

Switchboard LGBT+

(operating as “Switchboard”)

Annual Report and Unaudited Financial Statements

31 March 2022

Company Limited by Guarantee
Registration Number
2098685 (England and Wales)

Charity Registration Number
296193 (England and Wales)

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Reference and administrative details of the charity, its directors and advisers

Directors	Adam Beral (resigned 2 November 2021) Jewell Foster (appointed 16 October 2021 and resigned 15 October 2022) Ella Goschalk (resigned 16 October 2021) Peter Hannam (appointed 16 October 2021) Ashley Hind Harry Kyriacou (resigned 16 October 2021) Neal McCullough (resigned 30 April 2022) Xan Pedisich (appointed 30 April 2022) Rodrigo Peroni (appointed 16 October 2021) Kenneth Smailes Amy Tyson-Green (resigned 3 May 2022) Natasha Walker (resigned 15 October 2022) Peter Zacaroli
Staff	Stephanie Fuller Vojtech Nozicka Xan Pedisich (resigned 14 October 2021) Jamie Richardson (appointed 6 September 2021) Natasha Vucak (appointed 16 August 2021)
Registered office	130 Wood Street London EC2V 6DL
Helpline	0300 330 0630
Office Telephone	020 7837 6768
e-mail	admin@switchboard.lgbt
websites	www.switchboard.lgbt
Company registration number	2098685 (England and Wales)
Charity registration number	296193 (England and Wales)
Independent examiner	Gumayel Miah Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative details of the charity, its directors and advisers

Bankers

CAF Bank Limited
Kings Hill
West Malling
Kent
ME19 4TA

The Royal Bank of Scotland plc
London Islington Branch
40 Islington High Street
London
N1 8XJ

Metro Bank plc
160-166 Kensington High Street
London
W8 7RG

Switchboard's mission statement

We are Switchboard, the LGBT+ Helpline.

We are a safe space for anyone to discuss anything, including sexuality, gender identity, sexual health and emotional wellbeing.

We support people to explore the right options for themselves.

We aspire to a society where all LGBT+ people are informed and empowered.

Switchboard's values

We are:

- ♦ non-judgemental
- ♦ inclusive
- ♦ committed
- ♦ empowering
- ♦ supportive
- ♦ informed

Co-Chairs' report 31 March 2022

The year ending April 2022 saw continued recovery from the pandemic aided by the expansion of our staff team and the gradual return to our refurbished phone room of listening volunteers.

In October 2021 we launched our second charity plan, which built on our first plan with long term aims taking us to 2025. The core goal of the plan was "No contact goes unanswered and is met with a quality service from volunteers that are reflective of the LGBTQIA+ communities". Implementation of this plan is now well underway.

Our General Manager continues to drive change within the organisation. Within the year we expanded our staff team which in addition to our General Manager now consists of a Volunteer Experience Lead, Development Lead and Administrator.

Volunteer engagement is improving with our Volunteer Development, Applications and Training operational teams and staff working hard to improve the volunteer experience at Switchboard.

Our financial situation remains healthy although we have identified we are over-reliant on corporate donations which our Development Lead is partially tasked with improving. We have increased our spending in areas that will ultimately improve our coverage and the number of people we can reach.

We continue to have a healthy relationship with our corporate donors including Costa Coffee, Unilever, Beauty Bay, Tesco and Greene King.

On the technical front we have moved our telephone and messaging platform from MessageBird to Twilio which is a more robust platform and also allows for extensive customisation, giving us richer anonymised data on our callers.

