

SWITCHBACK

2022

ANNUAL REPORT

Switchback's annual report for
the year ended 31 December 2022





The Trustees (who are also the directors) are pleased to present their annual report for the year ended 31 December 2022.

Contents

About Switchback	p.3
Our values	p.4
2022 in numbers	p.5
An overview	p.6-7
Adam's journey	p.8-9
Equity, diversity & inclusion update	p.10
Time & Again podcast	p.11
Our plan, 2022-25	p.12
Aim 1: A platform for more young Londoners	p.13-14
Aim 2: A platform for changing the system	p.15-16
Aim 3: A platform for collaboration	p.17-18
Aim 4: A platform on strong foundations	p.19-20
Financial review	p.21-25

About Switchback



Switchback is an award-winning charity supporting young Londoners to find their way out of the justice system and build stable, rewarding lives.

Switchback's model is centred on a meaningful relationship between a Switchback Mentor and a Switchback Trainee, beginning in prison and lasting as long as it takes after release.

This is new territory for most 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 over 14 years of impact, we work with others to share what we've learned and inspire change across the criminal justice system and beyond.

Our pioneering and award-winning approach works. In stark contrast to the national average – which sees around half of those leaving prison every year back inside within 12 months – just 9% of Switchback Trainees reoffend. In fact, over 50% go into long-term employment, while 65% reach Switchback's unique benchmark of Real, Lasting Change*.

* this requires Trainees to achieve stability in at least 5 out of 10 Switchback Pathways alongside a range of other criteria.

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.

Our values



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.

2022 in numbers



49

young men engaged onto the programme as Switchback Trainees.

1,031

outcomes achieved by 49 Trainees across the 10 Switchback Pathways.

533

young prison-leavers supported in total.

15

prisons from which Switchback Trainees were released.

The environment became increasingly challenging:

63%

released homeless.

18%

released without a bank account.

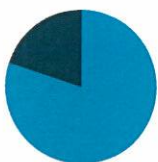
48%

with an identified mental health issue.

21%

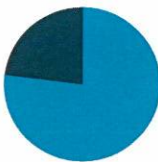
with an identified drug or alcohol issue.

We maintained high impact despite complex needs:



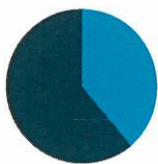
80%

achieved a practical education, employment or training outcome.



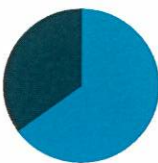
77%

progressed from unstable to stable on 5+ pathways.



39%

started a permanent job, apprenticeship, or further/higher education.



65%

reached our benchmark of Real Lasting Change.

An overview



For Switchback, 2022 was a year of both significant challenge and exciting change. We began implementing our 3-year plan 2022-25 with ambitious aims to increase the number of young men we support and reshape national resettlement policy. And yet the impact of the COVID-19 pandemic continued to have significant consequences for our work.

Chronic understaffing in the prison and probation services restricted our access to prison wings until the second half of the year. The young men who wanted our support – our Trainees – had significantly greater needs than we'd previously seen; four in ten had no qualifications and almost half had never worked. The world which Trainees re-entered on release had become even more difficult, as the crisis in the UK economy increased both living costs and pressure on statutory services. In 2022 more than six in ten Trainees were released homeless, compared to four in ten a year earlier.

Despite all this, in 2022 we supported 49 young men to become Switchback Trainees, providing intensive 1-to-1 support and training through our 12-week programme. 33 reached our benchmark of Real Lasting Change, above our 60% target and higher than in the previous two years, indicating that our impact was beginning to return to pre-pandemic levels. And we supported another 533 young men to develop their plans for life post-release or access appropriate services through 1-to-1 conversations with our Mentors in prison.

We continued to build our influencing strategy in close partnership with the Switchback Experts by Experience Board (EbE). This year we focused on amplifying the voice of Switchback Trainees, including facilitating workshops with key teams across the Ministry of Justice (MoJ) and His

Majesty's Prison and Probation Service (HMPPS) to inform emerging resettlement policy. We were also proud to contribute evidence from 14 years of delivering our model coupled with Trainees' experiences to key consultations, including the London Assembly Police and Crime Committee's inquiry into probation in London.

We were especially proud to launch our new campaign, Flip the Script, which foregrounds the voices of young prison leavers in championing change in the justice system. The campaign's podcast series, Time & Again, was launched to critical acclaim, and the EbE team are already producing a second series launching in 2023.

In 2022 our expenditure exceeded one million pounds for the first time, and we have worked diligently to put in place the controls required to manage this greater financial risk and responsibility. We hope our plans for 2023 and beyond will continue to excite and attract both existing and new funders who share our twin missions for supporting even more young men to build stable lives they can be proud of, and shaping a society in which everyone has the opportunity to live a stable and rewarding life.

Finally, in 2022 we said a fond farewell to our Founder and CEO, Alice Dawney, after nearly 15 years at the helm. We owe Alice a huge debt of gratitude, both for seeing the need for holistic support for young men leaving prison that transforms lives, and for giving her all for so long to nurture Switchback into the high-impact and trusted organisation that it is today. After a thorough recruitment process involving the whole Board, EbE, the Leadership and wider staff Teams, we were delighted to welcome Sian Williams, an accomplished leader with a track record of achieving improvements in policy and practice around financial and social inclusion



in partnership with lived experience experts, as Switchback's brilliant new CEO. Sian has already begun building on Alice's legacy in leading the team to secure our first statutory test-and-learn probation grant and initiate our first peer-led research project.

The natural cycle of change following the pandemic has seen several of our Trustees and Leadership Team move on, and thus 2022-23 has been a time of intensive recruitment and new perspectives for Switchback. We are excited at the progress the new team are already making in piloting innovative approaches to reaching more men and growing our influencing work, despite the incredibly challenging external context, and we look forward to sharing our learning with you in our next annual report.

We hope you will find much to inspire optimism, commitment and hope within these pages, and we invite you to join us in this exciting new phase of Switchback's journey.

Duncan Shrubsole, Chair

“

I've been so impressed with the transformational effect of Switchback's unique model of intensive 1-to-1 support. Each Trainee I meet is successfully overcoming multiple challenges and building a life filled with possibility and joy. But thousands more young men are still leaving prison with minimal support and facing huge barriers to change.

We want to grow and share our model so that more young men have the type of support each Switchback Mentor can offer. And yet we know that's still not enough. That's why we will also continue to build our lived experience-led influencing work, supporting Switchback Experts by Experience to champion criminal justice reform and reshape the justice system.

