

Switchback's Trustees' report and accounts
for the year ended 31 December 2020

2020 ANNUAL REPORT AND ACCOUNTS

SWITCHBACK





The Trustees (who are also the directors) are pleased to present their annual report and accounts for the year ended 31 December 2020.

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About Switchback



Switchback is an award-winning charity enabling young Londoners to find a way out of the justice system and build a stable, rewarding life they can be proud of.

We build transformative relationships

Through consistent, motivational relationships with a dedicated Switchback Mentor, we support young men to change their relationship with society.

Our team of expert therapeutic practitioners challenge and encourage young men leaving prison to take control - and make real, lasting change in their mindset and lifestyle.

This is new territory for most of our Trainees: a frank, non-judgemental relationship with someone who is there for them on a daily basis, helping to navigate the turbulent transition from prison to community.

Building on 13 years of impact, we work with others to share what we've learned and inspire change across the criminal justice system and beyond.

Our Ambition

Switchback's ambition is that everyone has the opportunity to live a stable and rewarding life as an active member of society.

Our Purpose

Switchback's purpose is to enable young men to find a way out of the justice system and build a stable, rewarding life they can be proud of.

Switchback's values cut through everything we do, from our work with Trainees to our fundraising and partnerships.

1. Human

Keeping Trainees at the heart of everything we do

We build trust, confidence, independence and resilience in all areas of a Trainee's life. In all decisions we use the lens: "does this help us improve the prospects of young prison-leavers?"

2. Authentic

Rolling with the ups and downs of real life

We prize integrity and honesty. We don't sell a dream: we are realistic about what it means to genuinely start over and the huge courage needed to change. We recognise that change is not linear and we provide a space to learn from mistakes.

3. Committed

Taking the long way around

Our commitment to Trainees is consistent and continuous, lasting for as long as it takes. We reject quick fixes, shortcuts and tick boxes. We do what we say we are going to do and coach our Trainees to do the same.

4. Ambitious

Having high expectations

We assume strengths, resources and abilities in Trainees. We don't do things for people: we challenge and encourage our Trainees to take control. We are distinctive in our high expectations of Trainees, our own conduct, the quality of our partnerships and the impact of our work.

5. Pioneering

Pushing into our stretch zone

We challenge Trainees to move outside their comfort zone and we encourage adventure to learn and grow. As a charity we strive to do the same, constantly seeking to reflect and improve. We pioneer an alternative approach and share our evidence with others.

2020: An overview



‘We’re proud that we not only kept the ship on course: we also reached more young men than ever before while shaping wider change across the system.’

Modelling stability amid the chaos has always been the central purpose of Switchback’s work supporting young men on both sides of the prison gate. The coronavirus pandemic which shook the world in 2020 would test this commitment to the limit. Yet as we look back on a year like no other, we are proud that we not only kept the ship on course through incredible turbulence, we also reached more young men than ever before while greatly expanding our role in shaping wider change across the system.

Covid-19 affected us all, yet for the 80,000 people in prison in England and Wales the impact was especially stark, as people endured months of 23.5-hour confinement in cramped cells. For young men released from these dire conditions and asked to rejoin society, a very different world awaited. Switchback witnessed record numbers released into the pandemic homeless, with just the £46 discharge grant to survive. Yet while the need for our support soared, the lockdown meant Switchback was shut out of prisons and our real-work training partners had to close their doors. We responded as we always have done: by finding the silver linings from the dark clouds gathering. In rapid response to the pandemic we developed a new post-release programme, Foundation for Stability: six weeks of intensive 1-to-1 support enabling young Londoners to get things sorted and begin building a stable life away from crime. Switchback engaged more Trainees (72) in 2020 than ever before, supporting a total of 225 young men, who showed incredible positivity and determination despite the extremely challenging context.

At the same time, with the system collapsing around us, Switchback grasped the opportunity to push action for prison-leavers up the agenda. In 2020, we helped to secure £20 million for the

Ministry of Justice’s new Prison Leavers Project, £13 million for extra temporary accommodation, influenced the new probation model, raised awareness about racial injustice on social media, highlighted rising homelessness on BBC1, and much more. Most importantly, through our thriving Experts by Experience Board which met 12 times in 2020, this activity was driven by the young men – predominantly from black, Asian and minority ethnic backgrounds – most marginalised by the system.

Despite the dire impact on charity fundraising caused by the pandemic, in 2020 we were grateful to many loyal donors who re-pledged support. We also grew our corporate donations, added five new staff and three Trustees, and further enhanced our operational processes and resilience. Spurred on by the groundswell of activism sparked by the killing of George Floyd, we also began substantive action to make our team, and our board, more representative of the communities we serve.

Switchback’s most important value – to keep Trainees at the heart of everything we do – guided us through the pandemic and will continue to drive us forward into the future. Against a backdrop of continued instability in prisons and beyond, the need for Switchback’s work has rarely been greater. Having not only survived the storm of 2020 but continued to thrive, Switchback is well-placed to provide a model of stability for even more young men in the years to come, while forging change across the system.

Alice Dawnay
Founder and CEO

Duncan Shrubsole
Chair of Trustees

The Switchback programmes



REAL, LASTING CHANGE

Switchback's original programme of therapeutic mentoring alongside real-work training begins in prison and lasts as long as it takes after release, supporting Trainees to make **real, lasting change in their mindset and lifestyle.**

5

months average intensive 1-to-1 support through-the-gate. 15 months total average contact.



IN PRISON

An eligible prisoner meets regularly with his Switchback Mentor during his last three months inside to prepare practically and emotionally for release.



IN TRAINING

The same Switchback Mentor meets him on the day of release. Up to 12 weeks of real-work training begins alongside therapeutic mentoring to build stability across all areas of life.



IN WORK

The Trainee moves into sustainable work or further training at the right time for him, with a period of in-work support to ensure change is sustained long term.

FOUNDATION FOR STABILITY

Switchback's new six-week programme of therapeutic mentoring and access to training begins as soon as possible after release, supporting Trainees to get things sorted and **build a solid foundation for a stable future.**

6

weeks of intensive 1-to-1 support in the community after release.



ON RELEASE

An eligible prison-leaver meets his Switchback Mentor as soon as possible after release, beginning therapeutic mentoring and planning a stable future.



SYSTEMS NAVIGATION

His Switchback Mentor supports him to get the essentials sorted like housing, benefits and ID, alongside mentoring to support wellbeing and new experiences.



IN TRAINING

He completes at least one practical work or training activity, moving on with a stable foundation to make lasting change in the future.

The 10 Switchback Pathways



Our team of highly skilled Switchback Mentors encourage and challenge Trainees across all areas of their lives, broken down into the 10 Switchback Pathways shown here.

As each Trainee progresses through their programme, we record specific achievements and changes in stability under each Pathway.

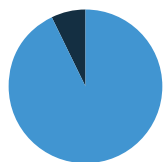
This whole-person approach means that when Trainees enter work or housing, they have the stability to stay there long-term through the ups and downs.