We are also looking into how we can better use our conversation report data recognising that we have a unique insight into the experiences of LGBTQIA+ communities and beyond. We are continually working on producing the most concrete of statistics from this. These statistics have already been reported to inform governmental and public bodies on what the LGBTQIA+ communities are needing support on, using the information we have to make a positive impact on our service users long term. We are continuing our work on this, especially within the Helpline Partnership which was formed and funded by the National Emergencies Trust during COVID. It is made up of LGBTQIA+ helplines across the UK. It came to the end of its funding recently but we are pleased to announce that we have received additional funding from the National Lottery to be able to pursue this partnership into the future

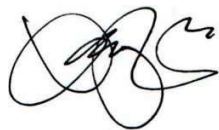
In 2021 our listening volunteers handled 15,136 conversations. Through these conversations, we saw a noticeable increase in service users contacting us to talk about isolation and gender. Everyone who reaches out to Switchboard with concerns, hopes, and fears, helps to give us a greater understanding of what is happening to LGBTQIA+ people in the UK. The total conversations for 2021 is down on the 18,003 we had in 2020.

Co-Chairs' report 31 March 2022

Call data reveals that the listening volunteers who had 18,003 conversations in 2020, were largely the same volunteers who had 15,136 conversations in 2021. These years were incredibly difficult for many people, and our listening volunteers were no different. So having those thousands of conversations, whilst navigating their own personal experience of living through the pandemic, shows how dedicated our volunteers are to helping others in these communities.

We are incredibly proud of all our volunteers and staff at Switchboard and all that has been achieved in both supporting our callers and each other. Switchboard has been here for the LGBTQIA+ communities since 1974, listening and learning, and we will continue to endeavour to be the best version of Switchboard we can be.

Signed by the Co-Chairs



X Pedisich



P Zacaroli

Date of approval:

23 December 2022

Directors' report 31 March 2022

The Directors present their report together with the financial statements of Switchboard LGBT+ (Switchboard) (the charitable company) for the year ended 31 March 2022. Switchboard LGBT+ operates under the name Switchboard.

This report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purpose of company legislation.

The reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the charitable company's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Overall objective

The charitable company's principal objective is: to provide a safe space for anyone to discuss anything, including sexuality, gender identity, sexual health and emotional wellbeing. We support people to explore the right options for themselves.

However, the overall social context for delivering this objective has changed hugely since Switchboard started operating in March 1974, as has the language we use to express the organisation's aims. Lesbian, gay, bisexual and trans (LGBT+) people have many more rights than in 1974, and are often living more open lives. Switchboard itself is a more inclusive organisation than it was then, embracing the diversity of LGBT+ communities.

What remains the same is the charitable company's original aim: to provide a confidential source of support and information to people who are or may be discriminated against, isolated or ignored. Recognising that LGBT+ people often struggle to come to terms with their sexuality, the charitable company supports anybody questioning their sexual or gender orientation. Given the personal situations of many LGBT+ people, Switchboard receives calls from the families and friends of LGBT+ people regardless of their own sexual or gender orientation; and from professionals working in agencies with LGBT+ clients, who may be unclear of how sexual or gender orientation may affect their clients' needs.

Switchboard is achieving public benefit through our work in providing a helpline service by telephone, instant messaging and email and acting as a source of web-based information, services which may be accessed by any member of the public. Indeed, Switchboard remains the UK's primary source of telephone support to LGBT+ people, and all those with issues or questions about sexual and gender orientation. We are a leading source of information on, and signposting to, LGBT+ organisations, services, venues and activities across the UK and beyond; we offer emotional support to callers who may have a whole range of issues; and we raise awareness of, and provide information about, safer sex and sexual health to all our callers where appropriate.

Directors' report 31 March 2022

Overall objective (continued)

All the Directors are conversant with the Charity Commission's guidelines concerning charities and public benefit and have given consideration to them when assessing the charity's aims and planning the work of the members of the charity. The Directors believe that they have given due regard to the public benefit guidance published by the Commission and have complied fully with the duty in Section 4 of Part 1 of the Charities Act 2011.

Review of the year

The charity along with wider society continued to be affected by the Covid-19 pandemic throughout the last year. In line with our expectations the volume of contacts with service users reduced as the initial shock and impact of the pandemic lessened. The charity has been working hard to return to a more steady state of operations post the initial shock and impact of the pandemic.

