

Company No. 02827835 (England & Wales)
Charity No. 1040962

THE SWITCH CHARITY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

For the Year Ended 31 August 2024

THE SWITCH CHARITY LIMITED

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THE SWITCH CHARITY LIMITED

Legal and Administrative Information

For the Year Ended 31 August 2024

TRUSTEES/DIRECTORS

Mark Campbell	(Chair)	Clifford Chance
Gerry McDonald		New City College (Group Principal & CEO)
Sarah Barnes	(resigned 18 th January 2024)	Queen Mary University of London
Saiam Ahmed		UCL Institute of Clinical Trials & Methodology
Mohammed Hassan	(appointed on 10 th December 2023)	EY
Jemima Reilly	(resigned 24 th June 2024)	Morpeth School
Jade Hopeton	(appointed 18 th May 2024)	Bigland Green Primary School
Dr Tina Sode		London Borough of Tower Hamlets
Anita Bhardwaj		Morgan Stanley
Jayant Kumar		Barclays
Rachel Dodds		KPMG

SECRETARY

Helen Sanson

REGISTERED OFFICE

Norvin House, 45-55 Commercial Street, London, E1 6BD

COMPANY NUMBER

02827835

CHARITY NUMBER

1040962

BANKERS

HSBC, 1-3 Bishopsgate London EC2N 3AQ

Santander, 298 Deansgate, Manchester M3 4HH

Close Brothers, 10 Crown Place, London EC2A 4FT

SOLICITORS

Russell-Cooke, 2 Putney Hill, Putney, London SW15 6AB

AUDITORS

Goldwins Limited, 75 Maygrove Road, West Hampstead, London NW6 2EG

THE SWITCH CHARITY LIMITED

Trustees' Report

For the Year Ended 31 August 2024

TRUSTEE REPORT

The trustees (who are also the directors) present their report and the audited financial statements of the charitable company for the year ended 31 August 2024. The statutory information is shown on Page 1.

OBJECTS AND ACTIVITIES

The Switch Charity Ltd is a leading education charity situated in the East End of London empowering children and young people to discover their best future. Through our modern and highly effective programmes, we facilitate positive engagement between education and employers, helping young people to fulfil their potential by aspiring to life-changing careers. All our programmes benefit from direct involvement of volunteers from our employer partners. Their inputs give young people first-hand experience and knowledge of the world of work. Working principally in Tower Hamlets with primary, secondary and sixth form schools and colleges we provide an enriching employability and careers education that enhances statutory requirements and sets young people off on positive pathways.

STRUCTURE, GOVERNANCE, MANAGEMENT & RISK

This year we have seen stability and achievement for The Switch in every aspect of the charity. It has been a solid year financially, with careful control of costs matched by strong fundraising performance, resulting in a moderate surplus.

The Switch Charity Ltd is a registered charity and company limited by guarantee. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. The governing document is the Articles of Association. The Articles of Association (Section 32) define who should be Trustees of The Switch. Trustees are recruited against the criteria laid out in Section 32.

New Trustees are briefed by the Director and the Chairman. Two trustees resigned within the year 2023-24 and two new trustees were appointed. Trustees take decisions affecting the strategy of The Switch and issues affecting the statutory responsibilities of the organisation. The Director takes decisions affecting the day to day running of the organisation supported by a Deputy Director. We continually review our risk register and update our organisation's risk policy accordingly. We use NCVO's Governance wheel for help implementing best practice in all areas of governance.

STRATEGY:

Trustees are consulted on strategic directions and significant matters. This year we held a trustee away day to set the strategy for the next three years. This is the first time since the pandemic that we have looked at our longer term aims. As part of ongoing governance processes, we regularly review our progress on meeting our strategic objectives via:

- Strategy review sessions with the whole staff in designated team meetings
- Our annual staff strategy day held every summer
- Annual and 6-months appraisals where objectives are set which directly feed into our strategic priorities
- Regular one-to-one manager and employee monthly meetings to discuss progress on very detailed aspects of the work
- Updates for Trustees between board meetings and reports for meetings.
- Regular communication between the Chair and the Director
- Termly Finance Committee Meetings
- Termly Board Meetings and an Annual General Meeting

THE SWITCH CHARITY LIMITED

Trustees' Report

For the Year Ended 31 August 2024

- Board strategy away days

BACKGROUND INFORMATION:

We continue to prioritise our work in Tower Hamlets though have opened up our services to partner companies and their regional offices. This is one of our key strategic aims for the next few years. Tower Hamlets remains one of the most deprived communities in the country and one of the most deprived of all London's Boroughs. Nearly half (48%) of children in Tower Hamlets are living in poverty compared to the London average of 32%. For any new work in schools beyond Tower Hamlets, we will continue to prioritise those schools with high levels of social and economic poverty, low attainment or higher than average levels of SEND or Free School Meal pupils.