WHO WE WORK WITH

18-30 year olds

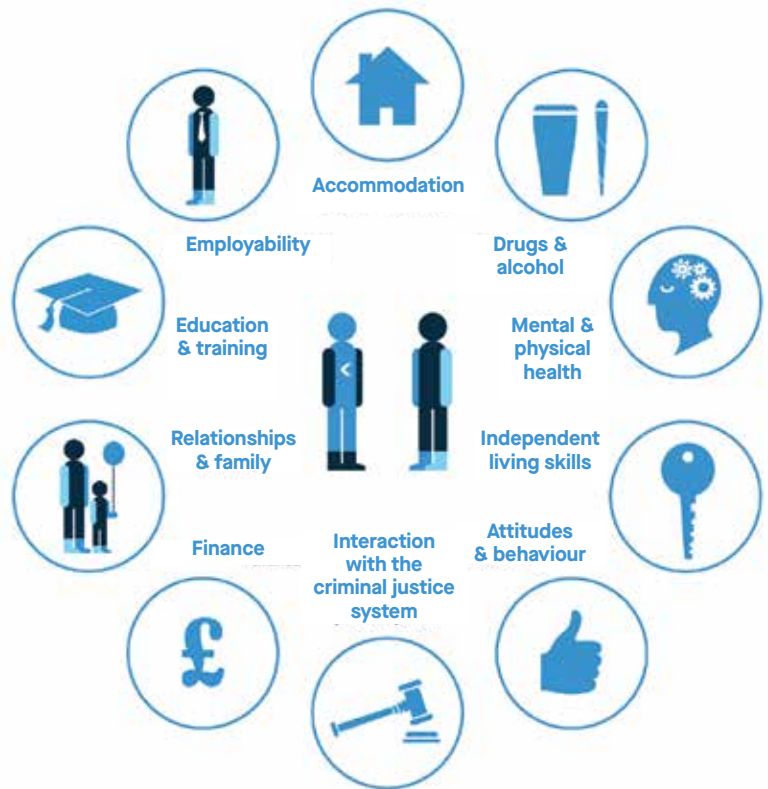


Returning to London.



89%

from Black, Asian or Minority Ethnic (BAME) backgrounds.



Switchback Trainee voices



Release from prison is tough enough at the best of times. The pandemic introduced huge new hurdles, demonstrating even further the importance of the skilled 1-to-1 support provided by Switchback Mentors. Here are the words of some of the 72 Switchback Trainees we supported in 2020:

“

Raph was texting me every week, calling me every week to make sure I was doing OK. Raph plays a very positive role in my life, he's been that step-up to **get me where I need to be**. I've been accepted onto a psychology course at Goldsmith's University in New Cross and I just got a text to say my housing is properly sorted and from Saturday I'll have somewhere to stay.

”

Patrick, 21



Switchback Trainee voices



“

Switchback has kept me **proactive and motivated**. Having someone to talk to has stopped me from feeling lonely. I could talk to Cassie about anything and everything. She helped me to reach out positively to my family members, get employment and changed my mindset.

”

Laudjah, 26

“

I've only known my Switchback Mentor Maddy for a short time but she's been there more for me than people I've known for my whole life. People like me, when we get support, we're not used to it. With Switchback, since leaving prison **everything's been amplified**. I would never have had all these opportunities without her.

”

Serge, 30



Experts by Experience Board



Since its launch in 2017, Switchback's Experts by Experience (EBE) Board – comprising current and former Switchback Trainees – has gone from strength to strength guiding Switchback's development and our campaigning for systemic change.

The EBE Board's unique strength stems from its diversity of lived experience – of backgrounds, offence types, sentence lengths, time since release – and its makeup of people, particularly younger prison-leavers and those from ethnic minority backgrounds, who are most often excluded from policy-making and charity leadership.

In 2020, the pandemic meant the group could no longer meet in person. However, rather than roll back activity, members decided to accelerate their work together, moving the meetings onto Zoom and increasing their frequency to every three weeks.

Achievements in 2020, during this most turbulent of years, included:

- EBE members featured on BBC London News and BBC Politics London raising awareness

about homelessness and barriers to employment among prison leavers.

- EBE members co-designed a social media campaign raising awareness about racial inequality in the UK justice system to support the Black Lives Matter movement.
- EBE members shaped Switchback's policy priorities during the pandemic – helping to push for action on access to housing, technology and finance for prison-leavers.
- EBE members shaped the development and content of Switchback's new Foundation for Stability programme of post-release support during the pandemic.
- EBE member Eshan became Switchback's first Policy Intern and Trustee Board Advisor, strengthening the link between the EBE Board and the Board of Trustees.
- EBE members co-produced and co-delivered training for new prison officers on the Unlocked Graduates programme.

In 2020:

12

Experts by Experience meetings held.

77%

of members from black, Asian or minority ethnic backgrounds.

22

young adult prison-leavers participated.

25

average age of Experts by Experience members.

Experts by Experience Board



During the year, EBE members reflected on the value of working together and learning from each other, having the space to discuss topical issues, and getting their voices heard to push for wider change in the criminal justice system:

“It’s really nice to see your own quotes online, and to know you’re actually making a difference. I definitely don’t have these sort of chats with my mates. I don’t usually think about these things until we discuss them, so it’s nice to even find out my own opinions. And hearing feedback about the difference we’re making, like helping to get more funding for housing, feels fulfilling.”

James, Bar Worker and Switchback EBE Member.

“There’s not a lot of people that can say they discuss these issues. No one I know talks about these things. It’s great to have a group where you can talk about something with substance, that’s meaningful, and discussions that will lead to change, especially if we’re working with the government.”

Guellor, business owner, and Switchback EBE Member.

“I never otherwise have these conversations with anyone. And on top of that, I feel these meetings keep me on track, it keeps me in check to have to come and have these conversations. It’s a reminder to stay out of trouble, stay on track, stay positive and stick to your goals – all that good stuff.”

Caleeb, Switchback EBE member.

“I think it’s always an interesting discussion to have, and it’s thought-provoking in itself to hear everyone’s opinions. I’ve now seen it is realistic to try and change things, and just being a little part of that is a good feeling, and to then try and push for more change and come up with more positive solutions.”

Kameran, Personal Trainer and Switchback EBE Member.



At Switchback we recognise the value of having a diverse group of people with a diversity of thinking and perspectives involved in the organisation. We see diversity as the visible and invisible differences between people that enrich the organisation and its work.

Diversity & Inclusion: our people

Switchback has had great success in engaging with and supporting young men from black, Asian and minority ethnic backgrounds (89% of Switchback Trainees). However, as we came into 2020 we had some work to do to ensure our staff and Trustees were more reflective of this group. In particular we were determined to recruit high quality candidates from BAME backgrounds and with some personal, family or professional knowledge of the justice system.

To address this we carried out our first confidential annual staff survey in order to have a baseline for measuring progress in this and other areas of diversity over future years. We also launched a review of our Trustee recruitment process led by our Trustee Ben Summerskill. We engaged social entrepreneur Kenny Imafidon to support this review. Following a series of changes made, including reframing our recruitment messaging and enhancing our monitoring processes, we were very pleased to achieve the following in 2020:

- Recruited three fantastic new Trustees who bring a range of new backgrounds and perspectives to the board.
- Piloted a new Policy Internship, a paid role for a former Switchback Trainee to gain experience while further embedding lived experience into our influencing work.
- Brought on three new Switchback Advisers from a diversity of different backgrounds, ethnicities and specialisms.
- Introduced a new Trustee Board Adviser, an exciting new 12-month development opportunity open to former Switchback

Trainees to act as a bridge between our Experts by Experience Board and our Trustee Board, ensuring the voice of Trainees is heard at all levels.

Diversity & Inclusion: our practice

In 2020 we continued to focus on further embedding Diversity & Inclusion in all our work. We engaged the Social Investment Consultancy to audit Switchback's approach, who reported in November that Switchback 'has done uniquely well in being able to reach a diverse set of beneficiaries' and that the Experts by Experience Board in particular is 'an excellent mechanism'.

To further enhance our action we also:

- Launched a social media campaign to highlight the deep racial disparities in the UK justice system in the wake of the Black Lives Matter protests.
- Brought together a spectrum of over 40 Trustees, staff, advisers, friends and Switchback Trainees to explore how Switchback could do more to challenge discrimination through our work.
- Took steps to break down stereotypes and assumptions in the media, including a BBC News piece featuring a black Switchback Mentor supporting a white Trainee.
- Engaged the Imam from HMP Rochester to provide Islamic Awareness training to the delivery team to enhance our cultural competency with Muslim Trainees.

