

Switchboard LGBT+

(operating as “Switchboard”)

Annual Report and Unaudited Financial Statements

31 March 2023

Company Limited by Guarantee
Registration Number
02098685 (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	Jewel Foster (resigned 15 October 2022) Peter Hannam Ashley Hind Geoffrey Hunter (appointed 15 October 2022) Neal McCullough (resigned 30 April 2022) Xan Pedisich (appointed 30 April 2022) Rodrigo Peroni Kenneth Smailes Amy Tyson-Green (resigned 3 May 2022) Natasha Walker (resigned 15 October 2022) Peter Zacaroli (resigned 14 October 2023)
Staff	Henry Aspinall (appointed 3 January 2023) Stephanie Fuller Bob Hughes (appointed 17 July 2023) Allison Montgomery (appointed 5 December 2022) Vojtech Nozicka Jamie Richardson (resigned 13 March 2023) Katie Veysi (appointed 15 May 2023) Natasha Vucak
Registered office	130 Wood Street London EC2V 6DL
Helpline	0800 0119 100
Office Telephone	020 7837 6768
e-mail	admin@switchboard.lgbt
websites	www.switchboard.lgbt
Company registration number	02098685 (England and Wales)
Charity registration number	296193 (England and Wales)
Independent examiner	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 2023

The year ended March 2023 saw the organisation continue to go from strength to strength with our rota coverage improving and the continued expansion of our staff team helping us to move forward toward the ultimate aim of our charity plan of no contact going un-answered.

In October of 2022 we bid farewell to our co-chair of four years, Tash Walker. Her energy, hard work, fundraising and impressive networking skills will be greatly missed. She has been replaced by Xan Pedisich, who enters the role with a deep knowledge of Switchboard having been both a volunteer and staff member.

Our strong financial situation means we are able to employ more staff members to carry out the daily tasks of the charity, allowing listening volunteers to be listening volunteers and continue to recruit support volunteers for specific roles. Through its years Switchboard as an organisation has gone through many iterations, including the employment of a staff team in the past, after which the organisation, out of necessity, became volunteer run. In our 49th year we were in a much stronger position across many fronts, removing the need to rely on volunteers for backup work that was so present throughout our history. One thing that will remain true at Switchboard is that we will always have volunteers answering the helpline and that we are volunteer led, honouring our history of being a community grassroots organisation and ensuring it is at the root of everything we do.

This change is continuing; you'll have seen this best shown in the way that the recent 0800 launch was handled. For our 49th anniversary in March 2023, we launched our first-ever freephone number. Working alongside the Applications and Training and Volunteer Community groups, the staff team helped to make sure that all bases were covered. From background work such as informing all our relevant stakeholders of the change, putting together and publicising a shift slam to have excellent rota coverage, and making sure the Switchboard building was a welcoming place to be for the duration of the event. Then so many of our volunteers stepped up and made sure we had enhanced phone coverage during not just the launch weekend but also the following two weeks. This has shown us what a well staffed organisation can look like and also that we can help more people: the number of people trying to contact us increased, as well as contacts answered.

Following a National Council for Voluntary Organisations review of the board in May 2022, our board continues to work on adapting to being strategic and less operational, settling into its role of oversight for the organisation.

Our first 'Listen Up!' report was published in October 2022. This told the story of our service users through illustrating our statistical information taken from conversation reports recorded by our volunteers. This document has been used 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. It led to a visit of the All-Parliamentary LGBT Group to Switchboard Headquarters and the next Listen Up report will be launched at Parliament with help from this group.

In December 2022 we promoted our General Manager to CEO of the organisation. Our CEO has continued to expand the staff team during 2022/3. In December of 2022 we employed a Communications Manager who has greatly improved our general communications both internally and externally. Using our social media channels to share information that is timely as well as remind people in times of crisis that we are here to listen.

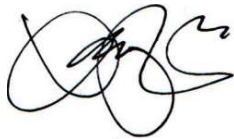
Co-Chairs' report 31 March 2023

In January 2023, we also employed a Volunteer and Training manager who was tasked with improving our Core Training and the general volunteer experience. Both these roles are in alignment with our Charity Plan goals, which will require a large expansion in volunteer numbers.

