

BLACK EQUITY ORGANISATION
(A Charitable Incorporated Organisation)
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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CONTENTS

Legal and administrative information	page 1
Trustees' annual report	page 2
Independent Auditor's Report	page 18
Statement of Financial Activities	page 21
Balance Sheet	page 22
Cash Flow Statement	page 23
Notes to the Financial Statements	page 24-34

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

LEGAL AND ADMINISTRATIVE INFORMATION

Black Equity Organisation (BEO)

Registered Company Number (England and Wales)	CE026439
Registered Charity Number (England and Wales)	1195506

Registered Office

86-90 Paul Street, London EC2A 4NE

Board of Trustees

Dame Vivian Hunt DBE (Chair)	
David Lammy MP	
Karen Blackett OBE	
Kwame Kwei-Armah OBE	
Ric Lewis	
Mark Boisson, Treasurer	
Marcia Willis-Stewart KC (Hon)	
Yvonne Field	resigned 2 June 2023
Athian Akec	
Michelle Daley	
David Olusoga OBE	
Siobhan Aarons	
Adjoah Andoh	appointed 2 June 2023

Chief Executive Officer

Jake Ferguson April 2022
Dr Wanda Wyporska from March 2023

Interim Chief Executive Officers

Miranda Grell from May 2022 to August 2022
Timi Okuwa to March 2023

Independent Auditor

Sayer Vincent LLP
Statutory Auditor
Invicta House
108-114 Golden Lane
London EC1Y 0TL

Bankers

Unity Trust Bank Plc
Nine Brindley Place
Birmingham B1 2HB

HSBC
1 Centenary Square Birmingham B1 1HQ

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The trustees of the Black Equity Organisation (BEO) present their report with the financial statements for the year ended 31 March 2023, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the charitable company's Articles of Association 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 UK and Republic of Ireland (FRS 102) effective 1 January 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Black Equity Organisation is controlled by its governing document, a Charitable Incorporated Organisation (CIO) constitution, and is registered as a body corporate under Part 11 of the Charities Act 2011. Trustees set the overall direction of the charity and agree staff pay, benefits and terms and conditions.

Appointment of Trustees

As set out in the articles of association, the constitution permits a maximum of 15 board members. Currently, the board of trustees comprises 12 trustees in total. Board members may serve up to two terms of three years. In accordance with BEO's governing document, additional trustees are recruited to the board based on a skills gaps assessment, with the board prioritising the knowledge, skills and experience needed to deliver the mission of the organisation, together with the need to ensure that diverse lived experience and identities are represented on the board.

Staff Team

Our freelance Project Director continued to support the board, Interim Chief Executive Officer (CEO) and a new Chief Operating Officer (COO) to stabilise and strengthen BEO's operations. In addition to the team in place, we continued to recruit a founding staff team which included a permanent CEO, Interim Legal Adviser, Head of Policy and have also continued to use outsourced functions while we gradually grow the permanent staff team, carefully balancing organisational need against the funds available.

Charitable Objects

The objects of the CIO are specifically restricted to the promotion of racial harmony and equality and diversity, and the elimination of discrimination on the grounds of race, for the benefit of the public in such ways as the charity trustees think fit including by:

- a) raising awareness of racial discrimination and inequality by publications, lectures, use of the media, public advocacy and other means of communication;
- b) conducting or commissioning research into racial discrimination and racial inequality (including in relation to its causes, effects and prevention), as the charity trustees think fit, and by disseminating the useful results of the same;
- c) cultivating a sentiment of racial harmony and working towards the elimination of racial discrimination through the use of publications, codes of practice, schemes for employers, the media, and in such other ways as the charity trustees think fit;

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

- d) promoting equality of opportunity and good relations between different racial groups; and
- e) promoting the sound development and administration of the law for the benefit of the public in the following ways:
 - i. by promoting awareness and conducting research into the law, including current and proposed practice and administration and reform of the law, as the charity trustees think fit, and by disseminating the useful results of the same;
 - ii. by providing specialist legal advice in relation to the law and legal procedures, particularly where it is apprehended that a miscarriage of justice has taken place; and
 - iii. by providing specialist legal advice, assistance and representation to people who are unable to obtain such legal advice, assistance and representation as a result of their lack of resources.

Summary of Activities

This is the charity's second year and the focus has been on building the foundations needed to deliver the mission. In particular: fundraising, developing the charity's strategy and delivery model, establishing the founding team of trustees and staff and planning for our launch which took place in May 2022. Our initial work was centred on raising widespread awareness of BEO, starting early work around tackling systemic racist issues by building inclusive campaigns and communications, engaging with allies and grassroots organisations and also scoping out the planned strategic legal work and access to justice activities.

Public Benefit

Our trustees have paid due regard to the guidance on public benefit produced by the Charities Commission and are confident that the work of the charity meets all the criteria for public benefit.

We are satisfied that we undertake all of our work within our charitable objectives and the public benefit requirement as defined in Section 17 of the Charities Act 2011.

The organisation

BEO is the national civil rights organisation for Black people in the UK. We exist to dismantle the systemic racism experienced by Black people.

Our **vision** is to realise the empowerment, self-determination and welfare of Black people in the UK, and to be a credible and effective catalyst for dismantling structural racism within British society.

Our **mission** is to promote economic, legal, social and political equity for Black communities in Britain to ensure equal opportunity for progress and prosperity. Our efforts will endorse and amplify Black talent, Black enterprise and Black greatness in Britain.

During BEO's first year, the charity was not in the public domain, so the board invested that time to put policies and procedures in place, recruit the core team, develop the strategy and do the data analysis to establish a strong foundational evidence base about the nature of systemic racism.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

BEO launched in May 2022 with a core team, foundational funding and strategic partnerships. We are now building our team, growing our income as well as growing and diversifying our partners in order to deliver against our strategic objectives and priorities.

BEO is focussed on equity for all Black people in the UK – by that we mean people of African and Caribbean or mixed Black heritage. Our mission is focused on equity not equality because we don't just want equal treatment, we want fairness and justice for Black people.