Switchback remains committed to promoting diversity and inclusion – both in people and operational delivery – and to monitoring our progress in this area. The CEO is responsible for ensuring that this policy is implemented and reporting annually to the Board on progress made. With thanks to the The Pocressi Initiative Trust for acknowledging the importance of this area of work and funding our progress in equalities in 2020.

2019-21: Our plan



Our Strategic Plan for 2019-21 is made up of these key aims below. The following pages provide an update on our progress against these aims in 2020.

AIM 1



Support more young men to change

AIM 2



Inspire change across the system

Never compromise our values

AIM 3



Always fortify our foundation

2020 in numbers



In 2020 we supported:

225

young prison-leavers supported in total comprising:

153

young men supported with more than one meaningful support session.

72

young men engaged onto one of our programmes as Switchback Trainees – our highest ever number.

1,192

outcomes achieved by 72 Trainees across the 10 Switchback Pathways in 2020.

We also found rising need during the pandemic, including:

65%

released homeless.

25%

released with no ID.

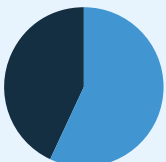
46%

released with no bank account.

20%

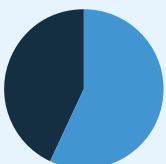
released with no phone.

Despite the challenges Switchback maintained a high level of impact:



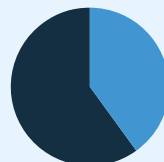
57%

reached our benchmark of Stable Foundation: a solid foundation for a stable life.



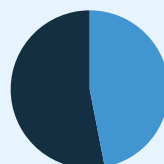
83%

progressed from 'unstable' to 'stable' in at least 3 out of 10 Switchback Pathways.



40%

supported to access stable housing.



47%

supported to access work or training.

2020 in numbers



We also took action to influence change across the system:

12

Experts by Experience
Board meetings of former
Switchback Trainees.

2

TV news features
on BBC1.

£20m

pledged by the
government for a new
Prison Leavers Project.

24,000

impressions achieved by our social
media posts on racial injustice.

12

Mentoring Prison Officers
trained in Switchback's
methods, ready to train new
staff across the prison estate.

200%

growth in social media
and newsletter audiences.

...and enhance our delivery and partnerships:

42

hours of external training for
each Switchback Mentor.

14

hours of reflective
practice sessions for
each Switchback Mentor.

17

prisons – where
Switchback Trainees
were released from.

36

hours of clinical supervision
for Switchback Mentors.

2

delivery pilots launched
with the probation service.

...and fortify our foundation:

221

funding sources in total.

1

new Board Adviser
bringing lived experience.

3

new Trustees.

1

new Policy Intern bringing
lived experience.

6

Trustee Board meetings.

5

new staff members.

Aim 1: 2020 progress



SUPPORTING MORE YOUNG MEN TO CHANGE

Our ambition: All young prison-leavers returning to London have the opportunity to achieve change through Switchback.

The shock of the pandemic meant many core elements of Switchback's programme – accessing prisons to support young men before release, placing Trainees in real-work training environments and then into jobs after release – were suddenly closed off indefinitely. At the same time, we witnessed soaring need among prison-leavers being released into a public health crisis homeless and without the basic means to keep themselves and others safe.

In response, Switchback acted quickly to create a new programme to meet rising need within these new constraints. Our Foundation for Stability programme, launched in April 2020, provides six weeks of intensive 1-to-1 support for young men released from prison into the pandemic in London. Thanks to this rapid shift, Switchback engaged more young men than ever before (72), supporting a further 153 with more than one support session post-release.

This work was often delivered remotely over video call, or socially distanced in parks but, thanks to the skill and dedication of the Switchback Mentor team, remained of very high quality. 57% of engagers completed the programme and reached our benchmark of Stable Foundation (requiring that at least 5 out of 10 Switchback Pathways had reached our rigorous criteria for 'stable'). The fact that over 40% of Trainees were supported onto Universal Credit, 35% supported to get a bank account, over 40% helped to access housing, and everyone who didn't have a phone (1 in 4) was provided with one, shows the level of basic practical needs to which our new programme responded. At the same time, feedback and early evaluation of the programme shows the incredible value for Trainees of having someone

to turn to at a time of high anxiety when all other support was closed off, boosting wellbeing and mental health when managing the transition from prison was harder than ever.

Switchback has always generated our own referrals by meeting men directly in prison, but our new post-release programme required a rapid shift to a partnership referral model. This was aided by the introduction of a new Partnerships Manager role, and the establishment of a pilot agreement with London National Probation Service (NPS) – a Switchback first. We also developed relationships, including with BounceBack and Redemption Roasters, to offer an array of new training opportunities.

Switchback's cloud-based impact monitoring and evaluation systems introduced in 2019 ensured that we were able to pivot quickly to recording and tracking progress of Trainees on the new programme. Our Experts by Experience Board, now well-established, was able to quickly participate in the design and refinement of the programme at short notice.

We remain convinced that our original model of long-term, through-the-gate support is the most effective means to support prison-leavers to make lasting change. Yet during the pandemic we have learned that a shorter, practical intervention immediately post-release can be of high quality and allow us to engage a wider range of prison-leavers. As such, we will be exploring maintaining the Foundation for Stability programme alongside our through-the-gate provision into the future, once Covid-19 restrictions are lifted.

Aim 1: 2020 progress



Aim 1 Objectives: 2020 Milestones

A

Support more young men every year

Increase the number of young men supported each year pre-release and through-the-gate, while exploring options for non-prison referrals.

- Launched our new Foundation for Stability programme in rapid response to the pandemic.
- Grew the number of engagers onto our programmes to an all-time high of 72 (beating a previous high of 43 in 2018) from 17 prisons.
- Supported an additional 153 men with more than one support session, taking the total supported to 225.
- Shut out of prisons, we successfully shifted to a community referral model, as well as generating 20% of Trainees from self-referrals by sending letters into prisoners.

B

Maintain sector-leading outcomes

Ensure at least 90% of Trainees don't reoffend and at least 60% achieve our benchmark of real, lasting change.

- Maintained high quality outcomes despite the pandemic and expanded volumes: 57% reached our benchmark of Stable Foundation.
- While 47% achieved a education, employment or training (EET) outcome, sustainable job outcomes were a big challenge due to Covid-19.
- High practical outcomes (e.g. 35% opened a bank account, 45% supported into housing) show shift to meet rising basic needs.
- Our historical reoffending rate remains stable at around 9%, compared to 45% nationally.

C

Expand our delivery partnerships

Deepen existing delivery partnerships and establish new ones to facilitate growth in Trainee numbers while maintaining quality.

- Introduced a Partnerships Manager role to lead on this vital area.
- Built new partnerships to shift to a community referral model during the pandemic, including a pioneering pilot agreement with London National Probation Service (NPS).
- Successfully generated referrals from a wide range of relationships including 44% from probation and 14% from prison staff.
- Developed relationships with organisations able to offer opportunities during Covid, including BounceBack and Redemption Roasters, alongside established close partners Dusty Knuckle, Café from Crisis, Fresh Fitness Food and others.

D

Use data and evidence to enhance our impact

Further develop our robust monitoring and evaluation processes including a thriving Experts by Experience Board, using data and evidence to continuously improve our impact.

- 12 Experts by Experience Board meetings informed programme development.
- Further development of programme reporting and analytics including basic needs.
- Developed a new impact benchmark for our Foundation for Stability programme: to measure whether Trainees had built a solid foundation for a stable life.

Aim 2: 2020 progress



INSPIRING CHANGE ACROSS THE SYSTEM

Our ambition: Switchback's evidence actively inspires more human, more effective policy and practice across the criminal justice system.

After half a decade of parliamentary turmoil and the domination of Brexit over all other policy, 2020 was supposed to be the year when politics returned to some kind of stability.