Our work equips young people with the directional resilience needed to improve educational attainment. By showcasing the vast array of exciting pathways beyond school, we inspire young people to want to do more and learn more. We want young people to look to their futures with confidence and excitement, safe in the knowledge that they can compete equally in the global workforce.

OUR VOLUNTEERS

We rely heavily on volunteers from our employer partners to bring the world of work into our programmes. This last year we have worked with over 3,000 different volunteers across our programmes. The generosity of their time plus the knowledge, skills and experiences they share with the beneficiaries is the most important aspect of our work, and what makes us so successful. We are grateful to our employer partners who allow their employees time out of their busy working days to support us.

THE SWITCH PROGRAMME PORTFOLIO:

This year we delivered a full programme portfolio serving beneficiaries aged 5-25. All programmes have been built on our framework focused on knowledge, skills and behaviours for the workplace.

Our programmes continue to be a mix of in-person and online which suits the needs of both schools and employers. Every pupil key stage has age-appropriate programmes, and in the secondary schools, each year group takes part in at least one Switch intervention every year they are at school, meeting the Gatsby Benchmarks, Career Development Institute and Skills Builder Universal Frameworks, giving the pupils an exceptional careers and employability education.

Current Primary School Programmes:

- Reading, Writing and Number Partners
- BEE Financial literacy
- Abacus Family Financial literacy
- Literacy & Numeracy for Careers
- Modern foreign language skills for work
- STEM (Science, Technology, Engineering & Maths) Competition

Current Secondary School Programmes:

- Money Matters
- Skills for Success
- Options and Careers
- Assessment Centres
- Interview Practice
- CV Clinic

THE SWITCH CHARITY LIMITED

Trustees' Report

For the Year Ended 31 August 2024

- Alumni Programme
- Mentoring
- Youth Voice
- Future Skills
- Work Experience

SCHOOLS WE WORKED WITH:

This year we worked with 13 secondary schools and 20 primaries in Tower Hamlets, plus two schools in Lancashire and 6 primary schools in the neighbouring borough, Hackney. Through our Switch programmes, our Alumni network and attendance at externally managed careers fairs, we have served over 15,000 unique students.

ACHIEVEMENTS & HIGHLIGHTS:

We are proud to share the highlights of this year's programme, celebrating the difference we made in empowering children and young people to discover their best future.

PRIMARY SCHOOL HIGHLIGHTS

- Over 500 pupils had either a reading, writing or number partner from more than 50 different companies.
- 1260 pupils from 18 schools participated in our financial literacy programmes supported by 600 volunteers from 48 companies.

SECONDARY SCHOOL HIGHLIGHTS

- 11,000 students participated in Switch Secondary School activities supported by 1592 volunteers from 104 partner companies.
- We launched our first 18-25 year old Mentoring programme with Barclays directed to our Alumni cohort and delivered a webinar Apprenticeships Vs University to this 1500+ person community.
- Youth Voice (Youth Advisory Board) met 10 times this year with 10 representatives from LBTH schools developing their leadership skills whilst contributing to strategic and programme developments.
- Future Skills with Barclays supported by 95 Barclays volunteers helped 90 students from 6 schools choose their pathways beyond school.
- Virtual Work Experience gave 538 students an introduction to the world of work across 6 different sectors.
- Our in person Work Experience programme was supported by 215 employers who hosted 1077 students from 8 secondary schools giving a vital experience of a workplace.
- We also delivered a range of new and one-off activities reflecting our ambition and desire to develop our programmes and give young people the widest possible range of experiences. Some highlights include a new sustainability event with EQ investors, 4 trading skills events in schools with JP Morgan Trading team, a joint venture with Man Group and JP Morgan showcasing careers in investment banking and asset management plus specialised Work Experience for 5 Y12 students with NBC Universal. In addition, we delivered 5 CV Clinics giving individual feedback to more than 800 students, we participated in 9 career fairs in Tower Hamlets, hosted 4 work experience placements at The Switch for students with SEND and hosted 5 students from Bow School for their work experience week.