Financially the charity continues to perform very well with another strong surplus achieved. The surplus is impressive considering the level of investment that has been made in the operations of the charity across the last year. The charity has invested heavily in staff with two new members of staff appointed in the period. Additional investment has also been made in the IT systems and the physical infrastructure as we look to ensure the best possible service is provided to the service users.

We have really seen the benefit of the appointment made in the prior year of a general manager which has helped to professionalise and improve the day to day running of the charity.

The strong performance of the charity in what continues to be a challenging environment would not have been possible without the continued dedication and hard work of our volunteers, staff and supporters.

Plans for future periods

Over the coming year we are continuing to invest in the staff team with a number of new appointments planned. These appointments should enable us to run a more regular advertising campaign as well as improving the governance of the charity.

Financial overview

Overall results for the year

Total income for the year 2021-22 was £488,882 (2020-21: £439,124), the income has increased as a number of new corporate partnerships have been forged and the charity has been able to retain previous supporters. Community donations were £52,548 (2020-21: £39,323). Income from Friends of Switchboard was £16,434 (2020-21: £18,093). Interest from the bank was £35 (2020-21: £293). We received a further £4,466 from the Domestic Abuse Partnership (2020-21: £2,286).

Directors' report 31 March 2022

Financial overview (continued)

Overall results for the year (continued)

Expenditure in the year was £370,276 (including the loss on disposal of tangible fixed assets of £3,333) (2020-21: £263,220). The increase is due to the investment in our staff team with two new staff members appointed in the period and the continued investment in the infrastructure of the charity.

The overall result for 2021-22 was a surplus of £118,606 (2021-22: a surplus of £175,904).

We would like to thank all those who have contributed to our work especially for the loyal support of our donors and the wider LGBT+ community. The charity continues to be in a strong financial position and the continued strong financial support has enabled significant investments in the charity's operations.

Reserves policy

The receipt of the significant legacy in 2017-18 means that reserves now represent over 4 years' (2020-21 – 6 years') expenditure at current spending levels. The reduction in the multiple reflects the continued investment in the charity with increased expenditure and not a reduction in the reserves. The Directors expect the level of reserves to reduce in size once Switchboard finalises its plans regarding the legacy's use. Over the long term, the Directors believe it is prudent for the charity to have free reserves equal to at least eighteen months' expenditure.

Financial position

The balance sheet shows total funds of £1,657,621 (2020-21: £1,539,015).

The tangible fixed assets fund at £215,803 (2020-21: £213,168) represents the net book value of the charitable company's tangible fixed assets, largely its property. The fund has been created in order to emphasise the fact that the assets are fundamental to the charitable company's activities but are not readily realisable, so do not represent liquid resources available to the Directors.

Further funds totalling £50,000 (2020-21: £48,417) have been designated or set aside for purposes as detailed in note 16 to the financial statements. Funds totalling £349 (2020-21: £349) are restricted, as detailed in note 17 to the financial statements.

General funds, which represent the major part of the charitable company's day to day working capital, were £1,391,469 (2020-21: £1,277,081) at the end of March 2022. The Directors acknowledge that the level of general funds exceeds the level required under the above reserves policy. During a previous year, the charity received a legacy of over £1 million which has inflated the charity's general funds significantly. The Directors are continuing to take the appropriate amount of time to determine the best use of the funds received.

Directors' report 31 March 2022

Structure, governance and management

Legal and administrative information

Switchboard LGBT+ is a registered charity, Charity Registration No. 296193, and a company limited by guarantee which holds no share capital, Company Registration No. 2098685 (England and Wales). Switchboard LGBT+ operates under the trading name of Switchboard. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £1.