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Sian Williams, CEO

Adam's journey

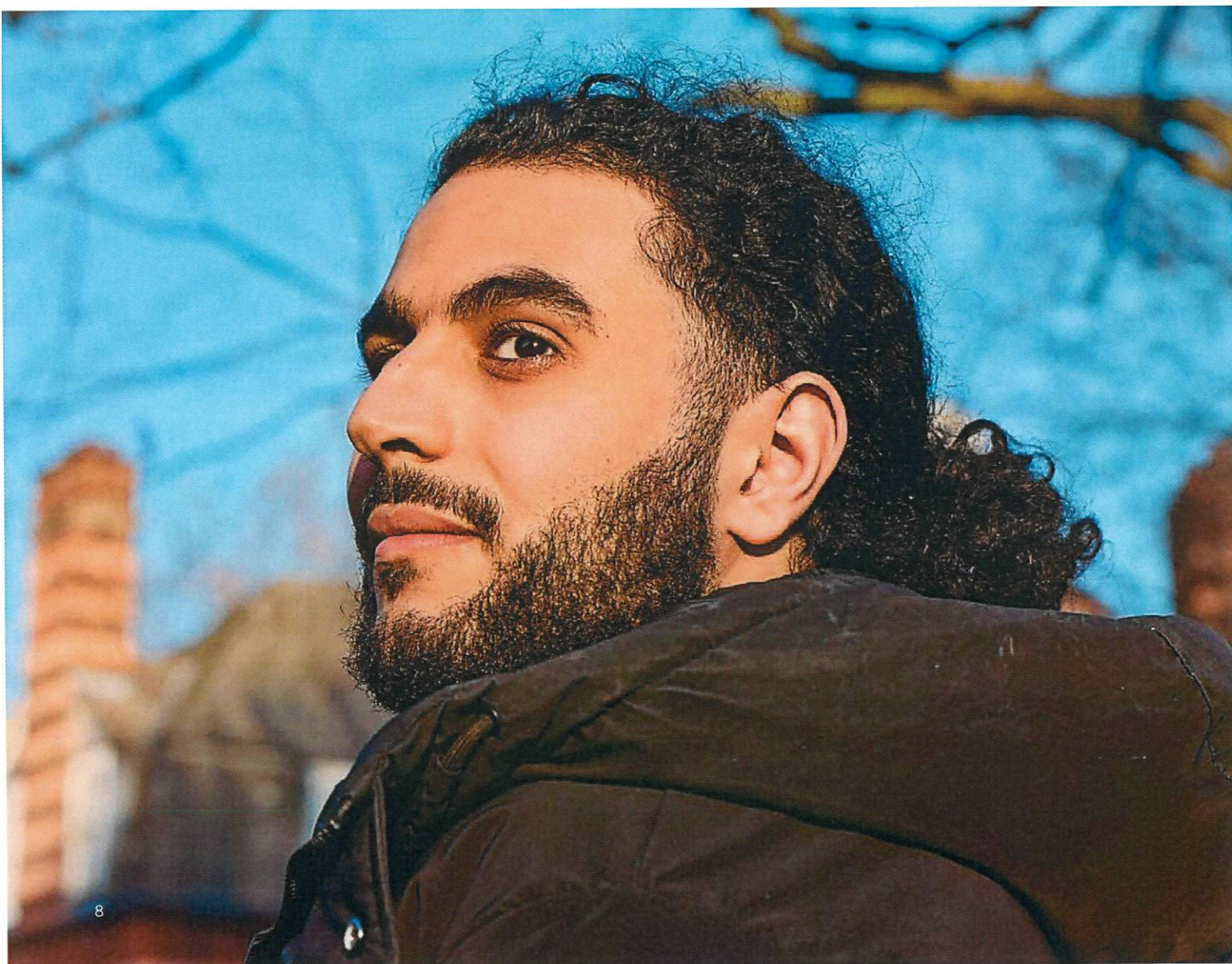


"Growing up in London was tough. I was surrounded by economic and social deprivation. I was going through a lot and it was difficult trying to navigate that alone. It was a toxic environment. I had family but I kept running away because home wasn't where I wanted to be. I didn't have any support system.

I just wanted money. I wanted financial independence, and I wanted independence as a whole until I realised that crime wasn't the way to do it. I thought I could do more with my time instead of being a handout. I saw how fast I could make money and then it just started tumbling.

I was 14 years old at that point. I was frustrated at school. They didn't understand how to teach me and they weren't giving me any support. They just expected me to be able to learn off a whiteboard but I didn't understand half the things, so for me it was just scary.

I was scared when I went to prison for the first time. I felt a lot of emotional pain. In prison there's no support – there's only really external people like Switchback. But in terms of institutional support, processes are way too long and there is too much paperwork.





I first came across Switchback when I was gardening at HMP Isis. I kept seeing the t-shirts and I saw my future Switchback Mentor Celine. One day I just asked her: "What do you do?" Celine was different to other people I'd come across because she was really honest. She had a different aura about her and I could tell she really wanted to help. I thought 'Ok. Let's see what Switchback can do for me.'

The first week out of prison I was scared. I didn't know what to expect. Everything was a blur until I met Celine at probation. She came with me and explained to my Probation Officer what Switchback was going to do, because at that point she was helping me with my bank account and getting Universal Credit set up. Some days I felt upset and some days I felt proper scared, but Celine calmed me down. Whenever I was nervous and it was getting too much she supported me.

I finished Switchback in December and now I'm working as a business administration apprentice. I'm loving it and I never thought I'd be in a position like this in my life. Without question, I see myself going into policy in the future. I feel like that's my calling. I'm just trying to build up my experience. I also want to travel. I want to go to Iceland and Vietnam. I love travelling because you learn other people's way of thinking, people's way of life, their morals, and how they go about things. I'm a curious person.

The best advice I can give to anyone is that the most difficult roads lead to the most beautiful destinations. No matter how many things are stacked against you, persevere against all odds."



My favourite thing about Switchback is the people. I love the atmosphere and I love being part of Experts by Experience (EbE). The thing I love about EbE is everyone is willing to change and it's all coming from the heart. People don't come for the vouchers or the food, they come to make a difference. I want to go into policy now. I've got such a passion. EbE hits different because you actually do see that stuff is getting changed and our suggestions are rolling through.



Equity, diversity and inclusion update

Building a diverse team and Board representative of our Trainees and modern London.

Increasing racial and social justice and building a team more representative of modern London are both key aims in our 3-year Plan 2022-25. Nine in ten Switchback Trainees are from an ethnic minority background, so it is vital that our team is representative of the men we support, that our influencing work clearly challenges the structural reasons underpinning the overrepresentation of ethnic minority communities in the justice system, and that our organisational culture proactively includes and supports all forms of diversity. Switchback's Equity, Diversity & Inclusion Policy focuses on both our people and our operational delivery and is published on our website alongside annual team and board diversity snapshots.

Recruitment

As well as running a robustly inclusive recruitment process for our new CEO, we also continued to review and strengthen our recruitment processes, expanding our accessible pathway for former Trainees to join our team through creating three new roles across our Operations, Delivery and Influencing teams. It was particularly important to begin recruiting Trainees into non-mentor roles, both to ensure we are embedding lived experience insight throughout the organisation and to create more diverse opportunities for Trainees with different skill sets and ambitions. We are particularly mindful of underrepresentation of ethnic minority and lived experience candidates in the field of policy and so, where possible, aim to nurture candidates with potential from our own talented pool of former Trainees.

Our third confidential annual staff survey snapshot showed that:

- 53% of our staff were in the 18-30 age bracket,

reflecting the age range of men we work with.

- 32% of our team identified as from an ethnic minority background compared to 23% in 2021.
- 25% of our team had lived experience of the justice system, either themselves or through family.
- Around a third of our team had caring responsibilities.
- 5% of our team described themselves as having a disability compared to 0% of the team in 2021.

Equity, Diversity and Inclusion Review Group

We developed our first ever Switchback EDI Review Group which met three times over the year. The Group focused on recruitment as their first priority to inform our ability to attract people from more diverse backgrounds and ensure our recruitment campaigns were inclusive.

Our Board

Sergio Gogoa was appointed as our second Board Adviser, bringing his experience as a former Switchback Trainee to inform the work of our Trustee Board while gaining exposure to charity governance. We conducted our first ever Trustee EDI survey to understand how well our Board reflects both our Trainees and London's diverse communities. This data will also help us target diversity gaps in our 2023 Trustee recruitment round. In 2022:

- 62.5% of our Trustees had lived experience of the Criminal Justice System either themselves or through immediate family.
- 25% were aged 18-30, reflecting the age range of men we support.
- 37.5% of our Trustees identified as from an ethnic minority background.

Time & Again podcast



How does it feel to come of age in some of the UK's most disadvantaged neighbourhoods?

What really drives inner city crime?

What's it like being sent to jail at a young age and released with nothing?

We hear a lot about the issues of gangs, youth crime and county lines, but we hardly ever hear from the people with the best insight of all: young prison leavers themselves.

In 2022 Switchback went about answering those questions with its debut podcast series Time & Again. Time & Again featured six Switchback Trainees telling their story in their own powerful words. It was the first piece of content within Switchback's Flip the Script campaign and was met with unfaltering praise and acclaim.