ACHIEVEMENTS AND PERFORMANCE

2022 - 2023 IN NUMBERS:

Six major events held:

1. 24th May 2022 '[official launch](#)' - 845 virtual attendees
2. 21st July 2022 '[Barriers to Economic Success](#)' - 173 attendees
3. 27th July 2022 '[Bridging the Gap](#)' - 273 attendees
4. 26th October 2022 '[Bringing about change in Education](#)' - 273 attendees
5. 7th February 2023 '[The Future of Black Activism](#)' - 100 attendees, 1500 streaming online
6. 29th April 2023 'BEO 1 year anniversary event at the Kiln Theatre' – 290 attendees

CEO, Dr Wanda Wyporska, has spoken at several events, including the Bernie Grant Memorial Lecture (panellist), a Fawcett Society webinar on policing and at Rev Al Sharpton's National Action Network Conference in New York. These and other similar events have:

- Reached an audience of 1,200
- 6,000 subscribers to our mailing list
- 1,671 signed our Manifesto
- Grown our team to 13 full-time staff
- Appointed 12 Trustees to our Board
- Individuals have donated a total of £12,537 excl. high net worth individuals
- Amassed an online community of 11,556
- During our May 2022 lunch we benefitted from 211 pieces of press coverage: Guardian, The Independent, The Times, Press Association and The Voice
- Broadcast coverage which included Radio 4 Today Programme, Channel 4 News, Sky News, Woman's Hour, ITV News

Since January 2023 BEO has secured:

- 470 pieces of press coverage: The Guardian, Metro, Daily Mail, Voice, Independent, Press Association, Evening Standard, Civil Society
- Broadcast coverage included BBC London News, BBC Radio 4 - Woman's Hour, ITV News, CBC News, BBC Essex, LBC, BBC Radio London, BBC Radio Derby, Channel 5 News.

CONVENING POWER THROUGH PARTNERSHIPS

We are committed to civic assembly and developing authentic coalitions with all those with a vested interest in racial equity and justice.

Partnership working includes with organisations within the sector, but equally as important, are members of our communities. Their lived experience is the engine of our work as we seek to remedy historical harms.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

In September 2022, BEO hosted a Fringe panel at the Labour Party Conference 'What's Next for Labour's Agenda on Race?' in partnership with British Future.

We commissioned Survation to canvass the views and report on the state of Black Britain. It is the largest opinion poll on [the lived experience of Black people in the U.K.](#) with over 2000 respondents. We also commissioned Clear View Research to produce and publish two more reports: '[Brick Wall after Brick Wall](#)' and '[Systemic Change Required](#)'. In October 2022, BEO co-hosted a Fringe panel at the Conservative Party conference "What's next for race? Moving Britain forward", in partnership with British Future, KPMG & Conservatives Against Racism for Equality (CARFE).

Prior to and since our launch, we have engaged with grass-roots organisations and stakeholders to listen, learn, and help shape our ideas and refine our plans. We held a series of Listening Tours in July and October 2022; these town hall meetings played an intrinsic role in informing our solutions on pertinent issues facing Black communities, especially in respect of economic success and educational reform.

In November 2022 BEO responded to a call for input to the UN [Working Group of Experts](#) on People of African Descent in advance of their discovery visit to the UK in January 2023. Our submission focussed on 4 specific topics:

1. **Economic empowerment:** Black people face multiple barriers in gaining economic empowerment. Many in Black communities were facing a "cost of living crisis" well before the term reached common parlance in recent times. Our concern is that COVID-19 and the current economic environment will disproportionately affect Black communities.
2. **Education:** BEO is committed to doing its part to effect a generational change for all young Black people. We believe that education plays a key role in securing that change. However, Black children and young people are fighting inexplicable battles while simply trying to get their education.
3. **Mental health:** A person's mental health underlines all activity in their life. BEO's Brick Wall to Brick Wall report demonstrated that mental health is a priority for Black people. Black people experience a higher prevalence of reported mental health issues and are 30% more likely than White people to suffer from a common mental health issue. The UK Government must ensure mental health is prioritised.
4. **Criminal justice:** BEO was formed following the murder of George Floyd and worldwide anti-racism protests on the basis that its founders knew that Black communities face disproportionate criminalisation by the UK justice system. This must end and the Government plays a key role in prioritising and tackling this.

We have identified an area of neglect within Black communities regarding Disability Justice. In early December 2022, we hosted a focus group session to discuss the health and social care needs of Black disabled people in the UK. It was an important first step towards creating a partnership of individuals and organisations to build BEO's knowledge around the intersection between racism, ablism and disablism and the case for policy change. We will continue to gather good practice, challenge existing laws which exacerbate discrimination, and redress negative narratives via future campaigns. We planned 3 workshops to be delivered in September 2023 for BEO staff members in order to gain an understanding of Black Disability Justice, and to update BEO's internal policies and procedures, so that they are reflected in BEO employees' and volunteers' (including trustees') experiences.

In February 2023 we partnered with the Alliance for Police Accountability and the Advocacy Academy, to host the renowned civil rights activist Rev Al Sharpton for an evening exploring 'The Future of Black Activism and Campaigning'. Over 100 people joined in-person and there were 1,500 [streaming online](#). The event encouraged timely discussion on how best to unify campaigners and mobilise support via a global community of change agents.

We hosted in-person and online workshops in February and March 2023 led by campaigners Patrick Vernon and Martha Cuffy on the 'art and science of successful campaigning'. The sessions [offered individual and group training, development, and capacity building to existing organisations](#). The workshop findings will be used to establish a pilot programme, that will build and support a network of young activists and community organisers. The programme will [provide a more sophisticated and structured model that capitalises on the energy, and social capital of young people, to become effective campaigners, culminating in a youth summit this summer](#).

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

QUOTE

"I just wanted to thank you once again for the BEO event held this afternoon, it was an honour to get to learn from you and your campaign experiences in such an intimate space. Thank you for your engaging question on the visualisation of my campaign." – Attendee

BEO's convening power includes working with civil rights groups internationally, and we are establishing a UK-US alliance of organisations working on racial justice. During March and April 2022, BEO joined a delegation to the United States organised by Blaksox and the Kenya Bandung conference initiative. The focus of the trip was to establish and re-establish links with African American organisations working in the political, policy, legal and sporting fields. Moreover, in April 2023 our newly appointed CEO attended and spoke at the National Action Network Convention in New York City, with over 1,000 esteemed activists, politicians, artists, academics, and campaigners, where they heard from cabinet secretaries, elected officials, current and former mayors, about how we can best support and invest in our neighbourhoods, tackle public safety, and build a stronger future for our communities.