Membership of Switchboard

Volunteers at Switchboard fall into two categories, helpline volunteers and support volunteers. Those who volunteer for the helpline are selected for their knowledge, empathy and experience of life in the lesbian, gay, bisexual and trans communities. Once they have successfully completed their training they are eligible to become members of Switchboard with full voting rights. Support volunteers are selected for the skills they can bring to support the core function of Switchboard. Once they have completed an initial period of induction and demonstrated their commitment to Switchboard they are also eligible to become members of Switchboard with full voting rights. Both helpline and support volunteers are required to meet a minimum commitment to retain their membership. Volunteers are able to change roles within the organisation provided they meet the relevant criteria.

Directors

The Directors, who constitute the Trustees of the charitable company for the purpose of charity legislation, are ultimately responsible for Switchboard. Directors are elected by the membership at the Annual General Meeting for a period of two years. They set the strategic direction and objectives of the organisation, agree the budget and are responsible for the overall management of the charitable company. Directors meet monthly and minutes of these meetings are made available to all volunteers.

A comprehensive induction programme is in place to ensure new Directors are familiar with the charitable company's objectives and strategic aims, and their role and responsibilities as a Director.

None of the Directors received any remuneration or other financial benefit for their services during 2021-22 (2020-21: £nil). No directors were reimbursed for expenses incurred in the performance of their duties (2020-21: £nil). All Directors have confirmed that they do not have, and have not had, any beneficial interest in any contract with the charitable company.

Staff

Switchboard employs four members of staff, including a general manager to support the work of the volunteers and to ensure the smooth day to day running of the charity. The general manager is responsible for the staff team and reports on the operations of the charity on a quarterly basis to the Trustees.

Key management personnel

The Directors comprise the key management personnel of the charitable company in charge of directing and controlling, running and operating the charitable company on a day to day basis.

Structure, governance and management (continued)

The charitable company's assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements. The Directors are of the opinion that the open market value of the freehold land and buildings is in excess of the net book value at which they are shown on the balance sheet.

Risk management

The Directors regularly assess those risks which they envisage might affect the functioning of the charitable company and its ability to achieve its objectives. The main types of risk are identified and examined together with an assessment of their severity and likely impact. They can be summarised into the following areas:

- ◆ Risk of misleading information being given to service users and general public
- ◆ Loss of staff and Directors
- ◆ Misappropriation of funds or inappropriate use of said funds
- ◆ Insufficient training in relation to safeguarding and IT security
- ◆ Retention and engagement of volunteers
- ◆ Services are not offered sufficiently at the times advertised
- ◆ Loss, failure or corruption of our information systems and data
- ◆ Loss or damage to the premises and other assets
- ◆ Inappropriate and reputationally damaging statements made by supporters, volunteers or staff members

The Directors are satisfied that measures are in place to minimise any potential loss from the above risks.

The risks outlined above are mitigated by a combination of factors including: providing high quality training to volunteers; review of the support systems and training offered to volunteers; embedding financial controls and procedures; continuing to build relationships with a variety of corporate organisations to diversify our income streams; yearly appraisal process implemented for staff members; and succession planning implemented for the Directors.

Structure, governance and management (continued)

Fundraising

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service.

There are two types of fundraising within Switchboard: community fundraising and strategic fundraising.

Community fundraising consists of regular donors and community giving through platforms like "just giving".

Strategic fundraising consists of partnerships and donations from corporate businesses, these are typically larger in value than that received through community fundraising and have arisen through long term relationships.

Neither the community or strategic fundraising methods operated by Switchboard involve persistent approaches to the public and, as such, we have received no complaints relating to our fundraising during the year.

Investment powers

Under the Memorandum and Articles of Association the charitable company has the power to make any investment the Directors believe appropriate.

Directors' report 31 March 2022

Directors' responsibilities

The Directors (who are also Trustees of Switchboard LGBT+ for the purposes of charity law) are responsible for preparing the Directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors 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. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure for that period.

In preparing these financial statements, the Directors are required to:

- ◆ select suitable accounting policies and then apply them consistently
- ◆ observe the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

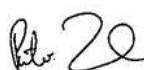
The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements 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.

