

Charity registration number 1197666

Company registration number 12914735 (England and Wales)

EXIT HATE UK LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

EXIT HATE UK LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Nigel Bromage Chris Jones Katie Smith
Charity number	1197666
Company number	12914735
Registered office	71-75 Shelton Street Covent Garden London United Kingdom WC2H 9JQ
Independent examiner	Mark McLean FCA Thomas & Young Limited Carleton House 266-268 Stratford Road Shirley Solihull B90 3AD

EXIT HATE UK LTD

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 12

EXIT HATE UK LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 SEPTEMBER 2023

The Trustees present their annual report and financial statements for the year ended 30 September 2023.

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 charity's Memorandum and Articles of Association, the Companies Act 2006 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).

Objectives and activities

The charity's objects are to advance conflict resolution and reconciliation in communities in the UK that are adversely affected by far-right extremist activities. The policies adopted in furtherance of these objects are relieving suffering, poverty and distress and building and maintaining social cohesion and trust within and between communities. Identifying the causes of far-right extremism, advancing education about far-right extremism and its impact. Providing advice, counselling and support to individuals involved in far-right extremism and their families and promoting dialogue, mutual understanding and peace within communities. There has been no change in these during the year.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

During this financial year, Exit has sought to consolidate our position as a charity and develop partnership working, to widen awareness of the work we do and develop further opportunities for growth.

Looking ahead the charity feels its widening audience with regard to both support requested and also growing partnership work reflects the charity's growing stature within our field of work and we will continue to look for further opportunities to reduce extremism via education, compassion and understanding while advocating all extremism and violence is wrong.

Seeking to support people many walk away from, we don't and believe the best way of reducing extremism is by going to the core of the problem i.e., extremists involved and then try and persuade them to change their lives and walk away from a life of hate.

Not easy, we understand many people involved in extremism are victims, not monsters and we believe by seeing people as individuals first, not extremists, positive change is possible through dedicated support by people with lived experience, who offer full support, without judgement.

Having supported 42 in-depth cases this year and 115 others who did not need long-term support, we are pleased to say that all families helped felt supported and all those that were supportive of extremism either stopped supporting extremist narratives completely or reduced their support for extremism after engagement and support.

Financial review

Consolidating work with MOPAC in London and META for support with their redirect programme, Exit Hate is conscious of the need for long-term funding with regard to trying to challenge and reduce the impact of extremism on individuals, their families and the wider community. As such Exit Hate is currently applying for multi-year funding to provide and improve free mentoring support to people in critical need.

During the year, income of £125,787 was achieved through providing services or receiving grants to support the charity's activities. Expenses of £100,553 were incurred to deliver those activities, the vast majority of which related to charitable activities. A surplus of £25,234 was achieved in the year, which is added to the previous surpluses of £27,184, giving total fund balances of £52,418 to take into next year. The trustees are satisfied with the charity's financial performance for the year.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

EXIT HATE UK LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

Structure, governance and management

The charity is a company limited by guarantee and is incorporated under a Memorandum and Articles of Association dated 30 September 2020 as amended by special resolution registered at Companies House on 8 January 2022.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Nigel Bromage

Chris Jones

Katie Smith

The management of the charity is the responsibility of the trustees, who are elected, appointed and co-opted under the terms of the charity's constitution.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Trustees' report was approved by the Board of Trustees


Nigel Bromage
Trustee

Date: 26 September 2023

EXIT HATE UK LTD

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EXIT HATE UK LTD

I report to the Trustees on my examination of the financial statements of Exit Hate UK Ltd (the charity) for the year ended 30 September 2023.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

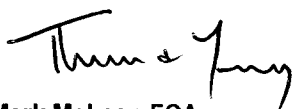
Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



Mark McLean FCA

Thomas & Young Limited

Carleton House
266-268 Stratford Road
Shirley
Solihull
B90 3AD

Dated: 28/3/24

EXIT HATE UK LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Donations and legacies	3	64,614	46,673
Charitable activities	4	61,173	-
Total income		<u>125,787</u>	<u>46,673</u>
Expenditure on:			
Raising funds	5	79	181
Charitable activities	6	100,474	19,308
Total expenditure		<u>100,553</u>	<u>19,489</u>
Net income and movement in funds		25,234	27,184
Reconciliation of funds:			
Fund balances at 1 October 2022		27,184	-
Fund balances at 30 September 2023		<u>52,418</u>	<u>27,184</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

