

HARROW COUNCIL FOR RACIAL EQUALITY  
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

FINANCIAL STATEMENTS AND DIRECTORS REPORT  
FOR THE YEAR ENDED 31ST MARCH 2008



REDDY SIDDIQUI  
CHARTERED ACCOUNTANTS  
PARK VIEW, 183-189 THE VALE, LONDON W3 7RW

Migrant Programme will be dealt with under the Highly Skilled General sub-category of the Highly Skilled Tier and applications which are currently dealt with under the IGS will be dealt with under the Post Study Work sub-category of the Highly Skilled Tier.

The Highly Skilled General sub-category (replacing the HSMP) will retain the 75 points requirement for category specific criteria currently in place by which applicants score points for

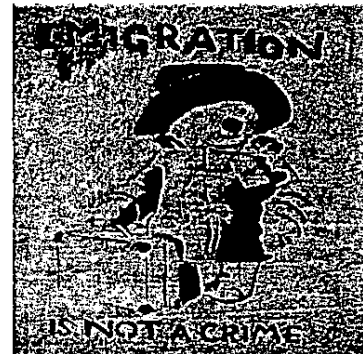
*Qualifications,*  
*Previous earnings,*  
*Age*  
*UK experience.*

In addition the applicant will be required to meet the following

*English language requirement*  
*New Maintenance test*

(Minimum level of finances available to meet their living expenses)

HCRE services received a very good response across the borough including Voluntary organisations, asylum seekers new arrivals and other various clients. Due to the lack of funding, HCRE Immigration services might be subject to a risk of cancel the OISC registration and terminate the services



*Shamini Uthay*  
Accredited Immigration Advisor

## HARROW COUNCIL FOR RACIAL EQUALITY

### COMPANY INFORMATION

#### DIRECTORS

Asoke Dutta  
Digvijay Jadeja  
Zia Baig

#### SECRETARY

Digvijay Jadeja

#### CHARITY NUMBER

298624

#### COMPANY NUMBER

2212723

#### REGISTERED OFFICE

Park View  
183-189 The Vale  
Acton  
London  
W3 7RW

#### BUSINESS ADDRESS

Harrow Council for Racial Equality  
Exchequer Building 6  
Civic Centre, Station road  
Harrow, Middlesex  
HA1 2UT

#### AUDITORS

Reddy Siddiqui  
Chartered Accountants  
Park View, 183-189 The Vale  
London  
W3 7RW

## HARROW COUNCIL FOR RACIAL EQUALITY

### CONTENTS

|                                   | Page  |
|-----------------------------------|-------|
| Directors/Trustees Report         | 34-35 |
| Independent Auditors Report       | 36-37 |
| Statement of financial activities | 38    |
| Balance Sheet                     | 39    |
| Notes to the Financial Accounts   | 40-43 |

**HARROW COUNCIL FOR RACIAL EQUALITY  
DIRECTORS REPORT FOR THE YEAR ENDED 31 MARCH 2008**

The Directors present their report together with the audited accounts for the year ended 31 March 2008.

**Company Status**

The company is a registered charity and a company limited by guarantee.

**Principal Activity and Objects of the Company**

The HCRE has no trading or commercial activities. The company's main areas of activities are as follows:

- 1) Harrow Council for Racial Equality (HCRE) is an independent organisation working in conjunction with The Equality & Human Right Commission (EHRC), the Local Authority and other statutory and voluntary agencies.
- 2) To promote the equality, racial harmony and fight racism and discrimination within the community.
- 3) To liaise with Community Groups, Local Authority, and all other voluntary agencies to promote equal opportunity policies in Education, Health and Employment in all other areas as the case may be.

**Results**

The results for the year are shown in the Statement of Financial Activities, Balance Sheet and Notes.

**Directors**

The directors during the year were:

|                  |   |
|------------------|---|
| Ajay Aggarwal    | (Appointed 26 July 2007) (Resigned 02 October 2007) |
| Cllr Asad Omar   | (Resigned 21 April 2008)                            |
| Subhash V Sampat | (Resigned 12 July 2008)                             |
| Asoke Dutta      | (Appointed 21 April 2008)                           |
| Digvijay Jadeja  | (Appointed 10 August 2008)                          |
| Zia Baig         | (Appointed 10 August 2008)                          |

None of the directors have any beneficial interest in the company.