Approved by the Directors and signed on their behalf by:



X Pedisich

Director



P Zacaroli

Director

Approved on: 23 December 2022

Switchboard LGBT+ (Company Registration No. 2098685 (England and Wales))

Independent examiner's report 31 March 2022

Independent examiner's report to the Directors of Switchboard LGBT+

I report to the charity Directors on my examination of the financial statements of the charitable company for the year ended 31 March 2022.

Responsibilities and basis of report

As Trustees and Directors of the charitable company you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the 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 financial statements 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 and Wales, which is one of the listed bodies.

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

- ◆ accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- ◆ the financial statements do not accord with those records; or
- ◆ the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- ◆ 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 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



Gumayel Miah, ACA
Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Date: 23 December 2022

Statement of financial activities Year to 31 March 2022
(including an income and expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Income from:							
Donations and legacies	1	484,381	—	484,381	436,545	—	436,545
Charitable activities							
. Service level agreements	2	4,466	—	4,466	2,286	—	2,286
Interest receivable		35	—	35	293	—	293
Total income		488,882	—	488,882	439,124	—	439,124
Expenditure on:							
Raising funds							
. Raising donations	3	28,575	—	28,575	12,253	—	12,253
Charitable activities							
. Supporting people	4	272,596	—	272,596	202,576	—	202,576
. Provision of information	5	65,772	—	65,772	48,391	—	48,391
Total expenditure		366,943	—	366,943	263,220	—	263,220
Net income before loss on disposal of fixed assets							
		121,939	—	121,939	175,904	—	175,904
Loss on disposal of tangible fixed assets		(3,333)	—	(3,333)	—	—	—
Net income and net movement in funds							
	7	118,606	—	118,606	175,904	—	175,904
Reconciliation of funds:							
Fund balances at 1 April		1,538,666	349	1,539,015	1,362,762	349	1,363,111
Fund balances at 31 March		1,657,272	349	1,657,621	1,538,666	349	1,539,015

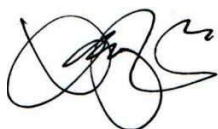
All recognised gains and losses are included in the above statement of financial activities.

All of the charitable company's activities derived from continuing operations during the above two financial years.

Balance sheet 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	10		215,803		213,168
Current assets					
Debtors	11	2,335		46,890	
Cash at bank	12	1,014,606		1,177,678	
Short term deposits	13	427,891		104,247	
		<u>1,444,832</u>		<u>1,328,815</u>	
Liabilities					
Creditors: amounts falling due within one year	14	(3,014)		(2,968)	
Net current assets			<u>1,441,818</u>		<u>1,325,847</u>
Total net assets			<u>1,657,621</u>		<u>1,539,015</u>
Represented by the funds of the charity:					
Unrestricted funds					
General funds			1,391,469		1,277,081
Tangible fixed assets fund	15		215,803		213,168
Designated funds	16				
. New technologies fund		—		4,377	
. Diversity fund		50,000		4,040	
. Future development fund		—		40,000	
			<u>50,000</u>	<u>48,417</u>	
Restricted funds					
. Big Lottery fund	17	349		349	
			<u>349</u>		<u>349</u>
Total funds			<u>1,657,621</u>		<u>1,539,015</u>

Approved by the Directors and signed on their behalf by:



X Pedisich

Director



P Zacaroli

Director

Approved by the Directors on: 23 December 2022

Switchboard LGBT+ (Company Registration No. 2098685 (England and Wales))

Statement of cash flows Year to 31 March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	188,878	150,135
Cash flows from investing activities:			
Interest received		35	293
Increase in short term investments		(323,642)	(104,247)
Purchase of tangible fixed assets		(28,343)	(52,281)
Net cash (used in) provided by investing activities		(351,950)	(156,235)
Change in cash and cash equivalents in the year		(163,072)	(6,100)
Cash and cash equivalents at 1 April	B	1,177,678	1,183,778
Cash and cash equivalents at 31 March	B	1,014,606	1,177,678