Events once again took over as Covid-19 hit with dire implications for all of society – not least people held in overcrowded prisons and being released into an unrecognisable world from the one they left behind. Yet thanks to the groundwork of relationship-building and policy development Switchback had undertaken in the first year of this strategic plan, we found ourselves well placed to fill a clear gap in advocacy for people leaving prison during the pandemic.

Our CEO, Alice Dawney, was co-opted onto Clinks' influential Reducing Reoffending Third Sector

Advisory Board (RR3) special interest group on Covid-19, feeding directly into Ministry of Justice emergency planning throughout the crisis. In partnership with a number of other small charities, and through close collaboration with our Experts by Experience (EBE) Board and our first Policy Intern role filled by a former Trainee, Switchback also published briefings, social media content and gained press coverage promoting urgent actions needed to protect prison-leavers and the public during the pandemic. And as the Black Lives Matter protests swept from the US across the globe, Switchback's EBE members also took the lead in raising awareness on social media about the UK's own deep problems of racial disparity in the justice system, doubling our social media following and newsletter subscribers in the process.



Aim 2: 2020 progress



Through this work Switchback succeeded, alongside our partners, in pushing the often ignored issue of resettlement – and in particular the experience of young adult ethnic minority prison-leavers – up the agenda during the pandemic. Our research showing record rates of homelessness and lack of basic essentials like phones, bank accounts and ID achieved widespread coverage and impact including on BBC London News. Following our briefings to MPs, questions were raised to ministers in Parliament and the Justice Select Committee were prompted into holding a special evidence session with the Prisons Minister to discuss the impact of Covid-19 on probation and resettlement. The government, meanwhile, were pushed to double the discharge grant for prisoners released early, establish a dedicated Universal Credit phoneline for prison-leavers to speed up access, and commit £13 million to emergency accommodation for prison-leavers. Switchback also began to see the fruits of longer-term influencing work, including a new £20m commitment from the Treasury to fund a new Ministry of Justice (MoJ) Prison Leavers Project which Switchback helped to design, and for which we now sit on the Strategic Steering Group. After Switchback worked with the MoJ probation reform team to share our evidence, the blueprint for the future of probation also included a new emphasis on small charity involvement and building “trusting relationships” with individuals in order to “increase hope and sustain motivation”. While there remains a long way to go to truly transform the outlook for people leaving prison, these represent some positive seeds of change.

Switchback’s plans to influence practice progressed as we co-designed and delivered training for new prison officers in collaboration with Unlocked Graduates, and for prison mentors from the Saracens Foundation, ahead of a planned expansion of this practitioner training in the future.

Aim 2 Objectives: 2020 Milestones

A

Further develop our compelling evidence base

Expand and deepen our evidence base to illustrate ‘what works’ and the obstacles to success faced by prison-leavers and voluntary sector organisations.

- 12 Experts by Experience Board meetings held with 22 current and former Switchback Trainees to develop policy positions and campaign priorities.
- New data analysis of Trainee basic needs revealed record levels of homelessness and lack of basic essentials, informing our policy and press activity.

B

Influence more human, more effective public policy

Use our evidence to influence tangible change in public policy at a national, regional and prison level to break down barriers to success.

- Raised awareness of the need for action to support prison-leavers during the pandemic in parliament, media, and government.
- Helped push for action including £13m for emergency accommodation of prison-leavers, a new UC phoneline.
- Worked with MoJ officials to shape the future probation model, and the £20m Prison Leavers Project supporting with ongoing development and implementation.
- CEO Alice Dawnay co-opted onto the Clinks RR3 Covid-19 special interest group.

Aim 2: 2020 progress



Aim 2 Objectives: 2020 Milestones continued

- Featured in reports by partners including New Local, Reform, Criminal Justice Alliance.
- Contributed as panel and keynote speakers at events run by partners including Clinks and NPC.
- Further embedded the role of the EBE group into policy development, including through a new Policy Intern role filled by a former Switchback Trainee.



Influence more human, more effective practice

Influence tangible change in practice across the criminal justice system by sharing our model through training and other tools, improving support available for all prison-leavers.

- Co-produced and delivered training with EBE Board members for prison officers with Unlocked Graduates and prison mentors with Saracens Foundation.
- Launched partnership with Relationships Project to identify tools from Switchback's model for wider application across the UK.
- Trained charity partners including StandOut in effective Universal Credit application navigation.



Enhance our communications

Sufficiently resource and enhance our communications activity to improve awareness of our work and impact.

- Filmed and published video campaign with author Carl Cattermole highlighting the realities and challenges of release from prison.
- Expanded media profile including through features on BBC London News and BBC Politics London.
- Published articles on platforms including Probation Quarterly and Criminal Justice Alliance.
- Expanded social media activity, doubling Instagram audience to over 1,000 followers, expanding our newsletter to over 2,000 subscribers.
- Worked with EBE on social media campaign to raise awareness of racial disparities in UK justice system.

Aim 3: 2020 progress



ALWAYS FORTIFYING OUR FOUNDATION

Our ambition: By modelling stability amid chaos, Switchback can always do what we say we'll do, sticking around for the long-term as we grow.

The global pandemic was a powerful test of Switchback's foundations. It also served to reinforce the importance of giving organisational stability its own strategic aim. The work we'd done in 2019 establishing relationships, building reserves and investing in IT and cloud-based services stood us in good stead. We came into the year with strength in stability and resilience in agility and this bore fruit as we moved quickly to remote working.

Covid-19 landed like a meteorite on our risk register, making the chaos and uncertainty that justice sector charities always have to contend with a hundred times worse. However, we quickly streamlined processes and saw the opportunities in an adapted programme and the potential for exploring new funding options. Although we came into 2020 with a plan to build capacity, we responded to the pandemic by paring back our recruitment, delaying bringing some staff on, and introducing longer probation periods and part-time and fixed-term contracts (explaining some underspend).

While we quickly saw gaps in our fundraising pipeline from restaurant partner donations and those family trusts that fundraise through events, we were fortunate not to be reliant on government contracts, events or charity shops for our income. And we saw an opportunity in the relaxing of procurement processes to negotiate a pilot arrangement with the London National Probation Service (NPS) to support overstretched probation officers by taking referrals directly. This allowed us to test a new 'trading income' stream, as London NPS paid us on a per-head basis to deliver our new six-week Foundations for Stability programme.

While taking the opportunity to diversify our income, reaching 221 funding sources in total, we were deliberate in making sure long-term supporters felt connected to what we were doing. Communications took on a new importance and resulted in our closest supporters re-pledging their support in recognition of the urgent need we were serving. We are incredibly grateful to our wonderful and loyal donors without whom nothing would be possible.

We spent time in Q4 of 2020 developing plans for a restructure to set us up for a significant increase in impact. We established exciting plans for growth in delivery, created a new Director of Impact and External Affairs role, and a Chief Operating Officer (COO) role, to replace the Head of Finance & Resources, reflecting our commitment to fortifying our foundation.

We also finished the year with more robustness in our governance having recruited three fantastic new Trustees, bringing fresh experience and skills, as well as a new developmental Board Adviser role (a former Switchback Trainee). Six board meetings were held (instead of the usual four) in 2020, and the CEO met with the Chair and Deputy Chair fortnightly as events moved rapidly in the first lockdown. Our fledgling Finance & Resources Subcommittee came into its own by keeping a close eye on income and expenditure, supporting and challenging the team.

All of this meant that despite the pandemic and tough fundraising landscape, we ended the year in a strong and optimistic position with a stable and motivated team, strong governance and the security of robust financial processes and committed income stream.

Aim 3: 2020 progress



Aim 3 Objectives: 2020 Milestones

A

Expand and develop our team

Grow and develop our staff team to increase capacity. Maximise retention by going the extra mile as an employer.