**Company Secretary**

The company secretary is Mr Digvijay Jadeja.

**Post Balance Sheet Events**

In June 2008 an investigation was commissioned by the London Borough of Harrow following concerns raised about the management of Harrow Council for Racial Equality (HCRE). The London Borough of Harrow has been the major funder of HCRE. In the same month the grant was withdrawn by the Harrow Council. This has caused adverse impact on services provided by us.

**HARROW COUNCIL FOR RACIAL EQUALITY**  
**DIRECTORS REPORT FOR THE YEAR ENDED 31 MARCH 2008 (continued)**

**Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Reddy Siddiqui be re-appointed as auditors to the company, will be put to the Annual General Meeting.

**Directors/Trustees Responsibilities**

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the company's financial activities during the year and of its financial position at the end of the year.

In preparing financial statements and giving a true and fair view, the directors should follow best practice and:

- > select suitable accounting policies and then apply them consistently;
- > make judgements and estimates that are reasonable and prudent;
- > state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- > prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy the financial position of the company and which enable them to both ascertain the financial position of the company and which enables them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

This report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 04 December 2008 and signed on its behalf.

  
Zia Baig

**HARROW COUNCIL FOR RACIAL EQUALITY  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
HARROW COUNCIL FOR RACIAL EQUALITY  
FOR THE YEAR ENDED 31 MARCH 2008**

We have audited the financial statements of Harrow Council for Racial Equalities for the year ended 31 March 2008 on pages 4 to 12 which comprises Statement of Financial Activities, the Balance Sheet and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

**Respective responsibilities of the trustees and auditors**

As described in the statements of trustees' responsibilities on page 2 the trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinions as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies House Act 1985. We also report to you if, in our opinion, the Trustees Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees, remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.


HARROW COUNCIL FOR RACIAL EQUALITY  
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
HARROW COUNCIL FOR RACIAL EQUALITY  
FOR THE YEAR ENDED 31 MARCH 2008 (continued)

Opinion

We are satisfied that the funds provided by the Equality & Human Right Commission have been properly discharged in accordance with the term and conditions of the grant aid.

In our opinion:

- the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charity's affairs as at 31 March 2008 and of its incoming resources and application of resources in the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in Directors' Report is consistent with the accounts