THE SWITCH CHARITY LIMITED

Trustees' Report

For the Year Ended 31 August 2024

STRATEGIC ACHIEVEMENTS

Four key strategic areas were identified for 2023-24 and we delivered many achievements under each strand. Here are some of the highlights:

1. **Cultivate Partnerships:** We achieved our aim to revise the primary school pricing to better reflect school size and deliver value for money. We began new partnerships with schools in Ormskirk Lancashire and Liverpool regions. We co-delivered a trip for our Writing Partners with Man Group and a fellow charity partner, the Discover Children's Story Centre in Newham, celebrating the joys of creativity, reading and storytelling.
2. **Innovate Programmes:** We won a silver medal at the Social Mobility Awards with Sodexo for our innovative partnership approach to sustainability and financial literacy. We delivered our new pilot one day literacy and numeracy careers events to 7 primary schools thanks to funding from the Aldgate & Allhallows Foundation. We were also delighted to pilot BEE financial literacy with our first cohort of students with SEMH needs at Bowden House school and to revise many of our programmes to accommodate a range of special educational needs thanks to a grant from the Hedley Foundation.
3. **Increase Diversity:** Through support from one of our corporate partners we have created our new Equity Diversity & Inclusion statement, and an ED&I task force. We have revised our recruitment practices to attract a more diverse talent pool and recruit more local people. We participated in a local programme to recruit minority ethnic trustees and will soon welcome 3 new local trustees to increase the diversity of our board. We are also proud of diversifying the sectors of employers we work with including media and design, communications, architecture, consulting and medical.
4. **Optimise Operations:** Internally much work has been done to improve our CRM and reporting, develop online booking systems to ease supporter engagement, and improve our communication tools, assets and resources.

Looking to the future the Board was keen to set a longer-term strategy for the Charity following the pandemic and the uncertainty it caused. Now on even footing, we agreed a new forward-looking strategy in May 2024 which will see us work towards the following broad aims.

- Alumni development and expansion
- Beyond the Borough opportunities
- Reviewing and refreshing our primary school offer
- Development of our work experience programme

FINANCIAL REVIEW:

For this past financial year, we were working towards a break-even budget position or potentially a small surplus. A strong performance in fundraising throughout the year enabled us to revise our original forecast and finish the year with a good surplus. The total reserves of the Charity now equate to over 12 months expenditure. This level of reserve was agreed by the Trustees to provide an essential buffer as the charity needs to be able to deliver its programmes for the length of an academic year. Reserves are held in notice interest bearing accounts with Santander, Close Bros and HSBC. The balance of unrestricted reserves to restricted is more than half the total balance.

Funding sources for the charity are a combination of private sector and charitable trust grants, plus income from Schools. The 2024/2025 Budget has been set at a break-even position.

THE SWITCH CHARITY LIMITED

Trustees' Report

For the Year Ended 31 August 2024

TRUSTEES

Trustees who served during the year are shown below: -

Mark Campbell (Chair)
Sarah Barnes (resigned 18th January 2024)
Gerry McDonald (Vice Chair)
Dr Saiam Ahmed
Jemima Reilly (resigned 24th June 2024)
Dr Tina Sode
Anita Bhardwaj
Jayant Kumar
Rachel Dodds
Jade Hopeton (appointed 18th May 2024)
Mohammed Hassan (appointed 10th December 2023)

The trustees have delegated responsibility for the day-to-day management of The Switch Charity Limited to the Director, Helen Sanson.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

The trustees confirm that the financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

THE SWITCH CHARITY LIMITED

Trustees' Report

For the Year Ended 31 August 2024

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

RELATED PARTIES

Related parties are shown in Note 20 to the financial statements.

AUDITORS

The auditors, Goldwins Chartered Accountants, offer themselves for appointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on..... 5 December 2024 and signed on their behalf.