Our financial situation remains healthy and we are gradually improving our over-reliance on corporate donations. We continue to have a healthy relationship with our corporate donors including Costa Coffee, Unilever and subsidiary Super Drug, IKEA, Tesco and Greene King.

We are incredibly proud of all our volunteers and staff at Switchboard and all that we have achieved in both supporting our service users 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 Hannam

Date of approval:

23 November 2023

Directors' report 31 March 2023

The Directors present their report together with the financial statements of Switchboard LGBT+ (Switchboard) (the charitable company) for the year ended 31 March 2023. 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 2023

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 has had another successful year with the number of services users remaining high and stabilising post the effects 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 and the continued investments planned in the coming year. The surplus is higher than expected due to a large legacy of £167,518 which was received at the year end.

We continue to nurture the corporate partnerships we hold and have diversified these to a wider pool of partners to enable us to protect our main income stream.

The charity has invested heavily in staff with two new members of staff appointed in the period and more appointments made post year end. Additional investment has also been made in the IT systems and we have started to make bigger investments in advertising and marketing.

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 two new appointments already made. The appointments will help us to strengthen our income streams and have capacity to prepare for an exciting period of events and celebrations to mark our 50th birthday.

Financial overview

Overall results for the year

Total income for the year 2022-23 was £659,019 (2021-22: £488,882), the income has increased due to the receipt of a large legacy donation in the year of £167,518. Community donations and income from Friends of Switchboard totalled £121,252 in 2023 and £125,776 in 2022. Interest from the bank was £9,192 (2021-22: £35), the increase reflects the increased use of Flagstone which has enabled us to maximise the interest received on our available funds. No amounts were received this year from the Domestic Abuse Partnership (2021-22: £4,466) as our involvement in the partnership has ended.

Directors' report 31 March 2023

Financial overview (continued)

Overall results for the year (continued)

Expenditure in the year was £413,666 (including the loss on disposal of tangible fixed assets of £1,440) (2021-22: £370,276). 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 2022-23 was a surplus of £245,353 (2021-22: a surplus of £118,606).

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' (2021-22 – 4 years') expenditure at current spending levels. 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 £1,902,974 (2021-22: £1,657,621).

The tangible fixed assets fund at £224,503 (2021-22: £215,803) 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 (2021-22: £50,000) have been designated or set aside for purposes as detailed in note 16 to the financial statements. Funds totalling £349 (2021-22: £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 £1,628,122 (2021-22: £1,391,469), with a further £85,000 held at long term deposits at the end of March 2023. 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 2023

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. 02098685 (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 2022-23 (2021-22: £nil). Six directors were reimbursed for expenses incurred in the performance of their duties totalling £610 (2021-22: £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 employed five members of staff as at 31 March 2023 and this has increased to seven by the date of the finalisation of the financial statements. The staff team includes a CEO to support the work of the volunteers and to ensure the smooth day to day running of the charity. The CEO is responsible for the staff team and reports on the operations of the charity on a quarterly basis to the Trustees.

Structure, governance and management (continued)

Key management personnel

The Directors and CEO 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.

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
- ◆ 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 nor 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 2023

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).

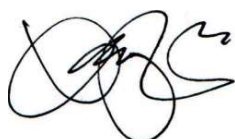
Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. Under company law, the Directors must not approve 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 Hannam

Director

Approved on: 23 November 2023

Switchboard LGBT+ (Company Registration No. 02098685 (England and Wales))

Independent examiner's report 31 March 2023

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 2023.

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.