PROGRESS AGAINST OUR PILLARS

Pillar	Main Issue	Action
Economic Empowerment	<p>Data shows that 24.3% of Black-led Small and Medium Enterprises (SMEs), engaged in process innovation in 2018, compared with only 14.8% of White -ed SMEs. According to the 2020 Extended Ventures report, Black entrepreneurs received less than 1% of venture capital funding in the U.K during the previous ten years. Between 2009 and 2019, just 0.24% of venture capital went to teams of Black entrepreneurs – a total of 38 businesses.</p> <p>Many Black people are underpaid and undervalued and lack security of income. Median wealth for Black African households is £34,000 compared to £314,000 for white households.</p> <p>They are also much less likely to be able to inherit or create wealth. Home ownership rates for the Black African, Black Caribbean and Black (other) groups stand at: 20%, 40% and 37%. These rates are significantly lower than the home ownership across White British groups (68% owner occupiers).</p>	<p>We partnered with the SKY Group to launch a 3-year flagship programme (December 2021 – November 2024) supporting young Black entrepreneurs aged 18 – 30. The Future 100 Growth Programme, backed by £1m investment provides expert advice, coaching and access to SKY's supply chain. The programme works across the Black entrepreneurial ecosystem in partnership with other accelerator programmes and seeks to provide signposting to other resources for Black founders.</p> <p>This fund invested up to £105,000 into 7 businesses in December 2022.</p> <p>QUOTE</p> <p><i>"When I did, I felt it was the right move. I needed support, a better understanding of being a business owner and trying to scale, so the programme felt like a step in the right direction. As I found when speaking to people within the black entrepreneurial space the problem many encountered was raising capital. Something we know for some time has been a huge issue for start-ups with the black communities. This programme is a starting point to dealing with these issues." – Shanice Mills, Kulture Consulting, F100 participant</i></p> <p>In May, we look forward to our event "Demystifying Venture Capital for Black-owned Businesses", hosted by BEO and VC partners from Octopus Ventures, Anthemis Partners, Balderton Capital and sponsored by Allen and</p>

		<p>Overy, as well as opening applications for the Future 100 Growth Fund Programme, with cohort two commencing in September 2023.</p> <p>WPP funded the development of a Black Equity Index to advance and measure progress towards racial equity in the workplace for Black employees. Informed by DE&I practitioners, the new set of standards harnesses the power of data to create opportunities for Black professionals. Designed to drive systemic, sustainable change, the benchmark provides greater accountability for companies and their leaders, allowing organisations to track progress and improve their practices year after year. This work will commence this year.</p>
Justice, Immigration & Rights	<p>Black people are disproportionately impacted by a racist criminal justice system. Whilst Black people make up 3% of the general population, they are overrepresented in prisons, making up 12% of the prisoner population (House of Commons Research Briefing, 2022).</p> <p>Black people are also under-represented in the judiciary and the police service and are more likely to face other barriers to accessing justice, including discrimination in the immigration system or wider public sector. According to FOI data obtained by the Independent, out of 3,479 Windrush claimant appeals in 2021, only 42 resulted in a settlement (The Independent: Windrush Compensation Scheme not fit for purpose, 2022).</p>	<p>BEO commissioned Matthew Howgate to undertake research to identify which areas of law we would be placed to support as part of our Access to Justice Service.</p> <p>Several recommendations were presented having canvassed the views of advice and support operators, who offered an array of workstreams, specifically:</p> <ol style="list-style-type: none"> 1. Education law and particularly the impact of discrimination disproportionately impacting the education of Black children, particularly concerns raised about treatment of Black children who tend to experience exclusions at twice the rate of white children. 2. Healthcare, social care and maternity care, particularly, unmet legal need in relation to maternal healthcare malpractice / medical negligence as Black women are up to four times more likely to die during pregnancy and childbirth, compared to white women in the UK 3. Stop and search and Police powers under PACE, including support/advice about making complaints against the Police 4. Discrimination, especially in the workplace, but also the intersectionality between protected characteristics, especially between race and disability 5. Actions against the police and other public authorities – and especially in

		<p>respect of police brutality and death or mistreatment at the hands of the state</p> <p>6. Providing legal support to victims of racially motivated crime which seems to be on the increase nationally</p> <p>Additionally, there was a unanimous call for BEO to engage in the Windrush Compensation Scheme.</p> <p>Thus, on the 26th of January 2023 Suella Braverman Secretary of State of the Home Department (SSHD) made a parliamentary statement that she was not going to follow 3 of Wendy Williams' Windrush Review recommendations.</p> <p>On the 9th of February 2023 BEO sent a letter to SSHD requesting answers relating to the recommendations that were being dropped and how the Government planned to implement in whole the remaining recommendations. The letter also raised a query about the compensation scheme, which we believe is not fit for purpose.</p> <p>QUOTE</p> <p><i>"The report confirms the worst fears of the Windrush victims and survivors, that institutional prejudice, ignorance, carelessness and inhumanity that drove the scandal, would resurface if the Home Office were allowed to manage the compensation scheme, and sadly, that has proven to be the case."</i> – BEO CEO Dr Wanda Wyporska</p> <p>Working with the Public Law Project and in conjunction with a survivor's claim, we have submitted a Pre-Action Protocol letter challenging the lawfulness of the decision to drop recommendations from the Williams Review to the Home Secretary.</p> <p>BEO also launched a petition with 38 Degrees to ensure full implementation of the recommendations, which attracted over 53,000 signatories. We handed in the petition to No. 10 Downing Street on the 5th anniversary of the Windrush scandal coming to light (6th April).</p> <p>A BEO statement in response to a Human Rights Watch report about the failings of the Windrush compensation scheme was published by a range of national media outlets including BBC News, The Daily Mail, The Independent, The Voice, The Metro, ITV News.</p>
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		<p>It was also published by more than 20 local and regional outlets, including: The Evening Standard, The Thurrock Gazette, Saffron Walden Reporter and The Northern Echo.</p> <p>Also in February, we responded to the racist attack of a schoolgirl at Thomas Knyvett School by writing to the Trust which oversees the school, to put pressure on them to fully investigate the incident.</p> <p>In March we responded to the Baroness Casey review of the Met Police and produced a joint statement on the Independent Office for Police Conduct (IOPC) with the Alliance for Police Accountability in relation to the fatal shooting of Chris Kaba in September 2022. The IOPC has decided to refer the case to the CPS.</p> <p>QUOTE</p> <p><i>“For decades Black communities have suffered at the hands of the Police and have fought for justice, accountability and change in policing. The Casey Review has finally brought home to the wider public, the institutional racism within policing. We stand with the family and friends of Chris Kaba, to see justice served and hope that this is a turning point for Police accountability to Black communities, as well as to women, LGBTQIA+ communities and young people.” – BEO CEO Dr Wanda Wyporska</i></p> <p>A Public Affairs Strategy is being drafted and will be used as a public policy advocacy and engagement tool to deliver BEO’s goals of advancing justice and equity for Black people in Britain, ensuring that prospective equalities legislation can meaningfully address systemic racism and building its reputation as an organisation that can provide a “racial lens” across all policy areas. The strategy will focus on 6 core priorities that we intend to campaign and lobby for in the run up to the General Election:</p> <ol style="list-style-type: none"> 1. Improvements to low-interest business loans and grants 2. The development of a detailed policy that specifically addresses racial disparities in maternal health 3. More senior leadership diversity within the television industry 4. Action to tackle high housing costs for (private) renters 5. An urgent review into stop and search.
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		<p>6. Action to address school exclusion rates disparities (Black pupils have a higher exclusion rate)</p> <p>In May we will assemble community-led organisations and Members of Parliament including Annaliese Dodds MP, for the first of series of round table discussions with the major parties to discuss BEO's work.</p>
Education	<p>Change is needed across school behaviour management processes, school discipline and exclusion practices, across the curriculum presented to Black students and across the composition of staff across the education system.</p> <p>Mixed White and Black Caribbean students and Black Caribbean students had among the highest rates of temporary and permanent exclusion in schools out of all ethnic groups.</p> <p>The education system must also seek to reflect and reform its relationship with the police force, to restore faith and trust with Black communities across education.</p> <p>49% of young Black people feel that racism is the biggest barrier to attaining success in school, while 50% say the biggest barrier is teacher perceptions of them.</p>	<p>We have partnered with Mission 44 to deliver a research-based Black Education in Britain Programme' over 24-months, from November 2022 to October 2024. Key highlights of the programme include:</p> <ul style="list-style-type: none"> • A research and engagement component which aims to examine the barriers to education for Black children and young people in the UK. The research will explore why those barriers exist and recommend what can tangibly be done to uproot them, paving the way for a more equitable education system in the U.K • The programme will focus on how power inequities and the systems upholding them inhibit progress for Black pupils and their families. The outcome of which will establish clarity about the systemic barriers and challenges that need to be addressed to create greater equity and lay the foundations for action-focused partnerships across the education ecosystem. <p>Additionally, BEO will identify suitable bodies to review school policies, used to weaponize Black pupils, resulting in mistreatment, abuse and suspension, alongside inherent cultural practices that perpetuate environments not conducive to learning.</p>
Culture, Awareness and Representation	<p>Black people are under-represented in positions of power and decision making throughout society.</p> <p>According to analysis by Green Park published in 2021, there are no Black Chairs, CEOs, or CFOs in the FTSE 100.</p> <p>They are often stereotyped in the media with representations that are inaccurate or incomplete. Structural racism is not widely accepted by those in power.</p>	<p>Earlier this year, BEO sent a letter to the BBC Board, ahead of a DCMS select committee hearing, asking them to intervene on planned cuts to BBC Local Radio programmes which intended to scale back African Caribbean shows, impacting the livelihoods and representation of Black presenters and producers. Following our campaign and letter, it has been announced that the commitment to local programming has been retained, the number of stations has been increased from 20 to 33 and the shows are being moved to Mondays and Fridays.</p> <p>Moreover, colleagues have continued to meet with the BBC regarding next steps relating to redeployment, retention, and programme development changes to ensure Black</p>