.....
Mark Campbell
Director and Chairman

THE SWITCH CHARITY LIMITED

Independent Auditor's Report

To the members of The Switch Charity Limited

Opinion

We have audited the financial statements of The Switch Charity Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

THE SWITCH CHARITY LIMITED

Independent Auditor's Report

To the members of The Switch Charity Limited

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- The directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

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

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

THE SWITCH CHARITY LIMITED

Independent Auditor's Report

To the members of The Switch Charity Limited

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

THE SWITCH CHARITY LIMITED

Independent Auditor's Report

To the members of The Switch Charity Limited

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Anthony Epton

Anthony Epton (Senior Statutory Auditor)

for and on behalf of

Goldwins Limited

Statutory Auditor

Chartered Accountants

75 Maygrove Road

West Hampstead

London NW6 2EG

5 December 2024

THE SWITCH CHARITY LIMITED

Statement of Financial Activities (Incorporating Income and Expenditure Account)

For the Year Ended 31 August 2024

	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
INCOME FROM:					
Donations	3	19,134	-	19,134	23,918
Charitable activities	4	732,812	364,880	1,097,692	1,046,123
Investment income		35,569	-	35,569	19,146
TOTAL INCOME		787,515	364,880	1,152,395	1,089,187
EXPENDITURE ON:					
Charitable activities	5	704,225	344,398	1,048,623	1,037,782
TOTAL EXPENDITURE		704,225	344,398	1,048,623	1,037,782
Net income / (expenditure) for the year		83,290	20,482	103,772	51,405
Total funds brought forward		632,323	403,992	1,036,315	984,910
Total funds carried forward	13	715,613	424,474	1,140,087	1,036,315

The attached notes form part of these financial statements.

THE SWITCH CHARITY LIMITED

Balance Sheet

As at 31 August 2024

	Notes	2024 £	2024 £	2023 £	2023 £
FIXED ASSETS					
Tangible assets	8		23,052		28,242
CURRENT ASSETS					
Debtors	9	178,740		368,270	
Cash at bank and in hand		1,301,320		1,316,995	
		<u>1,480,060</u>		<u>1,685,265</u>	
CREDITORS: Amounts falling due within one year	10	<u>(363,025)</u>		<u>(677,192)</u>	
NET CURRENT ASSETS			<u>1,117,035</u>		<u>1,008,073</u>
TOTAL NET ASSETS			<u><u>1,140,087</u></u>		<u><u>1,036,315</u></u>
FUNDS					
Restricted funds			424,474		403,992
Unrestricted funds:					
General funds		<u>715,613</u>		<u>632,323</u>	
Total unrestricted funds			715,613		632,323
TOTAL FUNDS	13		<u><u>1,140,087</u></u>		<u><u>1,036,315</u></u>

The accounts were approved by the board of directors on 5 December 2024



Mark Campbell
Director and Chairman

Company Registration No. 02827835

The attached notes form part of these financial statements.

THE SWITCH CHARITY LIMITED

Statement of Cash Flows

For the Year Ended 31 August 2024

	Note	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities:					
Net cash provided by / (used in) operating activities	16		(49,278)		258,397
Cash flows from investing activities:					
Interest/ rent/ dividends from investments		35,569		19,146	
Sales/ (purchases) of fixed assets		(1,966)		(2,819)	
Cash provided by / (used in) investing activities			33,603		16,327
Change in cash and cash equivalents in the year			(15,675)		274,724
Cash and cash equivalents at the beginning of the year			1,316,995		1,042,271
Cash and cash equivalents at the end of the year	17		<u>1,301,320</u>		<u>1,316,995</u>

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

1. ACCOUNTING POLICIES

1.1 Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity is considered as a public benefit entity. The principal accounting policies adopted in the preparation of the financial statements are as follows:

1.2 Taxation

The charitable company is exempt from taxation under section 466 to 493 of the Corporation Tax Act 2010.

1.3 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Grants are credited to incoming resources when they are receivable as the charity's own money, unless they are for activities that relate to a specific future period, in which case they are deferred to that period.

Income received under contracts for services which cross over the year end are recognised in the financial statements in line with the percentage of completion of the contract at the year end.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1.4 Expenditure

Partner costs are recognised in the year in which they are incurred all other resources expended are recognised on an accruals basis.

Resources expended are allocated to a particular activity where the cost relates directly to that activity. They include irrecoverable VAT. The administration and management costs of each activity are apportioned, based on an estimate of the staff time attributable, to each of the organisation's projects and activities.

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

1. ACCOUNTING POLICIES - (CONTINUED)

1.5 Fund accounting

Unrestricted funds comprise income received, without a specified purpose, and expenditure for the objects of the charity.