  
Reddy Siddiqui  
Chartered Accountants  
Registered Auditors

04 December 2008  
Park View  
183-189 The Vale  
London W3 7RW



**HARROW COUNCIL FOR RACIAL EQUALITY  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2008**

|  |       | 2008          |                 | 2007          |               |
|--|-------|---------------|-----------------|---------------|---------------|
| INCOMING RESOURCES   | Notes | Restricted    | Unrestricted    | Restricted    | Unrestricted  |
|  |       | Fund          | Fund            | Fund          | Fund          |
|  |       | £             | £               | £             | £             |
| Project Management Fees  |       |               | 13,523          |               | 22,701        |
| Commission for Racial Equality Grant                                       | 5     | -             |                 | 23,075        |               |
| Equalities & Human Right Commu Gra   | 5     | 25,000        |                 | -             |               |
| London Borough of Harrow Grant   |       | 54,695        |                 | 57,585        |               |
| Subscriptions  |       | 43            |                 | 43            |               |
| Interest   |       |               | 8,798           |               | 7,996         |
| Advocacy Services  |       |               | 2,999           |               | 5,533         |
| <b>Total Incoming Resources</b>  |       | <b>79,738</b> | <b>25,320</b>   | <b>80,703</b> | <b>36,230</b> |
| <b>RESOURCES EXPENDED</b>  |       |               |                 |               |               |
| Black History & Integration Promotions                                     |       | 8,692         |                 | -             |               |
| Salaries including NIC   | 15    | 66,321        | 36,984          | 77,734        | 27,148        |
| Courses and Training   |       | -             |                 | 4,676         |               |
| Rent, Rates, Light and Heat  |       | 12,912        |                 | 10,539        |               |
| Insurance  |       | 1,363         |                 | 1,478         |               |
| Repairs and Maintenance  |       | 1,000         |                 | 2,972         |               |
| Postage, Printing and Stationery   |       | 4,669         |                 | 4,141         | 2,810         |
| Telephone  |       | 3,997         |                 | 5,118         |               |
| Travel and Subsistence   |       | 1,016         |                 | 6,945         |               |
| Legal and Professional   |       | 955           |                 | 880           |               |
| Consultancy Fees   |       | 1,870         |                 | -             |               |
| Audit & Accountancy  |       | 2,835         |                 | 2,833         |               |
| Books and Publications   |       | 185           |                 | 399           |               |
| Bank Charges & Interest  |       | 256           |                 | 275           |               |
| Room Hire, Catering and refreshments                                       |       | 1,876         |                 | 1,587         |               |
| Sundries   |       | 1,544         |                 | 2,577         |               |
| Depreciation   | 7     | 1,903         |                 | 982           |               |
| Creditors no longer payable  |       | (11,371)      |                 | -             |               |
| Contribution to overheads by projects<br>excluding projects staff salaries |       | (20,285)      |                 | (43,134)      |               |
| <b>Total Resources Expended</b>  |       | <b>79,738</b> | <b>36,984</b>   | <b>80,703</b> | <b>29,958</b> |
| <b>Net (Outgoing)/Incoming Resources</b>                                   |       | <b>-</b>      | <b>(11,664)</b> | <b>-</b>      | <b>6,272</b>  |

**HARROW COUNCIL FOR RACIAL EQUALITY  
BALANCE SHEET  
AS AT 31st MARCH 2008**

|  | Notes | 2008<br>£             | 2007<br>£             |
|--|-------|-----------------------|-----------------------|
| <b>FIXED ASSETS</b>  | 7     | 5,710                 | 2,946                 |
| <b>CURRENT ASSETS</b>  |       |                       |                       |
| Debtors  | 8     | -                     | 3,816                 |
| Cash and Bank Balance  |       | 180,777               | 197,691               |
|  |       | <u>180,777</u>        | <u>201,507</u>        |
| <b>CREDITORS: AMOUNTS FALLING<br/>DUE LESS THAN ONE YEAR</b> | 9     | 42,617                | 48,919                |
| <b>NET CURRENT ASSETS</b>                                    |       | <u>138,160</u>        | <u>152,588</u>        |
| <b>TOTAL ASSETS LESS CURRENT<br/>LIABILITIES</b>             |       | <u><u>143,870</u></u> | <u><u>155,534</u></u> |

| <b>FUNDS:</b>                        |    | <b>Restricted</b>     | <b>Unrestricted</b> | <b>Restricted</b>     | <b>Unrestricted</b> |
|--------------------------------------|----|-----------------------|---------------------|-----------------------|---------------------|
| General Funds/Appropriation account  | 13 |                       | 60,935              |                       | 66,767              |
| Administrative Support Fund          | 10 | 12,000                |                     | 12,000                |                     |
| Refugee Contingency Fund             | 11 | 10,000                |                     | 10,000                |                     |
| Contingency Fund/Appropriation accou | 12 | 60,935                |                     | 66,767                |                     |
|                                      |    | <u>82,935</u>         | <u>60,935</u>       | <u>88,767</u>         | <u>66,767</u>       |
|                                      |    | <u><u>143,870</u></u> |                     | <u><u>155,534</u></u> |                     |

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies and with the Financial Reporting Standard for smaller entities.

The financial statements were approved by the Board on 04 December 2008 and signed on behalf of the board of directors.

  
Zia Batig

The notes on page 40 to 43 form part of these accounts.

**HARROW COUNCIL FOR RACIAL EQUALITY**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 March 2008**

**1. Accounting Policies**

**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (Effective January 2005).

The principal accounting policies which the directors have adopted within that convention are set out below.