		<p>presenters are supported through the restructure process. BEO will also seek a detailed explanation of how the reorganisation of the schedules will affect listeners.</p> <p>On the 29th of April, BEO brought together Black communities and allies showcasing the play Retrograde at the Kiln Theatre about the life of Sidney Poitier. 290 people attended the performance, and enjoyed poetry, music, and a Q&A with Jumoké Fashola and David Harewood OBE.</p>
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BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

BEO VALUES

We have identified core values which ground us and inform our approach to everything we do.

1. The fundamental importance of **EQUITY AND INCLUSION** – we want to create a society in which all individuals have equitable rights without discrimination based on race or any other identity characteristic.
2. The power of **EVIDENCE BASED ACTION** – we will use the power of data and evidence to help us decide where we should focus our energy and to establish solutions to address systemic change.
3. A legacy of **AMBITION** – our work will be done when the UK is an equitable place for all.
4. The responsibility of delivering **SUSTAINABLE IMPACT** - we will deliver our work in sustainable ways which has limited impact on the environment.
5. The mobilising effect of **PURPOSEFUL COLLABORATION** – we will work in allyship at all levels with others who share our ambitions – creating coalitions of the willing to build consensus and drive lasting change, centring the experiences of those affected by racism and promoting excellence.
6. The importance of **ACCOUNTABILITY** – we will work in service to the Black community and the wider British public, ensuring we hold ourselves and others to account.

OUR STRATEGY

At BEO we have a bold and ambitious strategy - **to achieve generational change and improve outcomes** for Black people in the UK. In the long term, our strategy is to dismantle structural and institutional racism, however, we also want to improve Black people's lives now. This approach means that we balance seeding the long term structural change needed with actions which have real time impact in the present and the medium term.

Our approach is driven by data analysis across six pillar areas of focus which are: economic empowerment and equity of opportunity; health, wellness and care; education; justice, immigration, and rights; culture, awareness, representation, and respect; neighbourhood and housing. Our pillar analysis is therefore underpinned by three long-term strategic goals which we are working towards:

1. Improved health, life-expectancy and wellbeing
2. Higher household income and greater job security
3. Improved outcomes from the use of public services

These goals are supported by a theory of change setting out what BEO will do to achieve the change we want to see and the longer-term objectives for BEO's activities. Fundamentally, we recognise that systemic racism can only be dismantled if we work with and through others. Those who control, influence and shape the organisations and systems in which racism is perpetuated are the ones who have to own and drive the change we need to see.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The strategic objectives underpinning these priorities are that:

1. Black people achieve self-determination, exercise their rights and achieve justice.

BEO will: provide advice, information, training and representation.

2.a) BEO persuades powerful institutions and corporations to acknowledge structural racism within their own systems and processes and take steps to dismantle it.

b) BEO's campaigns ensure the wider public understands what systemic racism is and there is growing support for action to address it.

BEO will: use data and evidence to persuade and hold the powerful to account and use our campaigns and the law to drive change; adopt an approach informed by the historic and current trauma experienced by Black people; build greater awareness and understanding of structural racism.

3. Lasting systemic change is realised through collaboration

BEO will: develop effective solutions to tackle structural racism, build partnerships and coalitions across BEO's pillars working with Black communities, experts, allies, politicians and corporate stakeholders to convene, catalyse and amplify good practice and impactful change.

Some of the activities that BEO is undertaking are described here:

Access to Justice Service – We know that there is a significant level of unmet need for advice amongst the Black population, so we are establishing a service to provide advice and representation to Black people. BEO has appointed a Director of Legal and Justice, who has begun the vital work of scoping out the best model for delivery in partnership with others, finding opportunities and community support.

Strategic Litigation – where necessary and when strategically it is the right thing to do, we will hold powerful institutions to account in the courts and use the law to challenge discrimination. We have already been granted standing in a case and are intervening in an action taken against the Home Secretary for resiling on commitments in terms of the Wendy Williams Lessons Learned Review on the Windrush Scandal.

