liabilities in foreign currencies are translated into Sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Principal accounting policies Year to 31 December 2022

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

Pension costs

Contributions in connection with the charity's defined contribution scheme are charged to the statement of financial activities in the period in which they become payable to the scheme.

Notes to the accounts Year to 31 December 2022

1 Income from: Donations

	2022 Unrestricted General Fund £	2022 Restricted Fund £	2022 Total Funds £	2021 Total Funds £
Donations				
Arise Foundation America Inc.	91,473	723,752	815,225	440,438
Gift Aid	796	1,500	2,296	49,410
Trustees (see note 12)	2,285	6,000	8,285	31,000
Other	143,408	253,576	396,984	361,385
	237,963	984,828	1,222,790	882,233

Donations include donations in kind amounting to £58,456 (2021 - £62,916) in relation to staff costs. All transactions in 2021 were classed as unrestricted.

2 Expenditure on: Raising funds

	2022 Unrestricted General Fund £	2022 Restricted Fund £	2022 Total Funds £	2021 Total funds £
Staff costs (note 6)	32,139	–	32,139	–
Fundraising costs	2,618	–	2,618	–
Travel	4,407	–	4,407	–
Allocated support and governance costs (note 4)	21,344	22,032	43,376	61,718
	60,508	22,032	82,540	61,718

3 Expenditure on: Charitable activities

	2022 Unrestricted General Fund £	2022 Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Grants				
. India	122,636	9,058	131,694	153,407
. Nigeria	10,017	–	10,017	–
. Ukraine	–	138,645	138,645	–
. Romania	13,155	–	13,155	–
. Philippines	–	35,411	35,411	40,543
. Albania	22,269	123,867	146,136	139,687
Total grants awarded	168,077	306,981	475,058	333,637
Direct costs				
. Program costs	56,095	117,372	173,467	14,353
. Bank fees	1,327	–	1,327	565
Communications	1,000	–	1,000	–
. Depreciation	198	–	198	58
. Professional fees	–	–	–	16,932
. Meetings & Conferences	–	–	–	6,622
. Travel costs	5,855	–	5,855	8,675
. Staff costs (note 6)	74,842	89,061	163,903	131,877
	139,317	206,433	345,750	179,082
Allocated support and governance costs	96,887	93,924	190,811	61,626
	404,281	607,338	1,011,619	574,345

All transactions in 2021 were classed as unrestricted.

4 Support and governance costs

	2022 Unrestricted General Fund £	2022 Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Staff costs (note 6)	16,450	51,441	67,891	52,837
Office costs	41,118	55,500	96,618	43,732
Travel	10,592	–	10,592	4,869
Communications	4,824	2,000	6,824	833
Governance costs:				
. Staff costs (note 6)	15,888	7,015	22,903	16,405
. Consultants	21,379	–	21,379	–
. Auditor's remuneration	7,980	–	7,980	4,668
	118,231	115,956	234,187	123,344

All transactions in 2021 were classed as unrestricted. Support and governance costs have been allocated to expenditure on raising funds and charitable activities as follows:

	2022 Unrestricted General Fund £	2022 Restricted Fund £	2022 Total Funds £	2021 Total Funds £
Raising funds	21,344	22,032	43,376	61,718
Charitable activities	96,887	93,924	190,811	61,626
	118,231	115,956	234,187	123,344

The charity allocates its support costs using percentages based on the direct expenditure incurred on each of the activities of the charity.

5 Net income for the period

This is stated after charging:

	2022 £	2021 £
Auditor's remuneration (including VAT)		
. Statutory audit fees	7,980	4,668

6 Staff costs and remuneration of key management personnel

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	254,201	180,491
Social security costs	22,446	14,404
Pension costs	10,189	6,225
	286,836	201,120

The average number of staff employed during the year is 7.6 full-time 7 (2021 - 3) and 2 part-time (2021 - 3)

Notes to the accounts Year to 31 December 2022

6 Staff costs and remuneration of key management personnel (continued)

No members of staff received employee benefits (excluding employer pension costs) of more than £60,000.

Included in staff costs above is £58,456 (2021 - £62,916) total remuneration paid on behalf of the charity. The value of the time spent in this role is also included within donations in kind income.

The trustees consider that they, together with all staff of the Foundation, comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £ 173,672 (2021 - £201,120).

No trustee received reimbursement of travelling expenses in the year (2021 – £nil).

7 Taxation

Arise Foundation is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Tangible fixed assets

	Computers and equipment £
Cost	
At 1 January 2022	6,343
Additions	8,774
At 31 December 2022	15,117
Depreciation	
At 1 January 2022	3,974
Charge for year	6,045
At 31 December 2022	10,019
Net book value	
At 31 December 2022	5,098
At 31 December 2021	2,369

9 Debtors

	2022 £	2021 £
Accrued income	60,000	–
Gift Aid receivable	2,296	11,999
Other debtors	12,027	5,517
	74,323	17,516

Notes to the accounts Year to 31 December 2022

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals	13,898	12,853
Grants payable	157,128	–
Pension contributions payable	1,595	1,114
Other creditors	2,553	35,521
	175,174	49,488

11 Restricted funds

	At 1 January 2022 £	New designations £	Utilised/ Released £	At 31 December 2022 £
Projects fund	—	984,828	(629,370)	355,458
	—	984,828	(629,370)	355,458

Projects fund

The projects fund relates to income received from funders which are restricted to use on specific projects. All restricted funds received during the year were used in projects as intended to fund overheads, staff salaries and grants.

12 Related party transactions

During the year ended 31 December 2022, 1 trustee made donations to the Arise Foundation, of £8,285 (2021 – £31,000 donated by one trustee).

13 Related entity

The charitable company is closely related to Arise Foundation America Inc, a US tax exempt organisation registered in the state of Delaware and was founded to carry out the work of that entity in the UK.

Apart from the donations received as shown in note 1 to the accounts, there were no transactions with the parent during the period.