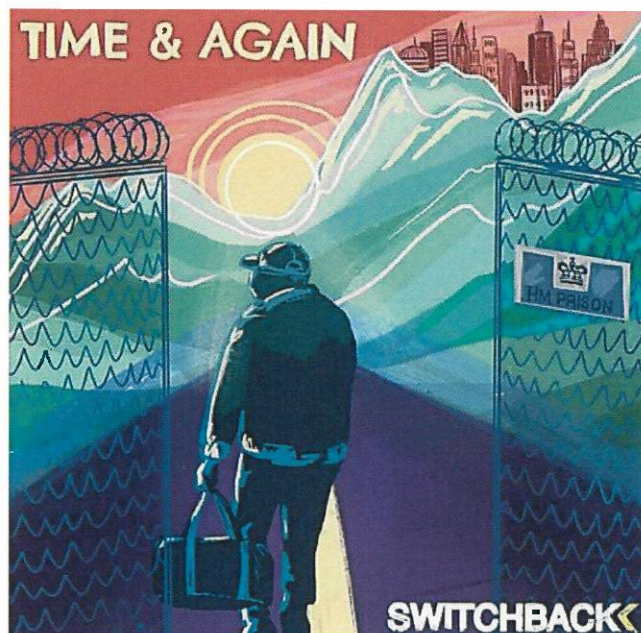
Time & Again was number one on Apple Podcasts' New & Noteworthy list while the podcast has also been shortlisted in two categories at the prestigious British Podcast Awards: Arts & Culture and True Crime.

“

Really intimate podcasting... putting you in the shoes of these people and making them the centre of the story. It's incredible.

”

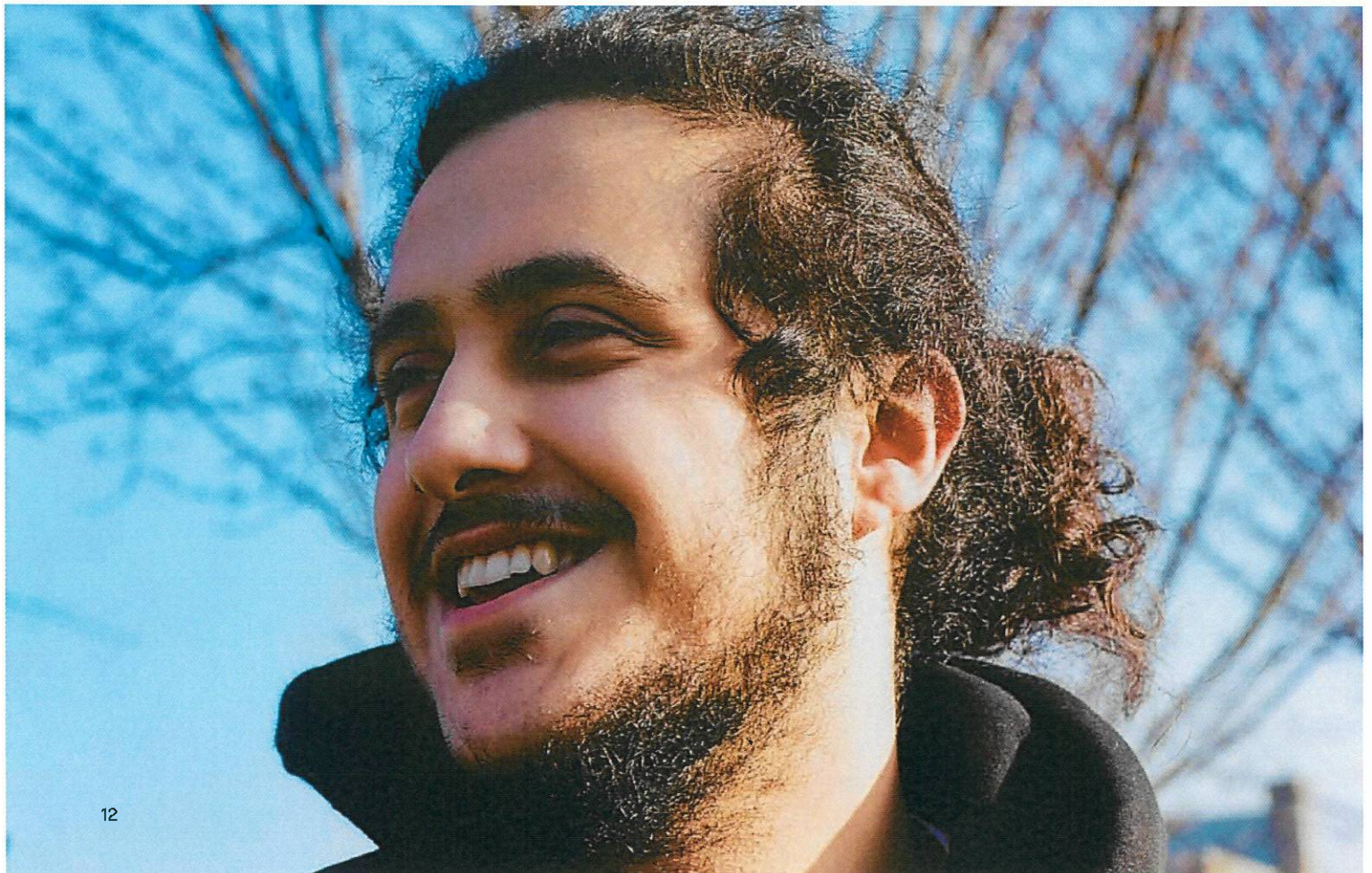
BBC Radio 4 Extra – Podcast Radio Hour



Our plan, 2022-25



1. A platform for more **young Londoners**
2. A platform for **changing the system**
3. A platform for **collaboration**
4. A platform on **strong foundations**



Aim 1: A platform for more young Londoners



A platform for more young Londoners: we'll expand our team of Switchback Mentors to double the number of young Londoners we can support, establishing Switchback as a beacon of best practice inspiring change across the system.

Year 1 update

Overview

The first half of 2022 remained challenging for our frontline work as the impact of the COVID-19 pandemic on the prison environment continued to restrict Mentors' access to prison wings. Yet for young men leaving prison in the post-pandemic environment, access to essential services such as housing, benefits, healthcare and employability support had all worsened significantly. We responded with a range of creative approaches, including piloting virtual support sessions and, for the first time, exploring working with people on remand. We also introduced a new Peer Switchback Mentor role to pilot a serving prisoner working as part of the Mentor team, with the aim of having a Switchback presence in the prison 24/7 despite COVID-19 lockdowns.

We rigorously evaluated the effectiveness of each innovation in reach and impact, adapting our delivery model throughout the year based on our learning and the changing prison and probation environment. Our evaluation showed that our six-week post-release option, Foundation for Stability (FS), which we had introduced in 2020 when we were unable to meet Trainees in prisons due to the pandemic lockdowns, wasn't meeting Trainees' more intensive needs in the post-pandemic context.

We therefore made the decision to revert to delivering only our original Real Lasting Change (RLC) programme, albeit with a new level of flexibility for community referrals. On average, the RLC programme requires twice as much Mentor time as the shorter FS model. Whilst this decision

thus reduced the overall number of Trainees we could engage with existing Mentor capacity, it quickly led to better outcomes for Trainees. Having started the year without any access to prison wings due to COVID-19, by the end of the year we had secured keys in five prisons (HMP Isis, Pentonville, High Down, Onley and Brixton). This focused investment in prison partnerships set us up for a strong start for 2023.

Finally, in response to rising mental health needs, we reviewed and enhanced our mental health assessment, support and referral processes, improving staff knowledge and skill to support Trainees, in partnership with Partisan, a diverse, culturally sensitive, forward-thinking team of experienced Psychotherapists, Clinical Psychologists, and mental health practitioners. We also completed neurodivergence support training with Luke Vinter, a senior lecturer in psychology and forensic mental health from Nottingham Trent University.



Switchback has made me realise I can do the things I want to do, and I've never thought that before. This is the most supported I have felt coming out of prison and I have no one to thank other than Switchback for that.