Campaign Network – We commissioned leading Black activists, Professor Patrick Vernon and Martha Cuffy who piloted a series of workshops focused on networking and training Black activists and grassroots organisations. We believe that there is a clear role for BEO to be a resource for individual activists and campaigners to further realise their own self-determination, recognising that change must come from the grassroots if it is to be truly owned and experienced by Black communities.

Black Disabled Lives Matter (BDLM) – BEO is committed to adopting an intersectional approach to our work. Black Disabled people are amongst the most marginalized and disadvantaged. BEO will host the Black Disabled Lives Matter movement to provide infrastructure support to enable them to organize and grow their impact. We are also scoping analysis of the experiences of Black Disabled Londoners.

Democracy Engagement Roadshow – Together with Operation Black Vote and others, BEO is supporting local communities to gather and raise awareness of voter registration, voter ID requirements, mental health and local justice, as well as to garner views on what ought to be in a Black manifesto. The evidence shows that Black people were disenfranchised by the introduction of voter ID requirements and BEO will support Black communities to exercise their civic power. BEO will support communities to hold local, regional and national politicians accountable.

UK-US Anti-Racist Alliance – In cooperation with other stakeholders, BEO is forging transatlantic relationships to amplify good practice, to inform policy and practice in the UK and Europe, to convene and amplify thought leadership on race at an international level, working with the UN, the US State Department and others.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Education – Working with Mission 44 BEO is exploring power dynamics in education, as part of reimagining what education could look like and how it might better serve Black people. BEO will also work on challenging the adultification of Black children, in partnership with the National Education Union and the Alliance for Police Accountability.

Economic empowerment – Our flagship F100 programme supports a range of entrepreneurs and is generously funded by Sky. We intend to codify and extend this programme, working with a range of partners.

Windrush 100 – BEO will work with British Future and others to take forward the momentum of the Windrush 75 campaign, to scope out what dismantling racism over the next 25 years might look like.

We will develop effective solutions and work with allies to promote those solutions throughout the public and private sectors. We will engage expertise in each of our pillar areas of focus and will use our convening power to build diverse coalitions across private, public and voluntary sectors, bringing them together with grassroots activists to develop shared agendas for tackling systemic racism focusing on key levers for change.

BEO's Work

BEO will: provide advice, information, training and representation.

BEO will: use data and evidence to hold those in power to account, use campaigns and the force of the law to drive change; adopt an approach informed by the historic and current trauma experienced by Black people; build greater awareness and understanding of what structural racism is.

BEO will: develop effective solutions to tackle structural racism and use our convening power to build partnerships and coalitions across BEO's pillars including taskforces as well as mobilise our supporters and allies.

Our Partners and Funders

At BEO we know we cannot achieve systemic change alone. We have been collaborative and are grateful to the diverse partnerships we have established. We would like to thank the teams at McKinsey and WPP, Allen and Overy, Clifford Chance, Freshfields and Herbert Smith Freehills who have all continued to contribute expertise and funding to BEO. Our thanks also go to Sky who have continued to fund and amplify BEO's inaugural programme, F100, to support Black entrepreneurs.

We are also very grateful to the Open Society Foundation, Lankelly Chase, Mission44 and Indigo Trust for providing multi-year unrestricted funding from April 2022 onwards as this gives BEO the foundational funding it needs. These funds are reported on in this year's annual report and financial statements and reconciled in a table on page 34 within the Prism fund note.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW

Details of the BEO's income and expenditure for the year are set out on page 21. The financial statements show that for the year ended 31 March 2023 the total income was £2,781,119 (2022: £579,183) of which £1,028,640 (2022: £60,000) was restricted and £1,752,479 (2022: £519,183) was unrestricted. Total expenditure was £1,689,879 (2022: £444,394) of which £161,970 (2022: £42,146) was restricted and £1,527,909 (2022: £402,248) was unrestricted. The total net income in funds in 2022-23 was £1,091,240 (2022: £134,789) comprising an unrestricted net income of £237,112 (2022: £116,935) and a restricted net income of £854,128 (2022: £17,854).

The 2022 figures represent the funds brought forward for the 2023 financial year. Total funds carried forward at the end of the 2023 financial year were £1,226,029 (2022: £134,789) of which £354,047 (2022: £116,935) was unrestricted and £871,982 (2022: £17,854) was restricted. The cash balance as at 31 March 2023 was £1,236,248 (2022: £178,823).

In 2021, Black Equity Fund was established. This fund was hosted by Prism the Gift Fund (registered charity no 1099682) to which donors could make donations to support the work of BEO. Funds held by Prism were reported on in their financial statements, therefore BEO's annual report and accounts only included those funds which had been received as income by BEO, including those funds which had been transferred from Prism to BEO. Of those funds, £1,786,813 was transferred to BEO accounts fulfilling the trustees' intention. These funds are reported on and reconciled on page 33 of 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.

Investment Policy

BEO does not yet have an investment policy, but the board will be putting a policy in place ahead of making any investments.

Cash deposits

In September 2022 the board authorised the use of a cash savings and deposit platform service, the appointed provider, Insignis, was approved by the board later in the financial year. Between July and October 2023, a total of £700,000 has been deposited, earning an average of 5.3% interest income.

Reserves Policy

In determining its reserves policy, the board has reviewed the risks faced by BEO and the guidance issued by the Charity Commission. As a result, the board has concluded that a sum with an equivalent value of between 3-6 months of expenditure should be held as general unrestricted reserves. The accounts reported here show that in our first year we hold total reserves of £1,226,029 which includes unrestricted reserves of £354,047 which is equivalent to 2 months' worth of expenditure. However, the funds held by Prism the Gift Fund's Black Equity Fund meant that the reserves position significantly improved by June 2023, when the remaining funds were transferred to BEO.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Fundraising

BEO is registered with the Fundraising Regulator and abides by the Code of Fundraising Practice. In our first year, the fundraising team has been prioritising securing multi-year unrestricted grants in order to ensure financial stability for the charity in the years ahead. Some of our start-up funding has come from Black philanthropists and corporate partners. The board's fundraising strategy is to grow and diversify income sources, and in turn grow the charity in a sustainable way.

In addition to the individual donations, the charity received a wide range of discounted and donated services in its start-up phase. We have valued these services and we have included their value in these financial statements in note 2.

There has been no instances of non-compliance or complaints made in the year.