- Five new staff joined in 2020 including new Head of Finance and Operations role, and Partnerships Manager.
- New Policy Internship launched providing policy experience for former Switchback Trainees.
- Action taken to boost staff wellbeing and morale during the pandemic, including online forums, free exercise classes and extra sick leave.
- Development of Switchback Mentor wellbeing support including new monthly Reflective Practice sessions with the Tavistock Institute and additional clinical supervision.
- Review of team structure undertaken for changes, including a new COO role, in 2021.

B

Grow and diversify our income

Increase our income annually and reach 50% from corporate and individual donors. Test new sources of earned income.

- While income didn't increase in 2020, our donor base became more diverse.
- Increased our income from corporate and individual donors from 16% to 36%.
- City of London School chose to extend their support of Switchback as their charity of the year for 2020-21.
- Pilot agreement with the London National Probation Service marked our first statutory income of £17,000.

- Established a new Fundraising Board to support the Head of Fundraising with both network and advice.
- Registered Switchback on the HMPPS Dynamic Framework to explore whether new commissioning opportunities align with our values.

C

Evolve our robust financial management

Maintain our responsible reserves policy and reduce our maximum single donor contribution to 15% of annual income.

- Migrated our financial accounting onto cloud-based service Xero to improve efficiency.
- Our strong level of reserves and diverse funding mix ensured we were resilient enough to withstand the pandemic and innovate to meet rising need in a crisis.
- Further evolved our Finance and Resources Subcommittee to scrutinise financial detail and support effective Board meetings.

D

Embed smarter internal processes

Embed smart, practical systems and processes across the organisation so that staff time is focused on impact, not admin.

- Introduced new remote working IT systems.
- New float system for staff to spend less time managing cash for Trainee payments.
- Developed new accessible remote recruitment processes.
- Supported Trainees with basic smartphones and video Action Planning.
- Simplified financial processes.

Aim 3: 2020 progress



E

Deepen and expand our network and partnerships

Grow Switchback's valued partnerships and expand our loyal network of individual friends, supporters and advisors.

- Established new partnership with London National Probation Service (NPS).
- Further deepened referral relationships with local probation and prison staff.
- Advocated with other small charities through a new Resettlement Collective.
- Brought on new Switchback Advisers including Shaffiq Din, HMP Muslim Chaplain and Milka Fisiha, Consultant and former Switchback Mentor.

“

Engaging with Switchback has been in my stretch zone... but, **I know where I want to be**, so I took the step. Without Switchback it would have been way easier to just go back to what I was doing before. **Switchback was hard, but it paid off.**”

”

Ali, 22, Switchback Trainee in 2020

Income summary

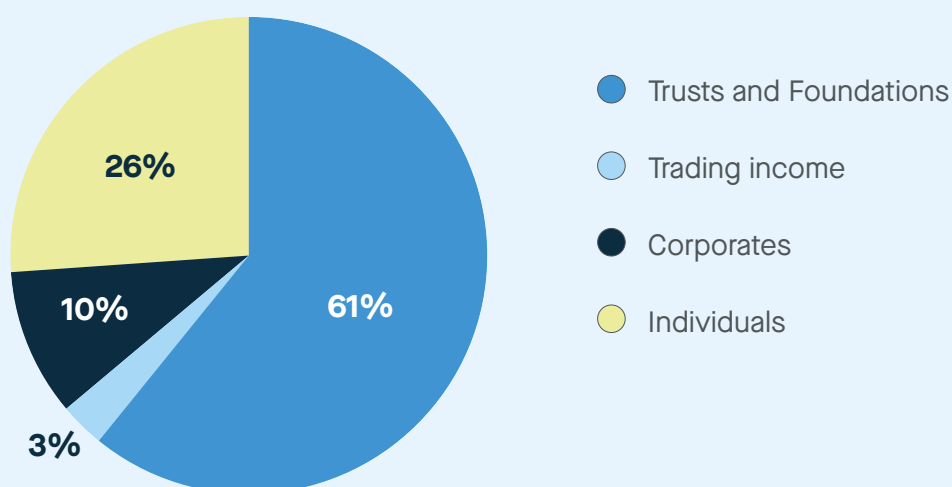
We are very proud that Switchback has demonstrated resilience and stability through 2020 and the pandemic. Having a strong level of reserves at the end of an exceptional fundraising year in 2019,¹ our previous efforts to secure multi-year donations, and our investment in relationships all contributed to our remaining steadfast with an ability to be agile in one of the toughest fundraising landscapes the sector has seen. The total cost of the Switchback programme in 2020 was budgeted at £777,489. In light of the pandemic however, planned recruitment was

delayed, new staff were brought on part-time in some instances, plans for development were postponed and travel was minimal. This all contributed to lower than anticipated expenditure of £612,981 (£622,852 in 2019).

Expenditure was appropriately focused and facilitated the achievements and performance described above. Whilst our expenditure declined overall by £9,871 from 2019, our expenditure on charitable activities increased by £13,324 (£545,023 compared to £531,699 in 2019).

	2017	2018	2019	2020
Income	403,072	564,627	1,070,171	756,305
Expenditure	432,025	490,956	622,852	612,981
Surplus/(deficit)	(28,953)	73,671	447,319	143,324
Total funds – restricted and unrestricted	264,968	338,639	785,958	929,282

Income by type 2020



¹ 2019 was an exceptional year that included a significant one-off gift of £300,000; an incredible show of faith in our work and impact. However, while this took our total income for 2019 to £1,070,171, this extraordinary gift was restricted to reserves.

Some of our key donors are listed below, and – particularly in light of the financial anxiety brought on by the pandemic – we are hugely thankful to those many loyal funders who chose to support us again in 2020. Additionally, we extend our enormous thanks to the generous anonymous individuals who are not listed here as well as to all donors who contributed less than £10,000 – these gifts are truly vital to our work.

Donors (£10,000 or over) new in 2020

Aurum Charitable Trust
City of London School for Boys
Comic Relief
Mark Leonard Trust
Newby Trust
Our Future, Our Choice campaign

Previous donors (£10,000 or over) who continued or renewed their support in 2020

Belpech Trust
Benj Samuel
Bernard Lewis Charitable Trust
CCLA
Charles Hayward Foundation
David and Primrose Bell
Frank Haines Memorial Trust
Girdlers' Company
Goldsmiths' Company
Highway One Trust
John R Murray Charitable Trust
Leathersellers' Company
Lloyds Bank Foundation for England and Wales
Milton Damerel Trust
R.U.B White Charitable Trust
Raise Your Hands
Stephen Gordon Catto Charitable Trust
The Tom ap Rhys Pryce Memorial Trust

Management pay

The key management person is the CEO, who is one of the Founding Directors. Her remuneration is set during the Trustees' annual salary review for the whole team. Their review takes into account the following:

- Benchmarking with similar roles in the sector.
- The charity's financial position.
- Changes to cost of living and inflation.
- Changes in roles and responsibilities.

Investment policy

Our annual Investment Policy review concluded Switchback funds will not be invested (outside of regular bank accounts) as the Trustees feel it inappropriate to take on the level of risk that investment brings. Switchback manages its banking by spreading risk across a number of short and medium-term interest-bearing deposit accounts with UK banks.

Fundraising Regulation

All fundraising is carried out by our in-house fundraising team without any support from external fundraising agencies. Switchback follows the Code set out by Fundraising Regulator although we are not members of their Directory due to the scale of our fundraising activities. There have been no failures to comply with the Fundraising Code nor has Switchback received any complaints concerning its activities in this area since the foundation of the organisation. Switchback has an ethical fundraising policy to ensure that income received aligns with our charitable purpose.

Reserves policy

Switchback provides a long-term programme, and we know that our reserves policy should reflect the commitment we make to our Trainees that we will remain available to them for as long as they need, not constrained by limited timeframes.

The Board of Trustees is required to annually review and agree on the reserves policy. The Finance & Resources sub-committee, therefore, discussed our current policy at its meeting on 16th November 2020, which was then agreed by the full Board at its meeting 2nd December 2020.