EXIT HATE UK LTD

BALANCE SHEET

AS AT 30 SEPTEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	11		1,702		-
Current assets					
Debtors	12	18,750		-	
Cash at bank and in hand		34,617		38,618	
		<u>53,367</u>		<u>38,618</u>	
Creditors: amounts falling due within one year	14	<u>2,651</u>		<u>11,434</u>	
Net current assets			50,716		27,184
Total assets less current liabilities			<u>52,418</u>		<u>27,184</u>
The funds of the charity					
Unrestricted funds			52,418		27,184
			<u>52,418</u>		<u>27,184</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2023.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 22/3/24.

.....
Nigel Bromage
Trustee

Company registration number 12914735 (England and Wales)

EXIT HATE UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 Accounting policies

Charity information

Exit Hate UK Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is 71-75 Shelton Street, Covent Garden, London, WC2H 9JQ, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

EXIT HATE UK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	33% Reducing balance
-----------	----------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

EXIT HATE UK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	1,660	-
Grants receivable for charitable activities	62,954	46,673
	<u>64,614</u>	<u>46,673</u>

EXIT HATE UK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

4 Income from charitable activities

	Service contracts 2023 £	Total 2022 £
Mentoring support	61,173	-
Analysis by fund		
Unrestricted funds	61,173	-

5 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising and publicity		
Advertising	79	181

6 Charitable activities

	Direct charitable expenditure 2023 £	Charitable expenditure 1 2022 £
Staff costs	52,065	15,938
Share of support costs (see note 7)	43,441	1,832
Share of governance costs (see note 7)	4,968	1,538
	100,474	19,308

EXIT HATE UK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

7 Support costs allocated to activities

	Charitable activities	Total
	2023	2022
	£	£
Depreciation	838	-
Administrative support	20,711	-
Bank charges	49	45
Computer running costs	2,947	249
Room hire	987	25
Telecommunications	932	448
Travel expenses	13,538	940
Printing, postage and stationery	1,941	80
Laundry, cleaning, uniforms	-	45
Staff training	1,441	-
Sundry expenses	57	-
Governance	4,968	1,538
	<u>48,409</u>	<u>3,370</u>
	2023	2022
	£	£
Governance costs comprise:		
Legal and professional	1,400	72
Accountancy and bookkeeping	2,368	466
Independent examination	1,200	1,000
	<u>4,968</u>	<u>1,538</u>

8 Trustees

None of the trustees' (or any persons connected with them) received any remuneration or benefits from the charity during the year, but the total expenses reimbursed to the trustees during the year was £454 (2022 £Nil).

9 Employees

The average monthly number of employees during the year was:

2023 Number	2022 Number
<u>3</u>	<u>3</u>

EXIT HATE UK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

9 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	51,275	15,855
Other pension costs	790	83
	<u>52,065</u>	<u>15,938</u>

There were no employees whose annual remuneration was more than £60,000.

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Tangible fixed assets

	Computers £
Cost	
Additions	2,540
At 30 September 2023	<u>2,540</u>
Depreciation and impairment	
Depreciation charged in the year	838
At 30 September 2023	<u>838</u>
Carrying amount	
At 30 September 2023	<u>1,702</u>

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	<u>18,750</u>	<u>-</u>

13 Loans and overdrafts

	2023 £	2022 £
Directors' loans	<u>19</u>	<u>9,662</u>
Payable within one year	<u>19</u>	<u>9,662</u>

EXIT HATE UK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Borrowings	19	9,662
Other taxation and social security	562	378
Other creditors	231	194
Accruals and deferred income	1,839	1,200
	<u>2,651</u>	<u>11,434</u>

15 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 October 2022 £	Incoming resources £	Resources expended £	At 30 September 2023 £
General funds	<u>27,184</u>	<u>125,787</u>	<u>(100,553)</u>	<u>52,418</u>
Previous year:	At 1 October 2021 £	Incoming resources £	Resources expended £	At 30 September 2022 £
General funds	<u>-</u>	<u>46,673</u>	<u>(19,489)</u>	<u>27,184</u>

16 Related party transactions

Transactions with related parties

During the year, the interest free loan from a trustee and director was repaid. The balance due to that trustee as at 30th September 2023 related to expenses and totalled £19