Risk Management and Mitigations

BEO's board has been meeting frequently (at least monthly), regularly reviewing risks and mitigations particularly in terms of the finances, team and people management, reputational risks and communications and messaging. The board continues to closely manage risks in the early years of the charity as its funding and operating model becomes established. The key risks currently identified by the board, and their mitigation, are shown in the table below:

Risk	Mitigation
Reputational – being the first civil rights organisation in the UK with a high profile Board of trustees means that expectations are high and media coverage is above average.	Proactive and reactive comms plan to enhance positive messaging. We have reviewed and adjusted our recruitment process and donor journeys to increase engagement with candidates and donors in a way that strengthens BEO's employer brand and organisational profile respectively. Continued contact and communication to maintain positive relationships with stakeholders.
Financial sustainability - taking into account the nature of BEO's work and UK's economic environment and the ambitions of the organisation	Fundraising committee formed with HNWIs and corporates working in Black equity space identified. Fundraising pipeline forecasting for FY2024 and beyond has been prepared with new funders identified. Review of expenditure run rate and cashflow reforecast for FY2024 and beyond is closely monitored.
Operations and people – operations can be affected by changes in leadership and staff turnover	New CEO working with SLT to form new leadership team and team coaching has been planned for the whole organisation. A series of awaydays are happening and work on values and behaviours work to take place in October 2023. A review of HR processes, procedures and governance to include Black Disability Justice and use of external consultants when needed.
Governance – ensuring that engagement is high and the board reflects a mix of skills appropriate for the mission of BEO	Streamlining induction and onboarding process for trustees including offering trustee training and refresher activities. We continue to create spaces and opportunities for trustee engagement. The nominations committee to recruit for skills matrix alignment.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements 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 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, including the income and expenditure, 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 2019 (FRS 102);
- 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;
- prepare the financial statements 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 enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 8 December 2023 and signed on its behalf by:

Dame Vivian Hunt DBE
Chair

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:
BLACK EQUITY ORGANISATION**

Opinion

We have audited the financial statements of Black Equity Organisation (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 March 2023 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 Black Equity Organisation'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 other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF: BLACK EQUITY ORGANISATION

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 (Accounts and Reports) Regulations 2008 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;
- 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 statement of trustees' responsibilities set out in the trustees' annual report, 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:
BLACK EQUITY ORGANISATION**

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available 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 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.

Date: 14 December 2023

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

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

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR TO 31 MARCH 2023

	Notes	Unrestricted 2023	Restricted 2023	Total Funds 2023	Total Funds 2022
Income from:		£	£	£	£
Donations	2	766,188	990,000	1,756,188	519,183
Charitable activities	3	986,191	38,640	1,024,831	60,000
Other	4	100	-	100	-
Total income		1,752,479	1,028,640	2,781,119	579,183
Expenditure on:					
Fundraising	5	161,827	-	161,827	174,467
Charitable activities	6	1,366,082	161,970	1,528,052	269,927
Total expenditure		1,527,909	161,970	1,689,879	444,394
Net income / (expenditure)		224,570	866,670	1,091,240	134,789
Transfer between funds		12,542	(12,542)	-	-
Net movement of funds		237,112	854,128	1,091,240	134,789
Reconciliation of funds					
Total funds brought forward	17	116,935	17,854	134,789	-
Total funds carried forward		354,047	871,982	1,226,029	134,789

All income and expenditure is derived from continuing activities.

The Statement of Financial Activities includes all recognised gains and losses.

The notes on pages 24-34 form part of these financial statements.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

BALANCE SHEET
AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
Fixed Assets			
Tangible assets	14	8,446	-
		8,446	-
Current Assets			
Debtors	15	57,306	3,440
Cash at Bank and in Hand		1,236,248	178,823
		1,293,554	182,263
Creditors			
Amounts falling due with one year	16	75,971	47,474
Net Current Assets		1,217,583	134,789
Total Assets Less Current Liabilities		1,226,029	134,789
Funds			
Restricted funds	17	871,982	17,854
Unrestricted funds	17	345,601	116,935
Designated funds	17	8,446	-
Total Funds		1,226,029	134,789

The financial statements were approved and authorised for issue by the Board on 8 December 2023.

Signed on behalf of the Trustees

Chair and Trustee: Dame Vivian Hunt

The notes on pages 24-34 form part of these financial statements.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

CASH FLOW STATEMENT
FOR THE YEAR TO 31 MARCH 2023

	2023	2022
	£	£
Net cash flow from operating activities	1,067,398	178,823
Cash flows from investing activities		
Payments to acquire tangible fixed assets	(9,973)	-
Net cash flow from investing activities	(9,973)	-
Net increase / (decrease) in cash and cash equivalents	1,057,425	178,823
Cash and cash equivalents at 1 April 2022	178,823	
Cash and cash equivalents at 31 March 2023	1,236,248	178,823

	2022	2021
	£	£
<u>Cash and cash equivalents consists of:</u>		
Cash in hand and at bank	1,236,248	178,823
Short term deposits		
Total cash and cash equivalents at 31 March 2023	1,236,248	178,823

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023	2022
	£	£
Net income/(expenditure) for year	1,091,240	134,789
Depreciation and impairment of tangible fixed assets	1,527	-
(Increase) / decrease in debtors	(53,866)	(3,440)
Increase / (decrease) in creditors	28,497	47,474
Net cash flow from operating activities	1,067,398	178,823

The notes on pages 24-34 form part of these financial statements.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD TO 31 MARCH 2023

1. Accounting policies

General information and basis of accounting

Black Equity Organisation (BEO) is a Charitable Incorporated Organisation (no. 1195506).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis and under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

Going concern

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

Income recognition

Items of income are recognised in the financial statements when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Unrestricted grants which are unspent at the year-end are presented as net income for the year.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in at the considered value to the charity as donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2023
/contd...

1. Accounting policies/contd...

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably.

Costs of raising funds comprises the costs associated with attracting voluntary income.

Expenditure on charitable activities comprises those costs incurred in the delivery of the charity's activities and services for its beneficiaries.

Expenditure is allocated to each activity where the costs relate directly to that activity. Support costs, including governance costs, that do not relate directly to any activity are apportioned on the basis of staff time.

Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Fund accounting

Unrestricted general funds are those funds which are freely available for use in furtherance of the objects of the charity.

Designated funds are unrestricted funds set aside by the trustees for particular purposes.

Restricted funds are those funds which can only be used in accordance with the wishes of the donor or which have been raised for a particular purpose.

Prior to BEO opening its own bank account, the charity used Prism Fund to facilitate the receipt of donations. The held funds were recognised as income in the Prism Fund's financial statements and only as a note in BEO's financial statements. Transfers from the Prism fund are only recognised as income in BEO's financial statements when the funds are drawn down in accordance with the collective fund agreement between Prism Fund and BEO. The full disclosure of the funds is in note 19 of the financial statements.

Tangible fixed assets

Tangible assets costing more than £500 are capitalised.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairments are recognised in expenditure.

Leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs

The charity operates a defined contribution pension scheme. Contributions payable under the scheme are charged the Statement of Financial Activities in the year to which they relate.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2023

/contd...

2. Income from donations and legacies

	Unrestricted	Restricted	2023 Total	2022 Total
	£	£	£	£
Donations	700,049	990,000	1,690,049	519,183
Gifts in Kind	66,139	-	66,139	-
	766,188	990,000	1,756,188	519,183

Income from donations and legacies was £1,690,049 (2022 - £519,183) of which £990,000 (2022 - £nil) was attributable to restricted, £700,049 (2022 - £519,183) was attributable to unrestricted funds. The restricted funding amount of £990k is the remaining amount of the £1mil grant from Sky that was wholly received for the Future100 Programme (£2022: £10k recognised). Unrestricted income comprises the remaining unrestricted grant amount from Sky (£410,000) out of the £500k received, Freshfields Bruckhaus Deringer LLP (£30,000), WPP (£219,134), Ashurst (£15,000), Norton Rose Charitable Foundation (£5,000), individual giving (£16,031), L'Oreal (£3,883) and Baringa Partners (£1,000).

Gifts in Kind received during the year in the form of legal services from our partners and ally organisations had a market value of £66,139 (2022 - £Nil) all attributable to unrestricted funds. The amount is made up of two donations from Herbert Smith Freehills LLP (£39,631) in corporate and charity governance expertise and Clifford Chance (£26,508) in employment law expertise.

3. Income from charitable activities

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
Grants	986,191	38,640	1,024,831	60,000
	986,191	38,640	1,024,831	60,000

Income from charitable activities was £1,024,831 (2022 - £60,000) of which £38,640 (2022 - £60,000) was attributable to restricted and £986,191 (2022 - £nil) unrestricted. The restricted funds were received from Mission44 for a project on the power dynamics in education in Britain. Unrestricted funds were made up of £648,591 from Open Society Foundation (OSF), £237,600 from Lankelly Chase and £100,000 from Indigo Trust for BEO's core unrestricted foundational costs.

4. Other income

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
Speaker fees	100	-	100	-
	100	-	100	-

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2023
/contd...

5. Cost of fundraising activities

	Direct costs	Direct staff costs	Support costs	2023 Total	2022 Total
	£		£	£	£
Fundraising	28,022	73,163	60,642	161,827	174,467
	28,022	73,163	60,642	161,827	174,467

Prior Year	Direct costs	Direct staff costs	Support costs	2022 Total
	£		£	£
Fundraising	21,676	55,804	96,987	174,467
	21,676	55,804	96,987	174,467

6. Cost of charitable activities

	Direct costs	Direct staff costs	Support costs	2023 Total	2022 Total
	£		£	£	£
Raising awareness	213,015	184,281	152,737	550,033	96,192
Conducting research	55,769	83,655	69,336	208,760	55,700
Promoting racial harmony	138,194	86,922	72,042	297,158	58,970
Promoting equal opportunities and good relations	184,300	90,631	75,118	350,049	59,065
Promoting sound development and administration of the law	5,626	63,662	52,764	122,052	-
	596,904	509,151	421,997	1,528,052	210,862

Prior Year	Direct costs	Direct staff costs	Support costs	2022 Total
	£		£	£
Raising awareness	21,680	27,214	47,298	96,192
Conducting research	9,225	16,974	29,501	55,700
Promoting racial harmony	9,747	17,978	31,245	58,970
Promoting equal opportunities and good relations	9,842	17,978	31,245	59,065
	50,494	80,144	139,289	269,927

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2023
/contd...

7. Analysis of grants

	2023 Total	2022 Total
	£	£
SKY Founders fund	72,500	-
	72,500	-

Grants paid out to Founders are included in note 6 as part of direct costs.

8. Analysis of support costs

	Fundraising	Raising awareness	Conducting research	Promoting racial harmony	Promoting equal opportunities & good relations	Promoting sound development & admin of the law	2023 Total	2022 Total
	£	£	£	£	£	£	£	£
Governance	8,407	21,176	9,613	9,988	10,414	7,315	66,914	8,819
Staff Costs	7,731	19,475	8,841	9,186	9,578	6,728	61,539	35,868
Other staff costs	33,296	83,865	38,071	39,557	41,245	28,972	265,006	157,956
Communication	26	64	29	30	32	22	203	-
Finance	3,277	8,253	3,747	3,893	4,059	2,851	26,080	20,885
Information technology	817	2,059	935	971	1,013	711	6,506	1,467
Human resources	143	359	163	169	177	124	1,135	95
Office costs (incl rental)	2,847	7,168	3,254	3,381	3,525	2,476	22,651	1,183
Professional fees	3,344	8,420	3,822	3,972	4,141	2,909	26,608	7,733
Depreciation	192	483	219	228	238	167	1,527	-
Other	562	1,415	642	667	696	489	4,470	2,270
	60,642	152,737	69,336	72,042	75,118	52,764	482,639	236,276

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2023
/contd...

Prior Year	Fundraising	Raising awareness	Conducting research	Promoting racial harmony	Promoting equal opportunities and good relations	2022 Total
	£	£	£	£	£	£
Governance	3,621	1,765	1,101	1,166	1,166	8,819
Staff Costs	14,724	7,180	4,478	4,743	4,743	35,868
Other staff costs	64,838	31,620	19,722	20,888	20,888	157,956
Finance	8,572	4,181	2,608	2,762	2,762	20,885
Information technology	602	294	183	194	194	1,467
Human resources	38	19	12	13	13	95
Office costs (incl rental)	486	237	148	156	156	1,183
Professional fees	3,173	1,548	966	1,023	1,023	7,733
Other	933	454	283	300	300	2,270
	96,987	47,298	29,501	31,245	31,245	236,276

9. Governance costs

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
AGM and board meetings	-	-	-	119
Audit fee	11,760	-	11,760	3,900
Professional fees	48,103	-	48,103	4,800
Support costs (staff costs)	2,201	-	2,201	-
Other	4,850	-	4,850	-
	66,914	-	66,914	8,819

10. Net income/(expenditure)

	2023	2022
	£	£
Auditors' remuneration		
Audit	11,760	3,900

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2023
/contd...