**1.2 Cash flow Statement**

The company has taken advantage of the exemption in FRS1 (cash flow statements) from the requirements to prepare the cash flow statement on the grounds that it is a small company.

**1.3 Depreciation**

Depreciation is charged on a reducing balances basis, to write off the assets over their expected useful lives as follows:

|                                |     |
|--------------------------------|-----|
| Fixtures, Fittings & Equipment | 25% |
|--------------------------------|-----|

**2. Income**

All the donation and grants are shown as income for the period in which they are received. Restricted funds are to be used for specific purpose and laid down by the donor. Expenditure which meets these criteria is defined to the funds with a fair allocation of management and support cost.

Unrestricted funds are donations and other income received and generated for the objects for the charity without specific purpose and are available as general funds.

**3. Taxation**

The company is not liable to Corporation tax as it is a registered charity.

**4. Net Outgoing Resources**

Net Outgoing resources for the year are stated after charging:

|                       | 2008         | 2007         |
|-----------------------|--------------|--------------|
|                       | £            | £            |
| Depreciation          | 1,903        | 982          |
| Auditors Remuneration | 2,115        | 2,115        |
|                       | <u>4,018</u> | <u>3,097</u> |

**HARROW COUNCIL FOR RACIAL EQUALITY**  
**NOTES TO THE ACCOUNTS (continued)**  
**FOR THE YEAR ENDED 31 March 2008**

**5. GRANT RECEIVED**

|                                   | 2008          | 2007          |
|-----------------------------------|---------------|---------------|
|                                   | £             | £             |
| Equality & Human Right Commission | 25,000        | -             |
| Commission for Racial Equality    | -             | 23,075        |
|                                   | <u>25,000</u> | <u>23,075</u> |

**6. FUNDED PROJECTS**

|  | CARER'S<br>HOLIDAY<br>PROJECT<br>£ | HEALTH<br>ADVOCACY &<br>REFERRAL<br>£ | MENTORING<br>&<br>ADVOCACY<br>£ |
|--|------------------------------------|---------------------------------------|---------------------------------|
| The summary of accounts is as follows: |                                    |                                       |                                 |
| <b>Funds received</b>                  | <u>28,071</u>                      | <u>35,000</u>                         | <u>34,000</u>                   |
| <b>Expenditure:</b>                    |                                    |                                       |                                 |
| Project staff salaries                 | 7,812                              | 26,825                                | 23,667                          |
| Assistance to carers                   | 11,834                             | -                                     | -                               |
| Contribution to overheads              | 1,980                              | 4,905                                 | 6,200                           |
| Management fees                        | 1,320                              | 3,270                                 | 4,133                           |
|  | <u>22,946</u>                      | <u>35,000</u>                         | <u>34,000</u>                   |
| <b>Balance at 31 March 2008</b>        | <u>5,125</u>                       | <u>-</u>                              | <u>-</u>                        |

**CARERS HOLIDAY PROJECT**

The project was funded by The London Borough of Harrow. The aim of the project was to assist carers of Black or Minority Ethnic background, who had been caring for a dependent for at least 12 months, to take break from their caring role.

**HEALTH ADVOCACY AND REFERRAL PROJECT**

The project was funded by the Harrow Primary Care Trust. The aim of the project was to improve access to health services for Black, Ethnic and other hard to reach communities within London Borough of Harrow.

**MENTORING & ADVOCACY PROJECT**

The project was jointly funded by the Connexions London West & City Parochial Foundation. The aim of the project was to provide mentoring and advocacy services to school children, aged 5 - 13.