Aim 1: A platform for more young Londoners



Progress on objectives

a. Double the number of Switchback Trainees provided with intensive, long-term support to 140 per year by 2025, by building a bigger, stronger and stable team of expert Switchback Mentors.

- 49 Trainees engaged as Switchback Trainees through-the-gate, while 533 young men supported in total with more than one session of support. Outcomes remained very strong (see d).
- Our Switchback Mentor team remained stable at 8, which was our largest ever Delivery team, and included three people with lived experience of prison.

b. Grow our original through-the-gate model while maintaining our new post-release option and testing our approach at a new 'exit point' from the system to broaden our reach and impact.

- Although we dropped the shorter version of our programme, we introduced a new level of flexibility to accommodate community referrals for people we had not met in prison.

c. Further boost our evidence of impact as a beacon of best practice inspiring change across the system.

- Enhanced impact measurement training for Switchback Mentors, leading to greater outcome quantity and quality capture.

d. Maintain sector-leading outcomes while driving programme improvement in priority areas.

- Met or exceeded targets for Trainees successfully completing the programme having reached our benchmark of Real Lasting Change (66% against a target of 60%), and those achieving a practical education, employment or training (EET) outcome (79% against a target of 50%).
- Supported almost a quarter of Trainees (23%) into sustainable jobs – double the national average for people leaving prison (12%).
- Restarted Trainee Experiences post-pandemic offering a wide range of educational and inspirational activities.

Aim 2: A platform for changing the system



A platform for changing the system: we'll support more Trainees to take an ever-greater role in championing change across the justice system and tackling social and racial injustice – foregrounding their experience and shifting perceptions by amplifying Trainee voice and influence at every opportunity.

Year 1 update

Overview

At the heart of our influencing work sits Switchback's Experts by Experience Board, open to all current and former Trainees and intended as a place where people with lived experience of leaving prison can both shape our work and create their own projects and campaigns. This year we were excited to welcome a former Trainee and active EbE Board member, Elton Gilbert, to facilitate the group's work in the new role of Participation Coordinator, with funding generously provided by Barrow Cadbury Trust and Esmée Fairbairn Foundation.

In 2022 EbE Board members prioritised two ambitious aims. The first was to expand our campaign, Reshape Release, to ensure that everyone leaving prison has the essentials needed to build a stable life after prison, including access to finance, a phone and safe, sustainable housing. The second was to change the perception of people leaving prison in the media and wider society through launching a new campaign, Flip the Script.



[We need to] sit down and learn about other people's cultures and backgrounds. That's how you change someone's views. Because a lot of the time it's a lack of understanding one another.



EbE members and Switchback staff also collaborated to produce our highly acclaimed first podcast series, Time & Again, with Trainees telling their own powerful stories of leaving prison and building a new life with Switchback's support. And they shared their invaluable insight on the barriers to successful resettlement with government and civil society influencers. Finally, we launched a Switchback TikTok channel to reach a younger audience, as well as 'Speaks with Switchback', an events series featuring EbE members interviewing public figures and activists.

Aim 2: A platform for changing the system



Progress on objectives

a. Support Switchback Trainees to build their voice and capacity to influence systemic change through further development of our Experts by Experience Board.

- EbE members completed professional training in public speaking, media interviews and 'owning your story'.
- Launched a new Participation Coordinator role for an EbE member to organise the group following successful Participation Internship.
- Supported EbE members to apply for leadership programmes including CJA's Elevate. One person was successful and is now on the Elevate course.

b. Create and communicate a compelling agenda for transforming resettlement for prison leavers nationally, rooted in Trainees' experience and Switchback's frontline insight.

- Submitted responses to key consultations including MoJ Prisons Strategy White Paper, National Audit Office probation inquiry, and the Centre for Social Justice's prisoner employment inquiry.
- Gave oral evidence to the London Assembly Police and Crime Committee inquiry into probation in London.
- Switchback Trainees and staff promoted Reshape Release messages across the media including on BBC News and Politics.co.uk.

c. Inspire meaningful changes in policy and practice needed to reshape resettlement for people leaving prison.

- Hosted MoJ Resettlement Policy team for two half-day workshops with Switchback Trainees

and Mentors, to develop government policy for 'Resettlement 2030'.

- Contributed to policy roundtables led by Shadow Justice Team Ellie Reeves MP and Steve Reed MP.
- Participated on new Employment Advisory Boards at HMP Brixton and HMP Pentonville to influence through-the-gate employment support.
- Secured a new focus on 'The Basics' in the government's Prisons Strategy, including new 'resettlement passports'.
- Participated in the Strategic Steering Group for the Prison Leaver Project, raising concerns about implementation.

d. Shift perceptions of prison leavers and deepen understanding among key audiences about the causes of crime and solutions needed through high-quality, creative content.

- Launched new campaign Flip the Script aimed at shifting perceptions of prison leavers by amplifying the voice of Switchback Trainees.
- Published our first podcast series, Time & Again, to national press coverage and critical acclaim including reaching No.1 on Apple's New & Noteworthy podcasts.
- Published portrait series by photographer Rosie Matheson spotlighting Switchback Trainees' strengths and talents.
- Launched new 'Speaks with Switchback' events series featuring EbE members interviewing public figures and activists.

Aim 3: A platform for collaboration



A platform for collaboration: we'll work creatively with others to enable growth of our delivery and drive change across the system.

Year 1 update

Overview

Long-lasting, meaningful partnerships are central to Switchback's ability to offer sustainable training and employment opportunities to Trainees. One of our most successful partnerships has been with Café from Crisis, with over a decade of collaboration supporting more than 285 Trainees into work. Sadly, in summer 2022, Café from Crisis closed its doors for the last time, and we celebrated everything that we had achieved together.

We were therefore delighted that a newer partnership with the Dusty Knuckle Bakery in Dalston was flourishing, with growing capacity to support more Trainees. Most Switchback Trainees now start their Real Work training in the bakery or café, and quickly become a confident member of the team under the Dusty Knuckle's supportive encouragement. Another new partner, XO Bikes in Lewisham, offers a different route into work through its bike mechanic training programme and onward employment route.

The loss of guaranteed training places when Café from Crisis closed had a significant impact on engagement rates, reinforcing the need to diversify our offer to young men after release. So we created a Partnerships Manager role, generously funded by the Triangle Trust, focused on developing new training, employer and support partnerships and referral routes.

We have continued to learn from, and share our insight with, other organisations across the sector, including with colleagues from the Probation and Prison Services and third sector organisations. And we have begun to explore whether participating in commissioned services can offer a viable way of sharing our high-impact model of intensive, through-the-gate support.

Aim 3: A platform for collaboration



Progress on objectives

a. Deepen our network of delivery partners to ensure quality training, support and employment options for every Trainee.

- Diversified training options, signing a new expanded agreement with The Dusty Knuckle Bakery to offer 24 training places a year to Switchback Trainees, and trialling a new partnership with XO Bikes cycle workshop.
- Presented at meetings of key senior officials including London Prison Governors, London Heads of Reducing Reoffending and newly employed Prison Employment Leads.

“

I love talking to people and being able to be energetic. If I knew about this place before I did illegal things, I would never have gone to prison!

”

b. Strengthen our statutory and corporate partnerships to ensure robust referral routes and explore public sector funding that fits our values.

- Returned to prison operations post-COVID-19, securing key-holder status in London prisons including HMP Isis, Pentonville, High Down, Onley and Brixton).
- Developed new community referral routes including with the police service (Project ADDER), Catch22, Department for Work and Pensions, Tower Hamlets Police and Oxleas Mental Health Service.

- Established Switchback as a subcontractor to a prime provider for the HMPPS Dynamic Framework but received minimal referrals and so withdrew from the arrangement.
- Submitted a successful application to the HMPPS Probation Grants Programme focused on supporting people from ethnic minorities in London engage with probation.

c. Work with others to share Switchback's model and influence practice in the justice system.