Restricted funds comprise income received for specified purpose as laid down by the donor. Expenditure which meets this criteria is identified to the fund, together with a fair allocation of management and support costs.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment - 25% reducing balance

Fixtures and fittings - 20% reducing balance

1.7 Pensions costs

The company makes pension contributions equivalent to a minimum of 5% of gross salaries on behalf of its employees. Employees are entitled to join the scheme after being in post for three months. The contributions are charged to the Statement of Financial Activities on an accrual basis.

1.8 Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

2. DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023 (COMPARATIVES)

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
INCOME FROM:			
Donations	23,918	-	23,918
Charitable activities	691,002	355,121	1,046,123
Investment income	19,146	-	19,146
TOTAL INCOME	734,066	355,121	1,089,187
EXPENDITURE ON:			
Charitable activities	669,940	367,842	1,037,782
TOTAL EXPENDITURE	669,940	367,842	1,037,782
Net income / (expenditure) for the year	64,126	(12,721)	51,405
Transfers between funds	-	-	-
Net movement in funds	64,126	(12,721)	51,405
Total funds brought forward	568,197	416,713	984,910
Total funds carried forward	632,323	403,992	1,036,315

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

3. INCOME FROM DONATIONS

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total 2024 £	Total 2023 £
Aldgate Community Fund	2,520	-	2,520	2,620
Beazley Management Ltd	1,000	-	1,000	-
Co-op local community fund	1,493	-	1,493	-
Worshipful Company of Makers of Playing Cards	3,000	-	3,000	-
HCR Hewitsons	4,006	-	4,006	-
National Lottery	-	-	-	3,662
Other donations	2,769	-	2,769	6,165
Silicon Valley Bank	-	-	-	10,070
Tesco Community Grants	1,346	-	1,346	1,401
Wogen Anniversary Trust	3,000	-	3,000	-
TOTAL	19,134	-	19,134	23,918

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
A & O Shearman	928	8,500	9,428	-
ADM Investor Services Ltd	10,486	-	10,486	8,814
AIG	7,822	-	7,822	-
Allen & Overy	2,900	-	2,900	22,062
Bank of England	-	5,950	5,950	11,524
Barclays	112,300	-	112,300	122,750
Bishop Challoner School	-	-	-	10,000
Blackrock Investment	184	-	184	15,581
Bloomberg	96	3,600	3,696	5,768
BNP Paribas Asset Management	32	5,350	5,382	5,000
Bow	15,000	-	15,000	-
Canary Wharf Group	-	5,350	5,350	5,000
Castleforge	-	5,000	5,000	-
Clifford Chance	1,000	22,000	23,000	15,000
Clyde & Co LLP	1,856	11,500	13,356	9,380
Company of Actuaries Charitable Trust Fund	4,900	-	4,900	5,500
Credit Suisse	-	-	-	2,814
Fitch Ratings Ltd	-	-	-	5,174
Foundation for Future London	21,141	-	21,141	60,500
George Green's School	3,375	-	3,375	-
Herbert Smith Freehills	-	-	-	6,700
ICE Futures	-	25,000	25,000	-
ING	-	5,350	5,350	5,000
ION	-	5,350	5,350	5,000
J P Morgan	288	73,472	73,760	51,800
Jack Petchey	14,800	-	14,800	10,680
KPMG	128	16,000	16,128	15,608
LBTH	-	25,000	25,000	-
Lloyds	138,835	22,998	161,833	226,052
Lloyd's of London	6,240	32,665	38,905	-
London Borough of Tower Hamlets	-	25,000	25,000	25,000
London Enterprise Academy	6,650	-	6,650	6,600
Man Group	31,510	-	31,510	30,408
Morrison & Foerster (UK) LLP	-	5,350	5,350	-
Total carried forward	380,471	303,435	683,906	687,715

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

4. INCOME FROM CHARITABLE ACTIVITIES continued

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Brought forward	380,471	303,435	683,906	687,715
Mulberry Stepney Green Maths, Computing and Science College	14,735	-	14,735	13,400
Paul Hastings	-	5,350	5,350	5,032
Reddie and Grose	-	5,350	5,350	-
SEI	-	5,350	5,350	6,700
Sodexo	26,782	-	26,782	-
St Paul's Way Trust School	23,300	-	23,300	20,500
Stepney All Saints C of E School	13,450	-	13,450	-
Talbot Underwriting Ltd	-	500	500	10,000
The Buzzacott Stuart Defries Memorial Fund	256	5,350	5,606	5,448
Travers Smith	8,542	5,000	13,542	8,582
UBS	20,352	1,000	21,352	13,224
Vanguard	25,000	-	25,000	-
Others	34,974	33,545	68,519	72,922
<i>Service Level Agreements:</i>				
SLA – Primary	32,450	-	32,450	24,600
SLA – Secondary	152,500	-	152,500	178,000
TOTAL	732,812	364,880	1,097,692	1,046,123