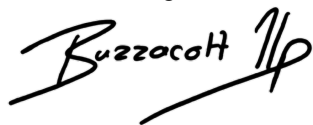
Independent examiner's statement

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: 30 November 2023

Statement of financial activities Year to 31 March 2023
(including an income and expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Income from:							
Donations and legacies	1	649,827	—	649,827	484,381	—	484,381
Charitable activities							
. Service level agreements	2	—	—	—	4,466	—	4,466
Interest receivable		9,192	—	9,192	35	—	35
Total income		659,019	—	659,019	488,882	—	488,882
Expenditure on:							
Raising funds							
. Raising donations	3	58,519	—	58,519	28,575	—	28,575
Charitable activities							
. Supporting people	4	267,246	—	267,246	272,596	—	272,596
. Provision of information	5	86,461	—	86,461	65,772	—	65,772
Total expenditure		412,226	—	412,226	366,943	—	366,943
Net income before loss on disposal of fixed assets							
		246,793	—	246,793	121,939	—	121,939
Loss on disposal of tangible fixed assets		(1,440)	—	(1,440)	(3,333)	—	(3,333)
Net income and net movement in funds							
	7	245,353	—	245,353	118,606	—	118,606
Reconciliation of funds:							
Fund balances at 1 April		1,657,272	349	1,657,621	1,538,666	349	1,539,015
Fund balances at 31 March		1,902,625	349	1,902,974	1,657,272	349	1,657,621

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 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	10		224,503		215,803
Long term deposits	13		85,000		—
			309,503		215,803
Current assets					
Debtors	11	62,455		2,335	
Cash at bank	12	1,024,783		1,014,606	
Short term deposits	13	510,000		427,891	
		1,597,238		1,444,832	
Liabilities					
Creditors: amounts falling due within one year	14	(3,767)		(3,014)	
Net current assets			1,593,471		1,441,818
Total net assets			1,902,974		1,657,621
Represented by the funds of the charity:					
Unrestricted funds					
General funds			1,628,122		1,391,469
Tangible fixed assets fund	15		224,503		215,803
Designated funds	16				
. Diversity fund		50,000		50,000	
			50,000		50,000
Restricted funds					
. Big Lottery fund	17	349		349	
			349		349
Total funds			1,902,974		1,657,621

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

Approved by the Directors and signed on their behalf by:



X Pedisich

Director



P Hannam

Director

Approved by the Directors on: 23 November 2023

Switchboard LGBT+ (Company Registration No. 02098685 (England and Wales))

Statement of cash flows Year to 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	202,693	188,878
Cash flows from investing activities:			
Interest received		9,192	35
Increase in investments		(167,109)	(323,642)
Purchase of tangible fixed assets		(34,599)	(28,343)
Net cash (used in) investing activities		(192,516)	(351,950)
Change in cash and cash equivalents in the year		10,177	(163,072)
Cash and cash equivalents at 1 April	B	1,014,606	1,177,678
Cash and cash equivalents at 31 March	B	1,024,783	1,014,606

Notes to the statement of cash flows for the year to 31 March 2023

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

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	245,353	118,606
Adjustments for:		
Depreciation charge	24,458	22,373
Loss on disposal of fixed asset	1,440	3,333
Interest receivable	(9,192)	(35)
(Increase) / decrease in debtors	(60,120)	44,555
Increase in creditors	754	46
Net cash provided by operating activities	202,693	188,878

B Analysis of cash and cash equivalents

	2023 £	2022 £
Total cash and cash equivalents	1,024,783	1,014,606

The charitable company held no long term debt at any time during the year ended 31 March 2023 and the year ended 31 March 2022.

Principal accounting policies Year to 31 March 2023

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 2023 with comparative information provided in respect to the year ended 31 March 2022.

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 current economic climate on the charity's operations.

The Directors acknowledge and recognise the potential and continuing impact of 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 2023

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 2023

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 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.

Deposits

Deposits represents balances held with third parties in deposit accounts. Short term deposits have maturities of over three months from the date of acquisition but less than one year and long term deposits have deposits over one year. 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 2023

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 2023

1 Income from donations and legacies

	2023 £	2022 £
Corporate donations	361,057	358,605
Legacies	167,518	—
Community donations and Friends of Switchboard	121,252	125,776
	649,827	484,381

2 Income from service level agreements

	2023 £	2022 £
Gay London Police Monitoring Group – LGBT Domestic Violence Partnership	—	4,466

3 Expenditure on raising donations

	2023 £	2022 £
Staff costs	19,407	14,155
Premises	2,245	2,239
Operating costs	31,398	9,361
Governance costs	5,469	2,550
	58,519	28,575