- Presented to Comic Relief and a number of small charities sharing Switchback's impact monitoring and evaluation processes.
- Presented at Clinks forums and events, leading to engagement with a number of small charities to help develop their fundraising strategies based on Switchback's good practice.

d. Collaborate in creative ways with others to further our aims of racial and social justice.

- Worked closely with Comic Relief to ensure a positive, strengths-based portrayal of ethnic minority prison-leavers in their Red Nose Day coverage.
- Worked closely with BBC Radio London to review their approach to interviewing prison-leavers and reduce stigma.
- Worked with women's organisations Working Chance and Women in Prison to improve alignment of messaging across male and female issues.
- Supported StandOut to adopt Switchback's Board Advisor model to widen access to charity trusteeship.

Aim 4: A platform on strong foundations



A platform on strong foundations: we'll make the operational step-change needed to become a thriving mid-size charity while closely guarding our values and agility, building a team representative of modern London.

Year 1 update

Overview

2022 marked two important milestones for Switchback; our co-founder and CEO, Alice Dawnay, left us in October after 15 years of dedicated service at the helm, and we passed the one-million-pound annual expenditure mark. Under Alice's leadership we have built a reputation for doing what we say we will, for keeping Trainees at the heart of everything we do, and for challenging ourselves and Trainees to move outside our comfort zone and grow through acting on reflection. As we move into a new era with Sian Williams as our new CEO, we remain committed to living up to those founding values, stewarding our precious financial resources with care and clarity of focus so that we use them to the best of our ability in the service of improving the chances of young men leaving prison.

Like many frontline organisations, we've recognised that, for Switchback, building strong relationships across the team and with Trainees, our supporters and partners is crucial to our success, so we've moved to a hybrid model where our team work in the office for three (or the equivalent pro rata) days in the office. We will regularly review our hybrid working model and continue to ensure we offer a warm and safe space for Trainees.

One in five of the Switchback team have direct lived experience of prison, bringing a deep understanding of the experiences and needs of Trainees into all aspects of our work.

Progress on objectives

a. Improve the quality and effectiveness of our operational systems and processes.

- Clarasys completed pro-bono audit of our data processing and management processes, supporting implementation of the review findings and our Data and Confidentiality Policy.
- Revised departmental budgeting processes, improving accountability and oversight for Leadership Team members.
- Took bookkeeping back in-house with new Finance Officer.

b. Ensure Switchback's team and Board is more representative of modern London with new opportunities for Trainees.

- Three former Switchback Trainees started permanent roles in the Switchback team in 2022, including as Office Coordinator, Junior Switchback Mentor and Participation Coordinator. A number of these roles started as work experience or internships, showing the value of this flexible approach to widen access.
- Recruited our second Board Advisor, Sergio, an EbE member who will shadow and input to the Trustee Board for a year.

c. Ensure Switchback is a fulfilling place to work, with a real sense of belonging in the team.

- Introduced new flexible hybrid-working arrangements based on staff survey and feedback.
- Introduced new Management Forum for

Aim 4: A platform on strong foundations



managers to share learning and mutual support.

- Increased staff holiday entitlement to include three days between Christmas and New Year.
- Enhanced staff induction process to create a more values-based and engaging process.

“I thought Switchback would just be another organisation who I met in prison who would let me down, but this really has been the most supported I’ve felt in a long time. I gave 100%, and you gave me 100%, and that’s what has got me here today.”

d. Significantly increase our income through new and larger funding opportunities to enable Switchback’s growth.

- Continued to invest in the skills of the fundraising team including Bright Spot training funded by Mark Leonard Trust.
- Held the launch of our 3-Year Plan at our Switchback office and Café from Crisis in March 2022.
- Hosted a special event in November 2022 to welcome our new CEO, Sian Williams, and say goodbye to our co-founder, Alice Dawnay. This event generated a significant amount of individual donations from a range of generous Switchback supporters. We were surprised by a fantastic match-funding offer by a philanthropist on the night which demonstrated belief in Switchback’s future under new leadership and significantly boosted fundraising at the end of 2022.
- Secured significant grants from a range of major funders including The National Lottery Community Fund for 2023-26, a grant from The Big Ask (now The Considered Ask) towards supporting more Trainees to join the Switchback team and continuation funding of £45k a year for three years from the Bernard Lewis Family Charitable Trust.

Looking Ahead

As we move into the second year of our 3-Year Plan, the criminal justice context for the communities Switchback serves is getting even more challenging. Prison places are predicted to rise to over 100,000 by 2027, yet the HM Prison and Probation Service remains chronically understaffed. As more people leave prison with less support, fewer housing options, more overstretched public services and benefits and incomes not sufficient to meet rising costs, we should expect to see a rise in mental health crises, financial hardship and homelessness, which in turn will drive up reoffending rates.

Switchback’s highly effective model has an even more important role to play in creating a more hopeful future. Over the coming two years our plans to grow our frontline delivery will support more young men leaving prison; we want to engage at least 80 young men as Trainees each year by the end of 2024 and provide many hundreds more with pre-release support. And we are excited at the opportunity to test our model and share our learning with HMPPS and others through the Probation Grant pilots, with the aim of creating a more joined-up offer from prison into the community across the statutory and charity sectors. We are also increasing our activity to tackle racial and social justice, through lived experience-led campaigns and research and through seeking out greater collaboration with others to influence for fairer and more equitable social policy.

The next twelve months will be another exciting period of change for Switchback, as we recruit for new insight and expertise through key leadership and Trustee roles. We look forward to sharing our learning – and hopefully our successes – with you and invite you to join us as we continue to fight for the rights of people leaving prison to a stable and fulfilling life.

Financial review



Income and Expenditure Summary

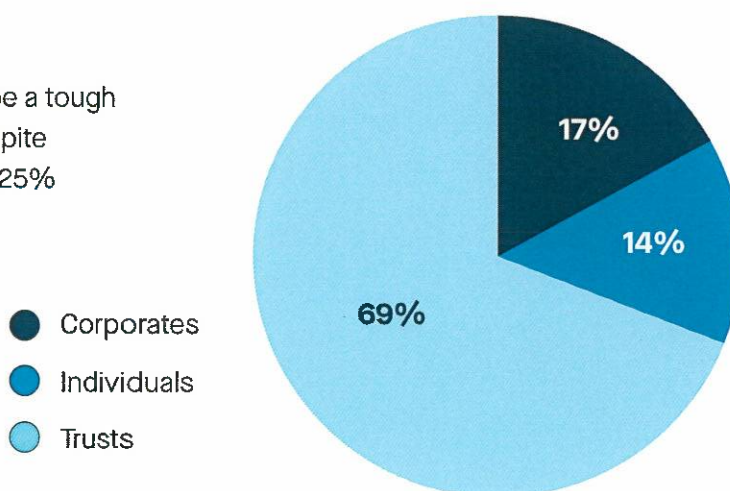
As we continued to emerge from the pandemic, we faced an unprecedented cost of living crisis in 2022. However, we are extremely proud that Switchback has continued to demonstrate financial resilience. We had an exceptional fundraising year with a record amount of income raised for the organisation. We continued to benefit from secured multi-year donations as well as securing new donations and increasing our grant income.

The total cost of the Switchback programme in 2022 was budgeted at £1.3 million. However, due to several factors, expenditure for the year was lower than budgeted at £1,151,342. The ongoing effects of the pandemic on our delivery, resulting in lower numbers of engaged Trainees, meant that planned recruitment was delayed until the latter half of the year and costs associated with our Trainee programme were lower than budgeted. Expenditure was appropriately focused and facilitated the achievements and performance described above; our expenditure on charitable activities increased by £244,484 in 2022.