Notes to the statement of cash flows for the year to 31 March 2021

A Reconciliation of net movement in funds to net cash provided by operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	118,606	175,904
Adjustments for:		
Depreciation charge	22,373	18,712
Loss on disposal of fixed asset	3,333	—
Interest receivable	(35)	(293)
Decrease / (increase) in debtors	44,555	(44,784)
Increase in creditors	46	596
Net cash provided by operating activities	188,878	150,135

B Analysis of cash and cash equivalents

	2022 £	2021 £
Total cash and cash equivalents	1,014,606	1,177,678

The charitable company held no long term debt at any time during the year ended 31 March 2022 and the year ended 31 March 2021.

Principal accounting policies Year to 31 March 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2022 with comparative information provided in respect to the year ended 31 March 2021.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charitable company constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Directors to make significant judgements and estimates.

In the financial statements, judgements and estimates have been made in estimating the useful economic life of tangible fixed assets in order to determine the annual depreciation charge, in determining legacy income to be accrued for and in apportioning governance costs.

Assessment of going concern

The Directors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Directors have made this assessment for a period of one year from the date of approval of these financial statements, and have considered the impact of the coronavirus pandemic and the current economic climate on the charity's operations.

The Directors acknowledge and recognise the potential and continuing impact of the Covid-19 pandemic and the cost of living crisis on the charity, its beneficiaries and on wider society. However, it is not anticipated at the current time that the overall financial position of the charity will be adversely affected or its financial solvency threatened, the performance in the last 12 months demonstrates the long term viability of the charity.

The Directors are of the opinion that the charitable company will have sufficient resources to meet its liabilities as they fall due.

Principal accounting policies Year to 31 March 2022

Income recognition

Income is recognised in the period in which the charitable company is entitled to receipt and the amount can be measured reliably and it is probable that the income will be received. Income comprises donations and legacies, income receivable under service level agreements, income from fundraising events and interest receivable.

Donations are recognised when the charitable company has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charitable company is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charitable company and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charitable company is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charitable company.

Entitlement is taken as the earlier of the date on which either: the charitable company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charitable company that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charitable company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charitable company, or the charitable company is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charitable company.

Income receivable under service level agreement has been included as income from charitable activities and is accounted on an accruals basis for when receivable under the contractual terms of relevant agreement.

Income from fundraising events is accounted for when the charitable company is entitled to the income i.e. usually on the day of the event.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid of payable by the bank.

Principal accounting policies Year to 31 March 2022

Expenditure recognition and basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred and includes the attributable VAT which cannot be recovered.

Resources expended comprise the following categories:

- a. Expenditure on raising funds includes those costs associated with generating donations.
- b. Expenditure on charitable activities comprises expenditure on the provision of information and support via a telephone helpline and website.

Governance costs, comprising the costs of governing the charitable company and ensuring it meets its statutory reporting obligations, are allocated across expenditure categories in proportion to the costs incurred. The majority of other costs are directly attributable to expenditure categories and any other apportionment between headings is negligible.

Tangible fixed assets

All assets costing more than £1,000 and which have with an expected useful life exceeding one year are capitalised.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

- | | |
|-------------------------------------|------------------------------|
| ♦ Freehold property | 3.33% on reducing balance |
| ♦ Furniture, fittings and equipment | 10 - 25% on reducing balance |

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Short term deposits

Short term deposits represents balances held with third party in deposit accounts with maturities of over three months from the date of acquisition. The balances are held at cost plus interest accrued.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charitable company anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Principal accounting policies Year to 31 March 2022

Fund accounting

Funds held by the charitable company are as follows:

- ◆ The general fund comprises those monies which may be used towards meeting the charitable objectives of the charitable company and which may be applied at the discretion of the Directors.
- ◆ The tangible fixed assets fund represents the net book value of the charitable company's tangible fixed assets.
- ◆ The designated funds are monies set aside out of general funds and designated for specific purposes by the Directors.
- ◆ The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

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

Notes to the financial statements Year to 31 March 2022

1 Income from donations and legacies

	2022 £	2021 £
Corporate donations	358,605	333,872
Community donations and Friends of Switchboard	125,776	102,673
	484,381	436,545

2 Income from service level agreements

	2022 £	2021 £
Gay London Police Monitoring Group – LGBT Domestic Violence Partnership	4,466	2,286

3 Expenditure on raising donations

	2022 £	2021 £
Staff costs	14,155	6,017
Premises	2,239	1,869
Operating costs	9,631	3,925
Governance costs	2,550	442
	28,575	12,253

4 Expenditure on supporting people

	2022 £	2021 £
Staff costs	90,596	38,511
Premises	32,841	27,417
Operating costs	47,604	86,607
Other direct costs	77,227	42,726
Governance costs	24,328	7,315
	272,596	202,576

Notes to the financial statements Year to 31 March 2022

5 Expenditure on the provision of information

	2022 £	2021 £
Staff costs	36,805	15,645
Premises	11,196	9,347
Operating costs	11,901	21,652
Governance costs	5,870	1,747
	65,772	48,391

6 Governance costs

	2022 £	2021 £
Premises	1,493	1,246
Operating costs	19,138	3,158
Other direct costs	12,118	5,100
	32,749	9,504

7 Net income and net movement in funds

This is stated after charging:

	2022 £	2021 £
Staff costs (note 8)	141,556	60,174
Depreciation	22,373	18,712
Independent examiner's remuneration (including VAT)	2,100	2,040

8 Staff costs and related party transactions

	2022 £	2021 £
Wages and salaries	123,904	53,449
Social security costs	12,480	4,753
Pensions	5,172	1,972
	141,556	60,174

The average number of employees during the year was four (2021 – two).

No employee earned more than £60,000 per annum (2021 - none).

The Directors comprise the key management personnel of the charitable company in charge of directing and controlling, running and operating the charitable company on a day to day basis. No Director received any remuneration for their services as Director (2021 - £nil).

Notes to the financial statements Year to 31 March 2022

8 Staff costs and related party transactions (continued)

No Director received reimbursement of their expenses as a director (2021 - £nil). There were no other related party transactions in the year (2021 – none).

9 Taxation

Switchboard LGBT+ is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Tangible fixed assets

	Freehold property £	Furniture, fittings and equipment £	Total £
Cost			
At 1 April 2021	228,384	177,444	405,828
Additions	—	28,343	28,343
Disposals	—	(32,861)	(32,861)
At 31 March 2022	<u>228,384</u>	<u>172,926</u>	<u>401,310</u>
Depreciation			
At 1 April 2021	136,988	55,672	192,660
Charge for the year	3,046	19,327	22,373
Eliminated on disposal	—	(29,526)	(29,526)
At 31 March 2022	<u>140,034</u>	<u>45,473</u>	<u>185,507</u>
Net book values			
At 31 March 2022	<u>88,350</u>	<u>127,453</u>	<u>215,803</u>
At 31 March 2021	<u>91,396</u>	<u>121,772</u>	<u>213,168</u>

The Directors are of the opinion that the open market value of the charitable company's freehold property is in excess of its net book value. However, the Directors do not believe that the cost of quantifying the difference is commensurate with any added benefit that would be gained by a user of these financial statements having access to such information.