In setting our reserves policy, the Trustees wish to maintain a level of reserves that provides a stable basis for its continuing activities whilst at the same time ensuring that funds are utilised for the benefit of Trainees.

We have decided that the minimum level of reserves should be the cost associated with the extreme scenario of having to wind down the organisation were no more funds to be received. To facilitate this, it will be necessary to retain sufficient funds to enable the wind down of the organisation in an orderly fashion. This is calculated at 4 months' running costs. Beyond this, we want to ensure that we are able to maintain sufficient financial flexibility to enable us to move quickly on an innovation to enable us to enhance our impact or to cover the costs of any unforeseen loss of funding or adverse circumstances, prior to taking remedial action.

We therefore set our Reserves Policy to retain unrestricted reserves of 4 months – 6 months of the following year's budgeted expenditure.

Based on our current 2022 forecast expenditure of £1,142,525, this means retaining unrestricted reserves of between £380,842 - £571,262.

The Trustees are confident that there are sufficient unrestricted reserves to meet future commitments and as such have approved the designation of £90,000 towards ensuring the charity has suitable office space as we grow.

At 31st December 2020, Switchback's unrestricted reserves stood at £622,450 (£449,346 in 2019). Our reserves amount is therefore outside our reserves policy target. We are aware of this

and the Trustees are happy that we are holding reserves at this level for the following reasons:

Within the context of Brexit and the pandemic - and with the UK facing future economic difficulties - uncertainty is high. It is not clear to what extent fundraising will be impacted. For this reason, we are more aware than ever of the importance of holding sufficient reserves to deliver our mentoring programme at a time when so many other services have been cut.

In order to support the future plans of Switchback and to enable the ongoing growth of the organisation, we anticipate a significant increase in our expenditure, which will be partially funded by the spend down of some of our unrestricted reserves.

At 31 December 2020, the free reserves, excluding the designation, amounted to £525,021 (£350,776 in 2019).

Structure, governance and management

The charity number, principal addresses and details of professional advisers are included in the administrative information sheet at the front of these accounts.

The Switchback Initiative (trading as "Switchback") is a company limited by guarantee, registered in England and Wales on 10th June 2008 and governed by Articles of Association. 2020 has seen some notable changes in our Trustee Board.

- Dan Houghton, a Trustee of Switchback since November 2018 retired at the July 2020 Board meeting having relocated to New Zealand.
- After having served three terms as Trustee (including as Treasurer) Edward Mackaness retired at the September 2020 Board meeting.

The board would like to thank Edward Mackaness in particular for many years of expertise, committed support and heartfelt dedication to real, lasting change for Switchback's Trainees. Edward was

both Trustee, Treasurer and Acting Chair for a period during the years he served on Switchback's Board and his support and expertise in many areas from business and facilities to fundraising hugely enhanced our work.

- We were delighted to welcome on board three new Trustees: Burphy Zumu, Dawn Reid and Kalm Paul-Christian²
- We also welcomed Eshan Price in the new role of Board Adviser.³

Switchback has always been grateful for the support of a range of experts, advisers and supporters from a range of fields. Special thanks to our long-term Patrons: Hugh Fearnley-Whittingstall and Primrose Bell for their continued support and advice.

Trustees

Ben Summerskill – Diversity Lead

Burphy Zumu
(appointed 2nd December 2020)

Dan Houghton (retired 1st July 2020)

Dawn Reid
(appointed 2nd December 2020)

Duncan Shrubsole – Chair
(re-appointed for second term
16th September 2020)

Edward Mackaness
(retired 16th September 2020)

Gillian Mcmillan – Treasurer

Kalm Paul Christian
(appointed 2nd December 2020)

Olivia Gillan – Deputy Chair

Simon Evers (re-appointed for third term
16th September 2020)

Recruitment, induction and training of new Trustees

In August we launched a recruitment process for new Trustees, led by Trustee Ben Summerskill. We engaged an external consultant – Kenny Imafidon – to support us in our determination to recruit from wider backgrounds than previously and (as advertised as part of the recruitment pack). 50% of the interview panel was black.

We also monitored applications at point of Trustee recruitment for the first time to see if the campaign was delivering high quality candidates from minority ethnic backgrounds and those with some personal, family or professional knowledge of the justice system. We also emphasised that previous Trustee experience was not essential.

We are delighted that this process resulted in three excellent new Trustees being proposed and appointed at December's Board meeting.

Bringing on new Trustees remotely due to the pandemic was a challenge but, alongside the Board Adviser, they met with each of the leadership team, the CEO and the Chair as well as receiving relevant background information about the charity. A newly-introduced buddy system meant each of the new recruits could check in before and after meetings with their 'buddy' on the Board. The other regular features of Trustee inductions such as visits to the office, training environments and a prison have had to be on hold until restrictions allow. The induction process is designed to ensure that new Trustees fully understand their roles and responsibilities as well as the objectives, activities and ethos of the charity.

Board Adviser role

We have introduced a process of recruitment from our Experts by Experience (EBE) Board to a new position of Trustee Board Adviser. This is intended to be an important bridge to ensure

² Please see Recruitment, induction and training of new Trustees for more information.

³ Please see Board Adviser role for more information.

the voice of Trainees is heard at all levels of the organisation as well as offering a development opportunity for young prison-leavers.

It is a fixed-term role of 12 months, at the end of which the post-holder can then choose whether he would like to become a full Switchback Trustee or be supported to move on to a governance position elsewhere, and another member of the EBE Board can be recruited to the Board Adviser role. We are delighted that Eshan Price was appointed Board Adviser in December 2020.

Risk management and uncertainties

Effective risk management is critical in working towards the achievement of our mission.

The Board of Trustees maintains overall accountability for ensuring that effective risk management practices are in place. They review and agree these arrangements on an annual basis. They are supported in this by the Finance and Resources sub-committee, which reviews the full risk register annually and makes recommendations to the Board of Trustees based on that detailed review. The leadership team have responsibility for the risk register and review monthly and escalate matters to the Finance and Resources committee on a quarterly basis.

A summary of the principle risks and uncertainties identified by the Trustees is as follows:

Covid-19 – as for all organisations Covid-19 represented substantial risks to Switchback. The major area of challenge related to our ability to deliver our core programme.

We didn't have 'total and widespread disruption to operations due to Covid-19' on our risk register as we came into the year! We had to move quickly and decisively and our instinct was to listen to what young prison-leavers needed and adapt our offer to respond to that need as best we could. Flexibility was paramount.

In response to the lockdown of prisons and closure of hospitality businesses, we developed our six-week Foundation for Stability programme. This enabled us to continue providing 1-to-1 support post-release to help Trainees to successfully navigate the turbulent transition from prison to community – and begin the path towards real, lasting change.

Risk register review

Notably, there were risks deemed low likelihood and high residual impact at the start of the year, which were reviewed and downgraded in the summer as when these things were tested by sudden pandemic restrictions, we realised that perceived catastrophic consequences didn't come to pass and we were able to continue to deliver our strategic plan.

For instance, 'Prison Access: restricted access to prisons impacting access to potential Trainees' likelihood shot up, but impact fell as we began to see that relationships with probation were bearing fruit in terms of referrals and that we pivoted to develop an alternative model of delivery. Similarly, 'Real-work training partners: insufficient post-release training placements due to lack of capacity' which was listed high on the risk register, was reassessed as operating in the pandemic put into question our previous rigidity. Recognising the new challenges of supporting prison-leavers into employment in the context of recession and with the hospitality industry hardest hit, we did decide however, to bring on a Partnerships Manager as a dedicated staff member to build and nurture partnerships.