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

5. ANALYSIS OF EXPENDITURE

	Basis of allocation	Charitable activities £	Support costs £	Governance costs £	Total 2024 £	Total 2023 £
Audit fees	Direct	-	-	6,300	6,300	5,000
Bad Debts	Direct	17,821	-	-	17,821	-
Bank charges	Direct	-	-	644	644	649
Bursaries paid	Direct	5,707	-	-	5,707	20,500
Cleaning services	Direct	-	3,878	-	3,878	4,204
Consultancy	Direct	-	-	-	-	-
Depreciation	Direct	-	7,156	-	7,156	8,757
Direct project expenditure	Direct	79,955	-	-	79,955	76,289
Insurance/health & safety	Direct	-	5,333	-	5,333	5,331
IT & Telephone costs	Direct	-	59,045	-	59,045	67,125
Marketing and website development	Direct	-	1,598	-	1,598	-
Other governance costs	Direct	-	-	5,818	5,818	4,040
Other sundry expenses	Direct	3,967	14,016	-	17,983	15,269
Printing, postage & stationery	Direct	-	3,184	-	3,184	4,434
Rent and rates	Direct	-	87,379	-	87,379	78,661
Staff costs	Direct	679,647	3,772	-	683,419	681,209
Subcontractors	Staff time	16,308	27,424	-	43,732	45,572
Training & recruitment	Direct	-	19,671	-	19,671	20,742
		803,405	232,456	12,762	1,048,623	1,037,782
Support costs	Staff time	232,456	(232,456)	-	-	-
Governance costs	Staff time	12,762	-	(12,762)	-	-
Total expenditure 2024		1,048,623	-	-	1,048,623	
Total expenditure 2023		1,037,782	-	-	1,037,782	

Support and governance costs refer to the costs involved in operational activity which support the delivery of the charitable aims. They are allocated on the basis of projected time spent by staff on each activity.

Of the total expenditure £344,398 was restricted (2023: £367,842) and £704,225 was unrestricted (2023: £669,940).

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

6. NET INCOME / (EXPENDITURE)

	2024	2023
This is stated after charging:	£	£
Operating lease rentals on property	66,374	71,705
Depreciation of tangible fixed assets	7,156	7,158
Auditors' remuneration - audit services	5,250	5,250

During the year, no trustees received any remuneration or any benefits in kind (2023 – Nil), and no trustee was reimbursed for expenses (2023 – Nil).

7. STAFF COSTS

	2024	2023
Employee costs during the year amounted to:	£	£
Salaries	597,277	595,692
Social security costs	54,988	55,711
Pension costs	27,382	27,382
Health care costs	3,772	2,424
	683,419	681,209

The number of employees whose total employee benefits (excluding employer's pension cost) for the reporting period amounted to over £60,000 was as follows:

	2024	2023
	No.	No.
£60,000 - £69,999	1	1

The average number of employees (head count based on number of staff employed) during the year was 18 (2023: 18).

The total employee benefits including pension contributions and Employer's National insurance of the key management personnel were £133,903 (2023: £131,918).

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

8. TANGIBLE FIXED ASSETS

	Computer Equipment £	Fixtures Fittings & Equipment £	Total £
COST			
At the beginning of the year	75,591	44,410	120,001
Additions	1,966	-	1,966
At the end of the year	77,557	44,410	121,967
DEPRECIATION			
At the beginning of the year	55,237	36,522	91,759
Charge for the year	5,579	1,577	7,156
At the end of the year	60,816	38,099	98,915
NET BOOK VALUE			
At the end of the year	16,741	6,311	23,052
At the beginning of the year	20,354	7,888	28,242

9. DEBTORS

	2024 £	2023 £
Grants and contract debtors	151,125	341,619
Prepayments	11,153	10,189
Other debtors	16,462	16,462
	178,740	368,270

10. CREDITORS: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	6,009	14,755
Accruals	6,380	5,851
Taxation and social security	10,359	19,992
Deferred income	327,425	617,915
Other creditors	12,852	18,679
	363,025	677,192