11. Analysis of staff costs, trustees remuneration and expenses, and the cost of key management personnel

	2023	2022
	£	£
Salaries and wages	563,976	155,960
Social security costs	63,540	10,754
Employer's contribution to defined contribution pension schemes	21,564	5,102
Staff recruitment and training costs	100,116	119,661
Other staff costs	367,639	38,294
	<u>1,116,835</u>	<u>329,771</u>

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2023	2022
	No.	No.
Fundraising	1.08	1.46
Charitable activities	7.49	2.10
Support	0.90	0.94
Governance	0.03	-
	<u>9.50</u>	<u>4.50</u>

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2023	2022
	No.	No.
£60,000 - £69,999,	1	-
£70,000 - £79,999	-	-
£80,000 - £89,999	-	-
£90,000 - £99,999	1	-

The total employee benefits of the key management personnel were £224,634 (2022 - £60,850). Key management personnel consists of the Chief Executive Officer, Director of Partnerships and Programmes, Chief Operating Officer, and Chief of Staff.

The charity trustees were not paid or received any other benefits from employment with the charity in the year. No charity trustee received payment for professional or other services supplied to the charity.

No trustees received any reimbursements during the year.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2023
/contd...

12. Related Party Transactions

There was one related party transaction for the current year (2022 - none).

Included in income for the year is £214K from WPP whose Chairperson is Karen Blackett, by virtue of being one of BEO's founding trustees, the amount is considered a related party transaction. There were no other transactions with related parties.

13. Taxation

The company, as a registered charity, is not liable for Income Tax or Corporation Tax because its income falls within the various exemptions available to registered charities.

14. Tangible Fixed Assets

	Computer Equipment	Total
	£	£
Cost or valuation		
At start date 01 April 2022	-	-
Additions	9,973	9,973
At end date 31 March 2023	<u>9,973</u>	<u>9,973</u>
Depreciation		
At start date 01 April 2022	-	-
Depreciation for the year	1,527	1,527
At end date 31 March 2023	<u>1,527</u>	<u>1,527</u>
Net book value		
At end date 31 March 2023	<u>8,446</u>	<u>8,446</u>

15. Debtors

	As at 31 March 2023	As at 31 March 2022
	£	£
Other debtors	45,000	-
Prepayments and accrued income	12,306	3,440
	<u>57,306</u>	<u>3,440</u>

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2023
/contd...

16. Creditors

	As at 31 March 2023	As at 31 March 2022
	£	£
Trade creditors	28,195	17,145
Taxation and Social Security	2,470	-
Accruals	45,306	30,329
	<u>75,971</u>	<u>47,474</u>

17. Movement in Funds

<i>Current Year</i>	At 1 April 2022	Incoming resources	Outgoing resources	Transfers /Movement of Fixed Assets	At 31 March 2023
	£	£	£	£	£
Restricted Funds					
SKY UK	5,312	990,000	146,399	-	848,913
Mission 44	-	38,640	15,570	-	23,070
WPP	12,542	-	-	12,542	-
Total restricted funds	<u>17,854</u>	<u>1,028,639</u>	<u>(161,969)</u>	<u>(12,542)</u>	<u>871,982</u>
Unrestricted funds					
General funds	<u>116,935</u>	<u>1,752,480</u>	<u>(1,527,910)</u>	<u>4,096</u>	<u>345,601</u>
Designated funds					
Fixed assets	-	-	-	8,446	8,446
Total designated funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,446</u>	<u>8,446</u>
Total Funds	<u>134,789</u>	<u>2,781,119</u>	<u>(1,689,879)</u>	<u>-</u>	<u>1,226,029</u>

Purpose of funds

Restricted:

WPP has donated to Prism's Black Equity Fund which in turn has been donated by Prism to BEO to fund BEO's launch campaign and initial promotional activity. This fund was reclassified as unrestricted in 2023 following discussions with the funder and examination of the agreement.

Sky UK has donated to Prism's Black Equity Fund which in turn has been donated by Prism to BEO to fund work to support Black entrepreneurs through the Future100 programme.

Unrestricted:

Open Society Foundation(OSF), a global funder, granted BEO \$2,250,000 unrestricted funding over 3 years. The funding was an indication of OSF's belief in BEO's mission and vision. The funds are earmarked for core foundational costs expected to be incurred by the organisation over its first 3 years.

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2023
/contd...

<i>Prior year</i>	As at 12 August 2021	Incoming resources	Outgoing resources	Transfers /Movement of Fixed Assets	At 31 March 2022
	£	£	£	£	£
Restricted Funds					
Sky UK	-	10,000	(4,688)	-	5,312
WPP	-	50,000	(37,458)	-	12,542
Total restricted funds	-	60,000	(42,146)	-	17,854
Unrestricted funds					
General funds	-	519,183	(402,248)		116,935
Total unrestricted funds	-	519,183	(402,248)	-	116,935
Total Funds	-	579,183	(444,394)	-	134,789

18. Analysis of Net Assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Funds Total
	£	£	£	£
Fund balances at 31 March 2023 are represented by:				
Fixed assets	-	8,446	-	8,446
Current assets	398,502	-	895,052	1,293,554
Current liabilities	(52,901)	-	(23,070)	(75,971)
	345,601	8,446	871,982	1,226,029

	Unrestricted funds	Restricted funds	Funds Total
	£	£	£
Fund balances at 31 March 2022 are represented by:			
Current assets	164,409	17,854	182,263
Current liabilities	(47,474)	-	(47,474)
	116,935	17,854	134,789

BLACK EQUITY ORGANISATION
(Registered Charity No: 1195506)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31 MARCH 2023

/contd...

19. Contingent Assets and Post Balance Sheet events

The total amount of grant and other funding due to the charity but not yet recognised as income at 31 March 2023 was £621,223. This unrestricted funding was earmarked to fund BEO's charitable activities, management costs and planned growth. The fund was held by the Prism Gift Fund which received and held grants and donations for BEO since its inception and in lieu of a bank account. Post year end, further income was received increasing the fund balance to £681,323. This amount was drawn down in full in June 2023, terminating the relationship between BEO and the Prism Gift Fund.

Summary of movement of funds held in Prism

	Unrestricted	Restricted	Total Funds	Unrestricted	Restricted	Total Funds
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Income from:						
Donations	250,000		250,000	945,584	-	945,584
Grants	-	-	-	500,000	1,000,000	1,500,000
Other	-	-	-	242	-	242
Total income	250,000	-	250,000	1,445,826	1,000,000	2,445,826
Expenditure on:						
Fundraising	14,400	-	14,400	10,103	-	10,103
Charitable activities	1,190	-	1,190	198,910	-	198,910
Funds drawn-down to BEO	410,000	990,000	1,400,000	440,000	10,000	450,000
Total expenditure	425,590	990,000	1,415,590	649,013	10,000	659,013
Net income / (expenditure)	(175,590)	(990,000)	(1,165,590)	796,813	990,000	1,786,813
Transfer between funds	-	-	-	-	-	-
Reconciliation of funds						
Total funds brought forward	796,813	990,000	1,786,813	-	-	-
Total funds carried forward	621,223	-	621,223	796,813	990,000	1,786,813