HARROW COUNCIL FOR RACIAL EQUALITY  
NOTES TO THE ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 March 2008

7. FIXED ASSETS

|                        | Fixtures, Fittings & Equip.<br>£ |
|------------------------|----------------------------------|
| Cost                   |                                  |
| As at 01/04/2007       | 13,855                           |
| Additions for the year | 4,667                            |
| As at 31/03/2008       | <u>18,522</u>                    |
| Depreciation           |                                  |
| As at 1/4/2007         | 10,909                           |
| Charge for the year    | 1,903                            |
| As at 31/3/2008        | <u>12,812</u>                    |
| Net book Value         |                                  |
| As at 31/3/2008        | <u>5,710</u>                     |
| As at 31/3/2007        | <u>2,946</u>                     |

8. DEBTORS

|             | 2008<br>£ | 2007<br>£    |
|-------------|-----------|--------------|
| Debtors     | -         | -            |
| Prepayments | -         | 3,816        |
|             | <u>-</u>  | <u>3,816</u> |

9. CREDITORS

|                               | 2008<br>£     | 2007<br>£     |
|-------------------------------|---------------|---------------|
| Deferred Income and Projects  | 13,125        | 25,323        |
| Taxes & Social Security Costs | 8,686         | -             |
| Sundry Creditors              | 14,895        | 9,919         |
| Accruals                      | 5,911         | 13,677        |
|                               | <u>42,617</u> | <u>48,919</u> |

10. ADMINISTRATIVE SUPPORT FUND

|                                 | 2008<br>£     | 2007<br>£     |
|---------------------------------|---------------|---------------|
| Brought forward at 1 April 2007 | 12,000        | 12,000        |
| Balance at 31 March 2008        | <u>12,000</u> | <u>12,000</u> |

HARROW COUNCIL FOR RACIAL EQUALITY  
NOTES TO THE ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 MARCH 2008

11. REFUGEE CONTINGENCY FUND

The fund was set up in the Accounting year ended 31 March 1997 by transferring surplus income arising in previous years from sundry sources, including the Project Management fees and bank interest received. These funds will be solely for the Refugee Support work.

|                                 | 2008          | 2007          |
|---------------------------------|---------------|---------------|
|                                 | £             | £             |
| Brought forward at 1 April 2007 | 10,000        | 10,000        |
| Brought at 31 March 2008        | <u>10,000</u> | <u>10,000</u> |

12. CONTINGENCY FUND

As a result of gradual reduction in Grant from Commission for Racial Equality a contingency fund was created in the accounting year ended 31 March 2005. The amount of transfer from Appropriation account has been set at 50% of total unrestricted fund at the end of each accounting year.

|  | 2008          | 2007          |
|--|---------------|---------------|
|  | £             | £             |
| Balance at 1 April 2007                            | 66,767        | 63,631        |
| Transfer from/(to) Appropriation account - note 14 | (5,832)       | 3,136         |
| Balance at 31 March 2008                           | <u>60,935</u> | <u>66,767</u> |

13. GENERAL FUND

|  | 2008          | 2007          |
|--|---------------|---------------|
|  | £             | £             |
| Balance at 1 April 2007                            | 66,767        | 63,631        |
| Transfer from/(to) Appropriation account - note 14 | (5,832)       | 3,136         |
| Balance at 31 March 2008                           | <u>60,935</u> | <u>66,767</u> |

| 14. FUND APPROPRIATION ACCOUNT               | Total<br>£      | Restricted<br>£ | Unrestricted<br>£ |
|--|-----------------|-----------------|-------------------|
| Net (Outgoing)/Incoming Resources            | (11,664)        |                 |                   |
| Total Deficiency                             | <u>(11,664)</u> |                 |                   |
| 50% Transfer from Contingency fund - note 12 | 5,832           | 5,832           |                   |
| 50% Transfer from General fund - note 13     | 5,832           |                 | 5,832             |
|  | <u>11,664</u>   | <u>5,832</u>    | <u>5,832</u>      |

15. EMPLOYMENT COSTS

|                                    | 2008           | 2007           |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| Directors' Remuneration            | 33,571         | 34,600         |
| Wages and salaries (excluding NIC) | 55,942         | 56,147         |
| Employers NIC                      | 13,792         | 14,135         |
|                                    | <u>103,305</u> | <u>104,882</u> |

Harrow Council for Racial Equality, Exchequer Building, Civic 6, Station Road, Harrow,  
Middlesex, HA1 2UT

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