	2019	2020	2021	2022
Income	1,070,171	756,305	914,653	1,151,335
Expenditure	622,852	612,981	859,676	1,151,342
Surplus/(deficit)	447,319	143,324	54,977	(7)
Total funds – restricted and unrestricted	785,958	929,282	984,259	984,252

Income by Type 2022

The fundraising landscape continued to be a tough environment within which to operate. Despite this we grew our income in 2022 by over 25% compared to 2021:



Financial review



Some of our key donors are listed below, and – particularly considering the cost-of-living crisis – we are hugely thankful to those many loyal funders who have chosen to support us again in 2022. 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 2022

Esmée Fairbairn Foundation
The Considered Ask
The Triangle Trust

Previous donors (£10,000 or over) who continued or renewed their support in 2022

Allen & Overy Foundation
Aurum Charitable Trust
Barrow Cadbury Trust
Beefy's Charity Foundation
Bernard Lewis Family Charitable Trust
Brown Dog
Comic Relief
David and Primrose Bell
Drapers' Company
Girdlers' Company
Goldsmiths' Company
Highway One Trust
Iguano Group
InfraRed Charitable Trust
John R Murray Charitable Trust
Lansdowne Partners UK LLP
Livingbridge Foundation
Mark Leonard Trust
Milton Damerel Trust
Raise Your Hands
R.U.B White Charitable Trust
The Hands Family Trust
The Roddick Foundation
The Tom Ap Rhys Pryce Memorial Trust

Management Pay

The key management personnel are comprised of the Chief Executive and four Directors/Heads of Department. Our CEO changed from Alice Dawney to Sian Williams in October, an interim Director of Finance and Operations joined in April, and the Head of Delivery left the organisation in December. The remuneration for the new Chief Executive was set during the recruitment process with ongoing reviews undertaken during the Trustees' annual salary review for the whole team, including the four Directors/Heads of Department. Their review considers the following:

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

Investment Policy

Our annual Investment Policy review concluded Switchback funds will not be invested (outside of regular deposit accounts) as the Trustees feel it inappropriate to take on the level of risk that investment brings at this current time.

Fundraising Regulation

The vast majority of our fundraising activity is carried out by our in-house fundraising team. We occasionally also use trusted consultant bid writers. Switchback follows the Code set out by the Fundraising Regulator although we are not members of their Directory due to the scale and nature 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.

Financial review



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 the reserves policy. The Finance & Resources Sub-committee, therefore, discussed our current policy at its meeting in November 2022, which was then agreed by the full Board at its meeting in December 2022. 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 four months' running costs. Beyond this, we want 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 four to six months of the following year's budgeted expenditure. Based on our 2023 forecast expenditure of £1.39m, this requires retaining unrestricted reserves of between £466,200 and £699,300. This figure will be regularly reviewed by the Finance & Resources Sub-committee.

The Trustees are confident that there are sufficient unrestricted reserves to meet future commitments. At 31 December 2022, Switchback's unrestricted reserves stood at £640,834 (2021: £660,277).

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. 2022 has seen stability and continuity in our Trustee board.

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.

Three of our Trustee Board have since stepped down, either due to reaching their maximum term or for personal reasons. We will launch a public recruitment process in 2023 to bring new Trustees onto the Board.

Trustees

Duncan Shrubsole – Chair
Olivia Gillan – Deputy Chair
Gillian McMillan – Treasurer
Ben Summerskill – Diversity Lead
Burphy Zumu
Dawn Reid – (Dec 2020 - Aug 2023)
Kalm Paul-Christian – (Dec 2020 – Jun 2023)
Simon Evers – (Jun 2014 – Jun 2023)

Financial review



Board Adviser

We would like to thank Sergio Gogoa for being our second Board Adviser in 2022. Sergio contributed his insight and expertise to Switchback's Trustee board and in turn he developed his knowledge and understanding of governance through attending meetings and learning from his board buddy.

“2022 was a big year for EbE, from meeting with the Ministry of Justice to influence their resettlement policy to launching an award-nominated podcast that changed people's perceptions about crime. It's been great to play a key role in Switchback's growth as Board Advisor and bridge the gap between Trainees and Trustees.” – Sergio, Board Advisor

Recruitment, induction and training of new Trustees

Whilst we didn't recruit any new Trustees in 2022 our 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. Our Trustee recruitment round in 2023 will be openly advertised and there will be a thorough interview process. New Trustees meet with the CEO, the leadership team and the Chair, as well as being provided the relevant background information about the charity. Trustees also visit the Switchback office, training environments and a prison to help their understanding of how we deliver the programme, the environments in which we work and the associated risks.

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

Financial review



15 of the Companies Act 2006 relating to small companies.

The Trustees delegate day to day decision making and operations to the CEO, Alice Dawnay (until 10 October 2022) and Sian Williams (from 11 October 2022), and the Leadership Team. The Trustee Board has set up a Finance and Resources Sub-committee that meets quarterly to review management accounts, fundraising forecast and cashflow analysis. Recommendations are then presented to the full Board which also meets quarterly. The Trustees believe that the charity is a going concern and, for this reason, the going concern basis of the preparation for the financial statements is considered valid.

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 risk register every quarter.

The Leadership Team have responsibility for the risk register and review this monthly. A summary of the principal risks and uncertainties identified by the Trustees is as follows:

- Fundraising: Due to factors such as the pandemic and cost-of-living crisis the fundraising landscape is a tough environment in which to operate. As well as this, a change in CEO could see existing donors with a strong personal connection to the outgoing CEO reducing their investment in Switchback.
- A robust work programme has been developed

which identifies a wide range of trusts, foundations and grant programmes to which Switchback can apply. We have a range of consultants to support future funding applications including the previous CEO. The new CEO, Director of Fundraising, Trustees and outgoing CEO have spent considerable time building/consolidating relationships with donors.

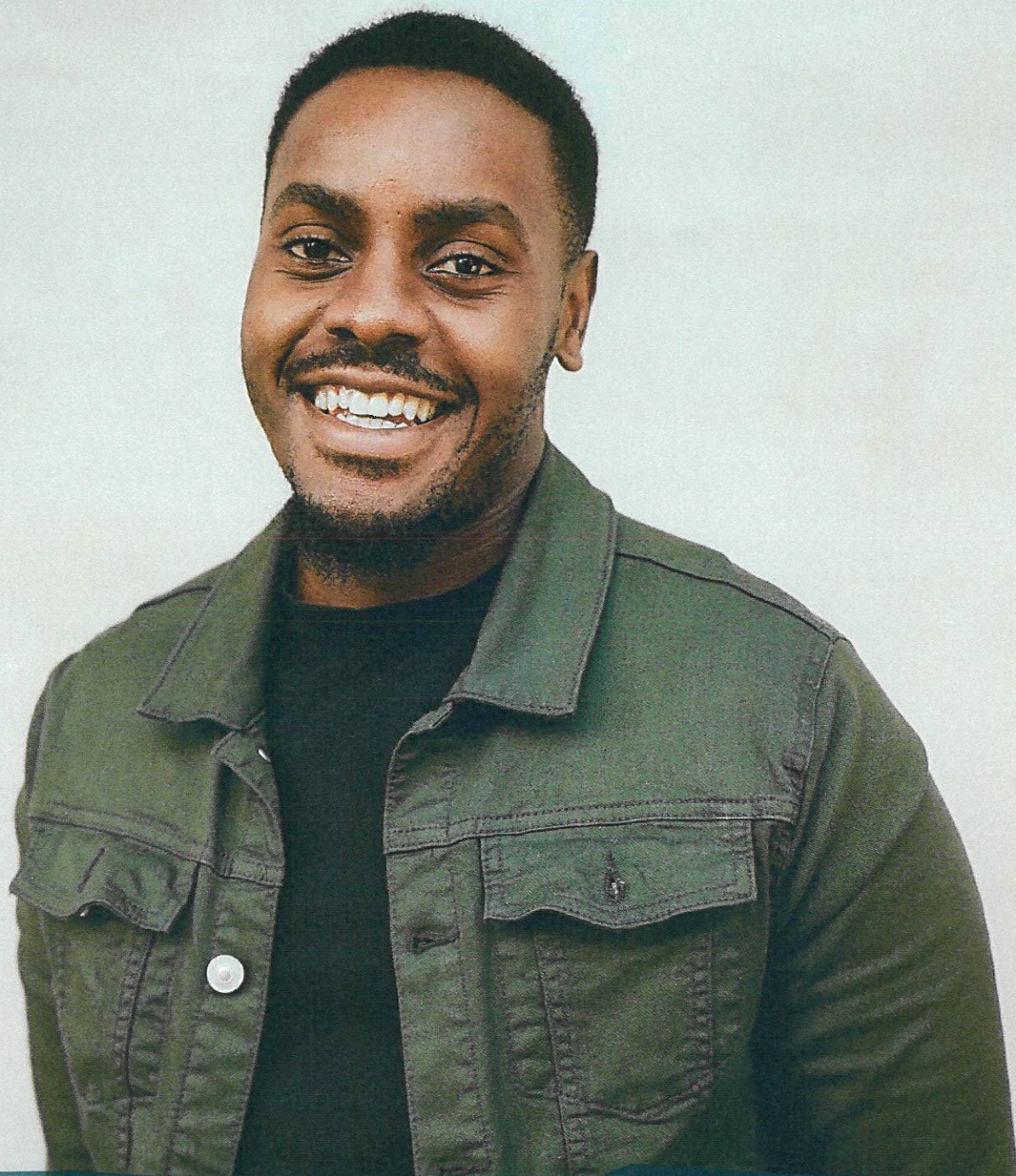
- Trainee outcomes: COVID-19 continued to provide a challenge in finding real work training and employment opportunities. However, through our Partnerships Manager and new partnerships strategy we are creating new relationships and invigorating old ones.
- Switchback CEO: There has been a significant change in the Leadership Team, primarily with a change in CEO in October 2022. A robust recruitment process was followed, led by a committee of Trustees. A comprehensive induction and probation period were developed with mid-probation and end of probation reviews built in with feedback from staff collated at each review.