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS FOR THE YEAR ENDED 31 AUGUST 2024

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Funds Balances at 31 August 2024 are represented by:			
Tangible fixed assets	23,052	-	23,052
Net current assets	692,561	424,474	1,117,035
Total Net Assets	715,613	424,474	1,140,087

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS FOR THE YEAR ENDED 31 AUGUST 2023

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Funds Balances at 31 August 2023 are represented by:			
Tangible fixed assets	28,242	-	28,242
Net current assets	604,081	403,992	1,008,073
Total Net Assets	632,323	403,992	1,036,315

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

13. MOVEMENT IN FUNDS FOR THE YEAR ENDED 31 AUGUST 2024

	At the start of the year £	Income £	Expenditure £	Transfers £	At the end of the year £
Restricted funds:					
Become More - Aspirations (Aim 2 Attain)	87,556	12,295	(12,856)	-	86,995
Business mentoring	286,677	327,585	(331,542)	-	282,720
NNP-Curriculum	29,759	25,000	-	-	54,759
Total restricted funds	403,992	364,880	(344,398)	-	424,474
Unrestricted funds:					
General funds	632,323	787,515	(704,225)	-	715,613
Total unrestricted funds	632,323	787,515	(704,225)	-	715,613
Total funds	1,036,315	1,152,395	(1,048,623)	-	1,140,087

14. MOVEMENT IN FUNDS FOR THE YEAR ENDED 31 AUGUST 2023

	At the start of the year £	Income £	Expenditure £	Transfers £	At the end of the year £
Restricted funds:					
Become More - Aspirations (Aim 2 Attain)	91,484	16,536	(20,464)	-	87,556
Business mentoring	295,470	338,585	(347,378)	-	286,677
NNP-Curriculum	29,759	-	-	-	29,759
Total restricted funds	416,713	355,121	(367,842)	-	403,992
Unrestricted funds:					
General funds	568,197	734,066	(669,940)	-	632,323
Total unrestricted funds	568,197	734,066	(669,940)	-	632,323
Total funds	984,910	1,089,187	(1,037,782)	-	1,036,315

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

15. PURPOSE OF RESTRICTED FUNDS

Aim 2 Attain

To provide a portfolio of aspiration and educational activities for pre and post-16 students in Tower Hamlets, designed to encourage our young people to consider the choice and opportunities open to them to further their education and training.

Business Mentoring

The Business Mentoring scheme aims to equip pupils with better understanding of career opportunities, develop their employability skills and widen their view of the opportunities available to them.

16. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net movement in funds for the reporting period (as per the statement of financial activities)	103,772	51,405
Depreciation	7,156	8,757
Interest, rent and dividends from investments	(35,569)	(19,146)
(Increase)/ decrease in debtors	189,530	(151,140)
Increase/ (decrease) in creditors	(314,167)	368,521
Net cash provided by / (used in) operating activities	<u>(49,278)</u>	<u>258,397</u>

17. ANALYSIS OF CASH AND CASH EQUIVALENTS FOR THE YEAR ENDED 31 AUGUST 2024

	At the start of the year £	Cash flows £	At the end of the year £
Cash at bank and in hand	1,316,995	(15,675)	1,301,320
Total cash and cash equivalents	<u>1,316,995</u>	<u>(15,675)</u>	<u>1,301,320</u>

18. ANALYSIS OF CASH AND CASH EQUIVALENTS FOR THE YEAR ENDED 31 AUGUST 2023

	At the start of the year £	Cash flows £	At the end of the year £
Cash at bank and in hand	1,042,271	274,724	1,316,995
Total cash and cash equivalents	<u>1,042,271</u>	<u>274,724</u>	<u>1,316,995</u>

THE SWITCH CHARITY LIMITED

Notes to the Financial Statements

For the Year Ended 31 August 2024

19. LEASE COMMITMENT

The charitable company signed a 3-year lease on office premises in East London in August 2024.

The minimum annual rentals payable under the leases are as follows:

	2024	2023
	£	£
Within 1 year	77,500	71,463
Within 2-5 years	155,000	76,463
	<u>232,500</u>	<u>147,926</u>

20. RELATED PARTY TRANSACTIONS

The charity does not engage in related party transactions directly with its trustees. Some trustees are employed by organisations which give financial support to the charity. The organisations for which the trustees work are shown on page 1. The funding provided is shown in Notes 3 and 4.