The risk that remained (and always has been) the most serious is that of 'Recruitment and retention of excellent Switchback Mentors' – to ensure high-quality support for Trainees. We redesigned our training and supervision offer to better support existing Switchback Mentors in role. We promoted two members of the team to our new Senior Switchback Mentor role as a route for progression

and retention. In 2021, we will be repeating our successful Switchback Policy Internship Programme and further develop ways to strengthen the diversity of our team.

The Trustees are satisfied that the risks identified above have been mitigated or addressed as required and that arrangements are in place to review them on an ongoing basis.

Trustees' responsibilities

The Trustees (who are also the directors of the Switchback Initiative for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the income and expenditure of the charitable company for that period.

In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees' Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

All our activities are undertaken to further our charitable purpose, which is to enable young men to find a way out of the justice system and build a stable life they can be proud of. In fulfilment of this purpose, the Trustees have a duty to consider public benefit guidance published by the Charity Commission. We are satisfied that the purpose and activities of the charity continue to satisfy the requirements of the public benefit test set out in section 17 of the Charities Act 2011. We demonstrate how we have worked towards our charitable purposes, by setting out details of strategies adopted and activities undertaken, alongside our achievements, during the year in this report.

The Trustees delegate day-to-day decision making and operations to the CEO, Alice Dawnay, and the leadership team. The Trustees meet quarterly and review management accounts, fundraising forecast and cashflow analysis. After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. This includes taking into account any potential impact of the Covid-19 pandemic. For this reason, the going concern basis of the preparation for the financial statements is considered valid.

The Trustees' Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Trustees Report was approved by the Trustees on 1 June 2021 and signed on their behalf by



Duncan Shrubsole
Chair



Trustees' Financial Statements for the year ended 31 December 2020

The Switchback Initiative (Limited by Guarantee)

Registered Company number: 06615923 (England and Wales)

Registered Charity number: 1125100

The accounts have been prepared in accordance with the accounting policies set out in the note 1 and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, Charities SORP (FRS102).

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S Eyers O Gillan G McMillan K Paul-Christian D Reid D Shrubsole B Summerskill B Zumu
Leadership Team	A Dawnay – Founder and Chief Executive S Boyd C Gurney H Topley M Williams
Charity Number	1125100
Company Number	06615923
Registered Office and Principle Address	Switchback 3 rd Floor Norvin House 45-55 Commercial Street London E1 6BD
Independent Examiner	TC Group The Courtyard Shoreham Road Upper Beeding Steyning West Sussex BN44 3TN
Main Banker	Co-operative Bank Ltd PO Box 101 1 Balloon Street Manchester M60 4EP

REPORT OF THE INDEPENDENT EXAMINER

I report to the charity trustees on my examination of the accounts of the Charitable Company for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity's trustees of the Charitable Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charitable Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

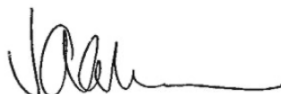
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charitable Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

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

Jonathan Aikens ACA, DChA

for and on behalf of
TC Group
The Courtyard
Shoreham Road
Upper Beeding
Steyning
West Sussex
BN44 3TN



Dated: 4 June 2021

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestrict ed funds	Restricted funds	Total 2020	Total 2019
Income from:	Notes	£	£	£	£
Donations	2	687,361	33,329	720,690	1,056,377
Investments	3	9,529	-	9,529	490
Other trading	4	26,086	-	26,086	13,304
Total income		722,976	33,329	756,305	1,070,171
Expenditure on:	5				
Raising funds		67,958	-	67,958	91,153
Charitable activities		481,914	63,109	545,023	531,699
Total expenditure		549,872	63,109	612,981	622,852
Net income		173,104	(29,780)	143,324	447,319
Fund balances at 1 January 2020		449,346	336,612	785,958	338,639
Fund balances at 31 December 2020	16	622,450	306,832	929,282	785,958

All activities are classed as continuing. There are no recognised gains or losses other than those reported on the Statement of Financial Activities.

The results for the year all relate to continuing activities.

The notes on pages 38-45 form part of the financial statements.

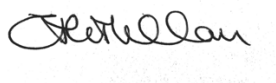
BALANCE SHEET
AS AT 31 DECEMBER 2020

		2020	2019
	Notes	£	£
Fixed assets			
Tangible assets	11	7,429	8,570
		<u>7,429</u>	<u>8,570</u>
Current Assets			
Debtors	12	45,026	13,232
Cash at bank and in hand		1,026,255	1,010,621
		<u>1,071,281</u>	<u>1,023,853</u>
Creditors: amounts falling due within one year	13	(149,428)	(246,465)
Net current assets		<u>921,853</u>	<u>777,388</u>
Net assets		<u>929,282</u>	<u>785,958</u>
Funds	16		
Unrestricted funds		532,450	359,346
Designated funds	15	90,000	90,000
Restricted funds	14	306,832	336,612
TOTAL FUNDS		<u>929,282</u>	<u>785,958</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the Act with respect to accounting records and for the preparation of accounts.

The accounts were approved by the Board of Trustees on 1st June 2021.



Gillian McMillan
Treasurer

Company Registration No. 06615923

CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Net cash provided by/(used in) operating activities	18		11,140		701,961
Cash flows from investing activities:					
Purchase of tangible fixed assets	11	(5,035)		(3,654)	
Interest on investments		9,529		490	
Net cash used in investing activities			4,494		(3,164)
Increase/(decrease) in cash and cash equivalents in the year			15,634		698,797
Cash and cash equivalents at the beginning of the year			1,010,621		311,824
Cash and cash equivalents at the end of the year			1,026,255		1,010,621
Analysis of net cash/(debt)					
		At 1 Jan 2020	Cash flow	At 31 Dec 2020	
		£	£	£	
Cash at bank and in hand		1,010,621	15,634	1,026,255	

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of financial statements are as follows:

1.1 Basis of accounting

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 (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), and the Companies Act 2006.

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

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

1.2 Preparation of the accounts on a going concern basis

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. This includes taking into account any potential impact of the COVID-19 pandemic.

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

Grants and donations are recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. In the event that such income is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Gifts in kind are included at fair value within donations.

Investment income is credited to income when it is receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.4 Expenditure

Expenditure is recognised on an accruals basis inclusive of any VAT which cannot be recovered.

Support costs which are not directly attributable to a specific charitable activity are allocated on a percentage basis based on staff time applied to each activity during the year. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. These are included within support costs.

1.5 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided as the following annual rates in order to write off each asset over its estimated useful life.

Computer Equipment	33% on cost
Furniture & Fittings	25% on cost
Only assets over £500 are capitalised.	

1.6 Lease commitments

Operating leases and the payments made under them are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.7 Taxation

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010.

1.8 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1.9 Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due.

1.11 Cash at bank and in hand

Cash at bank and in hand includes bank accounts, cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposits or similar account.

1.12 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

1.13 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.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

2. DONATIONS INCOME

	Unrestricted £	Restricted £	2020 £	2019 £
Donations & grants	627,620	33,329	660,949	1,056,052
Legacies	-	-	-	325
Gift aid recovery	59,741	-	59,741	-
	<u>687,361</u>	<u>33,329</u>	<u>720,690</u>	<u>1,056,377</u>

3. INVESTMENT INCOME

	Unrestricted £	Restricted £	2020 £	2019 £
Deposit account interest	9,529	-	9,529	490
	<u>9,529</u>	<u>-</u>	<u>9,529</u>	<u>490</u>

4. OTHER TRADING INCOME

	Unrestricted £	Restricted £	2020 £	2019 £
Trading income	26,086	-	26,086	13,304
	26,086	-	26,086	13,304

5. EXPENDITURE

	Depreciation £	Staff costs £	Other costs £	Total 2020 £	Total 2019 £
Raising funds	-	65,941	2,017	67,958	91,153
Charitable activities					
Activities undertaken directly	5,040	336,319	95,281	436,640	422,051
Support costs (note 6)	1,136	90,450	16,797	108,383	109,648
Total	6,176	426,769	112,078	545,023	531,699
Total	6,176	492,710	114,095	612,981	622,852

6. SUPPORT COSTS

	2020 £	2019 £
Staff costs	90,450	83,043
Rent and utilities	5,660	5,939
Office costs	3,562	6,399
Insurance	634	454
Travel expenses	388	862
Sundry costs	554	405
Bank charges	2,113	813
Bookkeeping	432	715
Loss on disposal of tangible fixed assets	-	387
Depreciation	1,136	962
Staff support	688	635
Governance costs (note 7)	2,766	9,034
	108,383	109,648

Included within support costs are amounts payable to the current examiners in respect of examination fees of £2,640 (2019: £8,880 paid to the current examiners in respect of audit fees) and £Nil in respect of other services (2019: £Nil).