11 Debtors

	2022 £	2021 £
Prepayments and accrued income	<u>2,335</u>	<u>46,890</u>

Notes to the financial statements Year to 31 March 2022

12 Cash at bank

	2022 £	2021 £
The Royal Bank of Scotland plc	10,063	6,031
CAF Bank Limited	704,410	483,736
Metro Bank plc	—	505,200
Flagstone	295,853	170,331
Pleo	4,280	12,380
	1,014,606	1,177,678

13 Short term deposits

	2022 £	2021 £
Flagstone	427,891	104,247

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals	2,100	2,040
Other creditors	914	928
	3,014	2,968

15 Tangible fixed assets fund

	2022 £	2021 £
At 1 April	213,168	179,599
Net movements in year	2,635	33,569
At 31 March	215,803	213,168

The tangible fixed assets fund represents the net book value of the charitable company's tangible fixed assets. The fund has been created in order to emphasise the fact that the assets are fundamental to the charitable company's activities and are not readily realisable, i.e. they do not represent liquid resources available to the Directors.

Notes to the financial statements Year to 31 March 2022

16 Designated funds

The income funds of the charitable company include the following designated funds which have been set aside out of unrestricted funds by the Directors for specific purposes:

	At 1 April 2021 £	New designations £	Utilised/ released £	At 31 March 2022 £
Diversity fund	4,040	45,960	—	50,000
New technologies fund	4,377	—	(4,377)	—
Future development fund	40,000	—	(40,000)	—
	48,417	45,960	(44,377)	50,000

Designated funds are decided on by the Directors in the light of the charitable company's future commitments and strategy. The designated funds have been reviewed in the year ended 31 March 2022 and funds reallocated to the diversity fund as the Directors look to continue to prioritise these activities.

♦ ***Diversity fund***

The diversity fund comprises monies set aside to enable the charitable company to fund work that improves the diversity of the organisation, as this is recognised as a key priority and cannot be ignored even when money may be tight.

♦ ***New technologies fund***

The new technologies fund comprises monies to enable the charitable company to fund the development of new services and delivery methods using new technologies (such as online chat, SMS text), and to enable the charitable company to periodically upgrade its systems to ensure that it takes advantage of any future developments in telephone and IT technologies.

♦ ***Future development fund***

The future development fund comprises monies set aside to allow development of existing services and investment in the charitable company's future income generating activities, such as developing lower risk income sources including donations from individuals.

Notes to the financial statements Year to 31 March 2022

17 Restricted funds

	At 1 April 2021 £	Income £	Expenditure and transfers £	At 31 March 2022 £
Big Lottery fund	349	—	—	349
	<u>349</u>	<u>—</u>	<u>—</u>	<u>349</u>

	At 1 April 2020 £	Income £	Expenditure and transfers £	At 31 March 2021 £
Big Lottery fund	349	—	—	349
	<u>349</u>	<u>—</u>	<u>—</u>	<u>349</u>

♦ **Big Lottery fund**

The Big Lottery fund comprises a grant received during a previous year to be applied towards meeting expenditure on the phone room and office computers and software together with iPads for fundraising events.

Notes to the financial statements Year to 31 March 2022

18 Analysis of net assets between funds

	Unrestricted funds				
	General funds	Tangible fixed assets fund	Designated funds	Restricted funds	Total 2022
	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:					
Tangible fixed assets	—	215,803	—	—	215,803
Net current assets	1,391,649	—	50,000	349	1,441,818
Total net assets	1,391,469	215,803	50,000	349	1,657,621

	Unrestricted funds				
	General funds	Tangible fixed assets fund	Designated funds	Restricted funds	Total 2021
	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:					
Tangible fixed assets	—	213,168	—	—	213,168
Net current assets	1,277,081	—	48,417	349	1,325,847
Total net assets	1,277,081	213,168	48,417	349	1,539,015

19 Members' liability

In accordance with the charitable company's Memorandum of Association, every member of the company undertakes to contribute to the assets of the charitable company if it is wound up during the time that they are a member, or within one year. Such contributions are to be applied towards payment of the debts and liabilities of the charitable company contracted before the time at which they ceased to be a member, the costs, charges and expenses of winding up of the same, and for the adjustment of the rights of the contributors amongst themselves. The contribution that may be required shall not exceed £1.