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.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, and the charities Statement of Recommended Practice. The Trustees have taken Charity Commission Guidance on public benefit into account. The Trustees' Report was approved by the Trustees on 25 September 2023 and signed on their behalf by

A handwritten signature in black ink that reads 'Duncan Shrubsole'.

Duncan Shrubsole, Chair



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.

office@switchback.org.uk

020 7650 8989

www.switchback.org.uk

[@switchback_idn](https://www.instagram.com/switchback_idn)

Switchback, 3rd Floor, Norvin House,
45-55 Commercial Street, London E1 6BD
Registered Charity Number 1125100 | Company
Number 06615923 | Published September 2023

SWITCHBACK



**The Switchback Initiative
(Limited by Guarantee)**

**Trustees' Report and Financial Statements
For the year ended 31 December 2022**

**Registered Company number: 06615923 (England and Wales)
Registered Charity number: 1125100**

THE SWITCHBACK INITIATIVE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S Evers O Gillan G McMillan K Paul-Christian D Reid D Shrubsole B Summerskill B Zumu
Senior Management Team	S Williams – Chief Executive (Appointed 10 October 2022) A Dawnay – Chief Executive (Resigned 31 October 2022) S Boyd H Topley C Anderson (Appointed 3 January 2023) J Milward (Resigned 4 January 2023)
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 Auditor	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

THE SWITCHBACK INITIATIVE

CONTENTS

	Page
Report of the Independent Auditor	30 - 33
Statement of Financial Activities	34
Balance Sheet	35
Cashflow Statement	36
Notes to the accounts	37 - 46

THE SWITCHBACK INITIATIVE
REPORT OF THE INDEPENDENT AUDITOR
FOR THE YEAR ENDED 31 DECEMBER 2022

We have audited the financial statements of The Switchback Initiative (the 'charitable company') for the year ended 31 December 2022. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

THE SWITCHBACK INITIATIVE
REPORT OF THE INDEPENDENT AUDITOR
FOR THE YEAR ENDED 31 DECEMBER 2022

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

THE SWITCHBACK INITIATIVE
REPORT OF THE INDEPENDENT AUDITOR
FOR THE YEAR ENDED 31 DECEMBER 2022

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK.
- We considered the nature of the charity's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.


THE SWITCHBACK INITIATIVE
REPORT OF THE INDEPENDENT AUDITOR
FOR THE YEAR ENDED 31 DECEMBER 2022

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for the no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, or for the opinions we have formed


Mark Cummins FCCA (Senior Statutory Auditor)
For and on behalf of TC Group
Statutory Auditors
Office: Steyning, West Sussex
Dated: 27 September 2023

THE SWITCHBACK INITIATIVE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from:	Notes				
Donations	2	1,048,722	95,553	1,144,275	860,623
Investments	3	6,810	-	6,810	6,848
Other trading	4	250	-	250	47,182
Total income		1,055,782	95,553	1,151,335	914,653
Expenditure on:	5				
Raising funds		157,342	677	158,019	110,837
Charitable activities		917,883	75,440	993,323	748,839
Total expenditure		1,075,225	76,117	1,151,342	859,676
Net Income/(expenditure)		(19,443)	19,436	(7)	54,977
Fund balances at 1 January 2022		660,277	323,982	984,259	929,282
Fund balances at 31 December 2022	15	640,834	343,418	984,252	984,259

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 37 to 46 form part of the financial statements.

THE SWITCHBACK INITIATIVE

BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022	2021
	Notes	£	£
Fixed assets			
Tangible assets	11	8,861	8,365
		<u>8,861</u>	<u>8,365</u>
Current Assets			
Debtors	12	55,857	40,103
Cash at bank and in hand		978,196	989,051
		<u>1,034,053</u>	<u>1,029,154</u>
Creditors: amounts falling due within one year	13	(58,662)	(53,260)
Net current assets		<u>975,391</u>	<u>975,894</u>
Net assets		<u>984,252</u>	<u>984,259</u>
Funds	15		
Unrestricted funds		640,834	660,277
Restricted funds	14	343,418	323,982
TOTAL FUNDS		<u>984,252</u>	<u>984,259</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.

The accounts were approved by the Board of Trustees on 06 March 2023.


 Gillian McMillan
 Treasurer

Company Registration No. 06615923

THE SWITCHBACK INITIATIVE
CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Net cash provided by/(used in) operating activities	17		(10,101)		(35,850)
Cash flows from Investing activities:					
Purchase of tangible fixed assets	11	(7,564)		(8,202)	
Interest on investments		6,810		6,848	
Net cash used in investing activities			(754)		(1,354)
Increase/(decrease) in cash and cash equivalents in the year			(10,855)		(37,204)
Cash and cash equivalents at the beginning of the year			989,051		1,026,255
Cash and cash equivalents at the end of the year			978,196		989,051

Analysis of net cash

	At 1 Jan 2022	Cash flow	At 31 Dec 2022
	£	£	£
Cash at bank and in hand	989,051	(10,855)	978,196

THE SWITCHBACK INITIATIVE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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.

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.

Trading income is recognised upon delivery of the service provided.

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.

THE SWITCHBACK INITIATIVE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

ACCOUNTING POLICIES (continued)

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.