7. GOVERNANCE COSTS

	2020 £	2019 £
Independent Examiner's remuneration	2,640	-
Trustees' expenses	126	154
Auditor's remuneration	-	8,880
	2,766	9,034

8. STATEMENT OF FINANCIAL ACTIVITIES COMPARATIVE FUNDS – YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £
<u>Income from:</u>				
Donations	2	664,674	411,703	1,056,377
Investments	3	490	-	490
Other	4	13,304	-	13,304
Total income		658,468	411,703	1,070,171
<u>Expenditure on:</u>	5			
Raising funds		91,153	-	91,153
Charitable activities		435,138	96,561	531,699
Total expenditure		526,291	315,142	622,852
Net income/movement in funds		132,177	315,142	447,319
Fund balances at 1 January 2019		317,169	21,470	338,639
Fund balances at 31 December 2019	16	449,346	336,612	785,958

9. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustee remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019. Trustee expenditure totaling £126 (2019: £154) was reimbursed during the year.

10. STAFF COSTS

	2020 £	2019 £
Wages and salaries	435,138	392,512
Temporary staff	-	8,479
Social security costs	37,860	33,432
Other pension costs	19,712	16,898
	492,710	451,321

STAFF COSTS (continued)

The average number of employees during the year was as follows:

	2020 Number	2019 Number
Administration	5	5
Influencing	3	3
Switchback Mentors	5	6
	<u>13</u>	<u>14</u>

The number of employees whose emoluments fell within the following bands was:

	2020 Number	2019 Number
£60,001 - £70,000	1	1
	<u>1</u>	<u>1</u>

Of the employees whose emoluments exceed £60,000, 1 (2019: 1) have retirement benefits accruing under defined contribution pension schemes. Pension contributions for higher paid employees in the year amounted to £1,737 (2019: £3,000).

During the year the key management personnel of the charitable company comprised of the Chief Executive, the three Heads of Department and the Head of Finance and Operations. The total employee benefits of the key management personnel (including Employer's National Insurance Contributions) were £233,961 (2019: £228,705).

10. TANGIBLE FIXED ASSETS

	Furniture & Fittings	Computer Equipment	Total
Cost	£	£	£
At 1 January 2020	697	13,431	14,128
Additions	-	5,035	5,035
At 31 December 2020	<u>697</u>	<u>18,466</u>	<u>19,163</u>
Depreciation			
At 1 January 2020	348	5,210	5,558
Charge for the year	174	6,002	6,176
At 31 December 2020	<u>522</u>	<u>11,212</u>	<u>11,734</u>
Net book value			
At 31 December 2020	<u>175</u>	<u>7,254</u>	<u>7,429</u>
At 31 December 2019	349	8,221	8,570

12. DEBTORS – amounts falling due within one year	2020	2019
	£	£
Trade debtors	590	-
Other debtors	1,310	-
Prepayments and accrued income	43,126	13,232
	45,026	13,232

13. CREDITORS – amounts falling due within one year	2020	2019
	£	£
Trade creditors	3,294	-
Social security and other taxes	14,279	10,157
Accruals and deferred income	128,414	233,449
Other creditors	3,441	2,859
	149,428	246,465

14. RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020	Movement in funds		Balance at 31 December 2020
	£	Income	Expenditure	£
Lloyds Bank Foundation	2,083	25,000	(25,000)	2,083
LCF (Home Office Core Grant)	4,985	-	(4,985)	-
LCF (Save London Lives)	8,333	-	(8,333)	-
Donation to Reserves	299,999	-	-	299,999
The Wilmington Trust	2,962	5,000	(5,462)	2,500
The Clothworkers' Foundation	16,000	-	(16,000)	-
St Martin-in-the-Fields	-	329	(329)	-
The Field Family Charitable Trust	2,250	3,000	(3,000)	2,250
	336,612	33,329	(63,109)	306,832

Lloyds Bank Foundation for England and Wales

Funding towards the CEO's salary.

The London Community Foundation (Home Office Core Grant)

Funding towards office rent.

The London Community Foundation (Save London Lives)

Funding towards Switchback Mentor salaries and costs.

Donation to Reserves

Restricted for use to underpin a portion of reserves.

The Wilmington Trust

Funding towards the development of our communications.

The Clothworkers' Foundation

Funding towards the Salesforce Administrator and Communications Co-ordinator salaries.

St Martin-in-the-Fields

Funding towards a laptop for a Switchback Trainee.

The Field Family Charitable Trust

Funding to support young men aged 18-25 leaving prison.

15. DESIGNATED FUNDS

The income funds of the charity include designated funds comprising the following:

	Balance at 1 January 2020	Movement in funds		Balance at 31 December 2020
	£	Income	Expenditure	£
Office Space	90,000	-	-	90,000
	90,000	-	-	90,000

Office Space

The office space fund relates to funds set aside by the organisation to be used to secure and develop new office space.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2020 Total
	£	£	£
Fund balances at 31 December 2020 are represented by:			
Fixed assets	7,429	-	7,429
Current assets	764,449	306,832	1,071,281
Creditors: amounts falling due within one year	(149,428)	-	(149,428)
	622,450	306,832	929,282
	Unrestricted funds	Restricted funds	2019 Total
	£	£	£
Fund balances at 31 December 2019 are represented by:			
Fixed assets	8,570	-	8,570
Current assets	687,241	336,612	1,023,853
Creditors: amounts falling due within one year	(246,465)	-	(246,465)
	449,346	336,612	785,958

17. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2020 the company had total commitments payable under non-cancellable operating leases as follows:

	Land and buildings		Equipment	
	2020	2019	2020	2019
	£	£	£	£
Within one year	30,175	19,332	1,493	1,493
Between two and five years	91,050	-	2,613	4,107
	<u>121,225</u>	<u>19,332</u>	<u>4,106</u>	<u>5,600</u>

Total lease payments recognised as an expense in the year amounted to £31,493 (2019: £32,802).

18. NET CASHFLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net income/(expenditure)	143,324	447,319
Depreciation of tangible fixed assets	6,176	5,227
(Profit)/loss on disposal of tangible fixed assets	-	387
Dividends and interest from investments	(9,529)	(490)
(Increase)/decrease in debtors	(31,794)	20,240
Increase/(decrease) in creditors	(97,037)	229,278
	<u>11,140</u>	<u>701,961</u>
Net cash provided by/(used in) operating activities	11,140	701,961

19. RELATED PARTY TRANSACTIONS

During the year to 31 December 2020 donations were received by the charity from various Trustees totaling £1,028 (2019: £6,010). The Chair, Duncan Shrubsole, works for Lloyds Bank Foundation but there are no transactions to declare in regards to this relationship. The only further related party transactions relate to Trustees' expenditure reimbursement of £126 (2019: £154) as disclosed in note 9.

20. CONTROL

The Switchback Initiative is a company limited by guarantee and has no share capital. No one member has overall control of the charity.

21. COMPANY INFORMATION

The Switchback Initiative is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found on the legal and administrative information page.



Thank you to all our partners, supporters and donors for your continued support. It's thanks to you that Switchback can support even more young men to build stable, rewarding lives.

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