4 Expenditure on supporting people

	2023 £	2022 £
Staff costs	124,214	90,596
Premises	32,932	32,841
Operating costs	66,760	47,604
Other direct costs	18,363	77,227
Governance costs	24,977	24,328
	267,246	272,596

Notes to the financial statements Year to 31 March 2023

5 Expenditure on the provision of information

	2023 £	2022 £
Staff costs	50,462	36,805
Premises	11,228	11,196
Operating costs	16,690	11,901
Governance costs	8,081	5,870
	86,461	65,772

6 Governance costs

	2023 £	2022 £
Premises	1,497	1,493
Operating costs	14,229	19,138
Other direct costs	22,802	12,118
	38,528	32,749

7 Net income and net movement in funds

This is stated after charging:

	2023 £	2022 £
Staff costs (note 8)	194,083	141,556
Depreciation	24,458	22,373
Independent examiner's remuneration (including VAT)	2,400	2,100

8 Staff costs and related party transactions

	2023 £	2022 £
Wages and salaries	168,610	123,904
Social security costs	18,377	12,480
Pensions	7,096	5,172
	194,083	141,556

The average number of employees during the year was five (2022 – four).

No employee earned more than £60,000 per annum (2022 - 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 as well as the Chief Executive Officer. No Director received any remuneration for their services as Director, the Chief Executive Office received remuneration of £54,742 (2022 - £nil).

Notes to the financial statements Year to 31 March 2023

8 Staff costs and related party transactions (continued)

Six Directors received reimbursement of their expenses as a director totalling £610 (2022 - £nil). There were no other related party transactions in the year (2022 – 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 2022	228,384	172,926	401,310
Additions	—	34,599	34,599
Disposals	—	(5,308)	(5,308)
At 31 March 2023	<u>228,384</u>	<u>202,217</u>	<u>430,601</u>
Depreciation			
At 1 April 2022	140,034	45,473	185,507
Charge for the year	2,945	21,513	24,458
Eliminated on disposal	—	(3,867)	(3,867)
At 31 March 2023	<u>142,979</u>	<u>63,119</u>	<u>206,098</u>
Net book values			
At 31 March 2023	<u>85,405</u>	<u>139,098</u>	<u>224,503</u>
At 31 March 2022	<u>88,350</u>	<u>127,453</u>	<u>215,803</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

	2023 £	2022 £
Prepayments and accrued income	<u>62,455</u>	<u>2,335</u>

The increase in the debtors reflects a large accrued income balance in relation to a corporate donation that was received post year end.

Notes to the financial statements Year to 31 March 2023

12 Cash at bank

	2023 £	2022 £
The Royal Bank of Scotland plc	14,450	10,063
CAF Bank Limited	570,036	704,410
Flagstone	409,444	295,853
PayPal	26,935	—
Pleo	3,918	4,280
	1,024,783	1,014,606

13 Deposits

	2023 £	2022 £
Flagstone – short term	510,000	427,891
Flagstone – long term	85,000	—
	595,000	427,891

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals	2,400	2,100
Other creditors	1,367	914
	3,767	3,014

15 Tangible fixed assets fund

	2023 £	2022 £
At 1 April	215,803	213,168
Net movements in year	8,700	2,635
At 31 March	224,503	215,803

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 2023

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 2022 £	New designations £	Utilised/ released £	At 31 March 2023 £
Diversity fund	50,000	—	—	50,000

Designated funds are decided on by the Directors in the light of the charitable company's future commitments and strategy.

♦ *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.

17 Restricted funds

	At 1 April 2022 £	Income £	Expenditure and transfers £	At 31 March 2023 £
Big Lottery fund	349	—	—	349
	349	—	—	349

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

♦ *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 2023

18 Analysis of net assets between funds

	Unrestricted funds				
	General funds £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2023 £
Fund balances at 31 March 2023 are represented by:					
Tangible fixed assets	—	224,503	—	—	224,503
Long-term deposits	85,000	—	—	—	85,000
Net current assets	1,543,122	—	50,000	349	1,593,471
Total net assets	1,628,122	224,503	50,000	349	1,902,974

	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	1,391,649	215,803	50,000	349	1,657,621

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.