THE SWITCHBACK INITIATIVE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

ACCOUNTING POLICIES (continued)

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 £	2022 £	2021 £
Donations & grants	1,020,779	95,553	1,116,332	823,348
Gift aid recovery	27,943	-	27,943	37,275
	<u>1,048,722</u>	<u>95,553</u>	<u>1,144,275</u>	<u>860,623</u>

3. INVESTMENT INCOME

	Unrestricted £	Restricted £	2022 £	2021 £
Deposit account interest	6,810	-	6,810	6,848
	<u>6,810</u>	<u>-</u>	<u>6,810</u>	<u>6,848</u>

4. OTHER TRADING INCOME

	Unrestricted £	Restricted £	2022 £	2021 £
Trading income	250	-	250	47,182
	<u>250</u>	<u>-</u>	<u>250</u>	<u>47,182</u>

THE SWITCHBACK INITIATIVE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5. EXPENDITURE

	Depreciation	Staff costs	Other costs	Total 2022	Total 2021
	£	£	£	£	£
Raising funds	-	148,814	9,205	158,019	110,837
Charitable activities					
Activities undertaken directly	4,226	558,307	209,899	772,432	573,452
Support costs (note 6)	991	163,515	56,385	220,891	175,387
Total	5,217	721,822	266,284	993,323	748,839
Total	5,217	870,636	275,489	1,151,342	859,676

6. SUPPORT COSTS

	2022	2021
	£	£
Staff costs	163,515	132,999
Rent and utilities	11,033	7,817
Office costs	4,505	4,557
IT	3,877	3,628
Sundry costs	10,118	4,688
Bank charges	2,341	2,404
Recruitment	2,926	3,397
Depreciation	991	1,526
Events	8,097	-
Other support costs	1,310	11,391
Governance costs (note 7)	12,178	2,980
	<u>220,891</u>	<u>175,387</u>

Included within support costs are amounts payable to the current auditors in respect of audit fees of £12,013 (2021 independent exam fees: £2,700) and £7,109 in respect of other services (2021: £12,955).

7. GOVERNANCE COSTS

	2022	2021
	£	£
Audit / Independent Examiner's remuneration	12,013	2,700
Trustees' expenses	165	280
	<u>12,178</u>	<u>2,980</u>

THE SWITCHBACK INITIATIVE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8. STATEMENT OF FINANCIAL ACTIVITIES COMPARATIVE FUNDS – YEAR ENDED 31 DECEMBER 2021

<u>Income from:</u>	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £
Donations	2	806,423	54,200	860,623
Investments	3	6,848	-	6,848
Other trading	4	47,182	-	47,182
Total income		860,453	54,200	914,653
<u>Expenditure on:</u>	5			
Raising funds		110,837	-	110,837
Charitable activities		711,789	37,050	748,839
Total expenditure		822,626	37,050	859,676
Net income		37,827	17,150	54,977
Fund balances at 1 January 2021		622,450	306,832	929,282
Fund balances at 31 December 2021	16	660,277	323,982	984,259

9. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustee remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021. Trustee expenditure totaling £165 (2021: £280) was reimbursed during the year.

10. STAFF COSTS

	2022 £	2021 £
Wages and salaries	764,517	559,557
Social security costs	74,324	50,472
Other pension costs	31,795	23,302
	870,636	633,331

THE SWITCHBACK INITIATIVE
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

10. STAFF COSTS (continued)

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

	2022 Number	2021 Number
Programme Delivery	12	8
Policy and Influencing	4	3
Other	7	6
	<u>23</u>	<u>17</u>

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

	2022 Number	2021 Number
£70,001 - £80,000	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

Of the employees whose emoluments exceed £60,000, 1 (2021: 1) have retirement benefits accruing under defined contribution pension schemes. Pension contributions for higher paid employees in the year amounted to £3,135 (2021: £3,545).

During the year the key management personnel of the charitable company comprised of the Chief Executive, The Chief Operating Officer/Head of Finance and Operations and the three Heads of Department. The total employee benefits of the key management personnel (including Employer's National Insurance Contributions) were £350,689 (2021: £297,611).

The increase in costs from 2021 is in relation to pay rises and additional costs incurred in the process of transitioning to a new CEO.

THE SWITCHBACK INITIATIVE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

11. TANGIBLE FIXED ASSETS

	Furniture & Fittings	Computer Equipment	Total
Cost	£	£	£
At 1 January 2022	697	25,505	26,202
Additions	-	7,564	7,564
Disposals	-	(9,139)	(9,139)
At 31 December 2022	697	23,930	24,627
Depreciation			
At 1 January 2022	697	17,140	17,837
Charge for the year	-	5,217	5,217
Eliminated on disposal	-	(7,288)	(7,288)
At 31 December 2022	697	15,069	15,766
Net book value			
At 31 December 2022	-	8,861	8,861
At 31 December 2021	-	8,365	8,365

12. DEBTORS – amounts falling due within one year

	2022	2021
	£	£
Trade debtors	2,440	3,956
Other debtors	2,053	4,185
Prepayments and accrued income	51,364	31,962
	55,857	40,103

13. CREDITORS - amounts falling due within one year

	2022	2021
	£	£
Trade creditors	20,634	2,561
Social security and other taxes	19,851	-
Accruals and deferred income	12,565	46,181
Other creditors	5,612	4,518
	58,662	53,260

THE SWITCHBACK INITIATIVE
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022	Movement in funds		Balance at 31 December 2022
	£	Income	Expenditure	£
Lloyds Bank Foundation	2,083	-	(2,083)	-
Barrow Cadbury Trust	11,200	22,400	(29,868)	3,732
Donation to Reserves	299,999	-	-	299,999
The Wilmington Trust	2,500	3,000	(4,719)	781
Weavers' Company Benevolent Fund	200	-	(200)	-
Anonymous donor	8,000	-	(8,000)	-
Ben Summerskill	-	150	(150)	-
Anonymous donor	-	10,003	(10,003)	-
The Big ASK	-	30,000	(6,444)	23,556
Triangle Trust	-	30,000	(14,650)	15,350
	<u>323,982</u>	<u>95,553</u>	<u>(76,117)</u>	<u>343,418</u>

Lloyds Bank Foundation - Funding towards the CEO's salary.

Barrow Cadbury Trust - Funding towards Reshaping Resettlement for young adult prison leavers.

Donation to Reserves - Restricted for use to underpin a portion of reserves.

The Wilmington Trust - Funding towards the development of our communications.

Weavers' Company Benevolent Fund - Funding towards preparing training course material and consultancy packs.

Anonymous donor - Funding towards improving Switchback's tech infrastructure.

Ben Summerskill - Restricted funding for use on CEO celebration event.

Anonymous donor - Restricted funding for use on CEO celebration event.

The Big ASK - Funding for the development of peer mentors and intern scheme.

Triangle Trust - Funding to expand Switchback's training and employment partnerships.

THE SWITCHBACK INITIATIVE
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2022 Total £
Fund balances at 31 December 2022 are represented by:			
Fixed assets	8,861	-	8,861
Current assets	690,635	343,418	1,034,053
Creditors: amounts falling due within one year	(58,662)	-	(58,662)
	<u>640,834</u>	<u>343,418</u>	<u>984,252</u>
	Unrestricted funds £	Restricted funds £	2021 Total £
Fund balances at 31 December 2021 are represented by:			
Fixed assets	8,365	-	8,365
Current assets	705,172	323,982	1,029,154
Creditors: amounts falling due within one year	(53,260)	-	(53,260)
	<u>660,277</u>	<u>323,982</u>	<u>984,259</u>

16. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2022 the company had total commitments payable under non-cancellable operating leases as follows:

	Land and buildings		Equipment	
	2022	2021	2022	2021
	£	£	£	£
Within one year	79,988	71,688	-	1,493
Between two and five years	<u>49,993</u>	<u>122,467</u>	<u>-</u>	<u>1,120</u>
	<u>129,981</u>	<u>194,155</u>	<u>-</u>	<u>2,613</u>

Total lease payments recognised as an expense in the year amounted to £43,954 (2021: £27,999).

THE SWITCHBACK INITIATIVE
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

17. NET CASHFLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income/(expenditure)	(7)	54,977
Depreciation of tangible fixed assets	5,217	7,266
Loss on disposal of tangible fixed assets	1,851	-
Dividends and interest from investments	(6,810)	(6,848)
(Increase)/decrease in debtors	(15,754)	4,923
Increase/(decrease) in creditors	5,402	(96,168)
	<hr/>	<hr/>
Net cash provided used in operating activities	(10,101)	(35,850)

18. RELATED PARTY TRANSACTIONS

During the year to 31 December 2022 donations were received by the charity from various Trustees totaling £13,233 (2021: £4,480). The only further related party transactions relate to Trustees' expenditure reimbursement of £165 (2021: £280) as disclosed in note 9.

19. CONTROL

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

20. 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.

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