

Registered Charity Number 1101255 (England and Wales)
Registered Charity Number SC039681 (Scotland)
Registered company number 02412299

STONEWALL EQUALITY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2012

STONEWALL EQUALITY LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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STONEWALL EQUALITY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

COMPANY INFORMATION

Trustees	Jacqueline Davies Liz Grant Peter Havelock David Isaac Anna Whowell Neil Bentley Rachel Harper Laura McAllister Kevin Orford Lisa Pinney Oliver Rowe	(Retired 31 December 2012) (Retired 31 December 2012) (Resigned 24 April 2012) (Appointed 24 January 2012) (Appointed 24 January 2012) (Appointed 24 January 2012) (Appointed 24 January 2012) (Appointed 24 January 2012)
Chair	David Isaac Jacqueline Davies	(Resigned 23 October 2012) (Appointed 23 October 2012)
Deputy Chair	Liz Grant Neil Bentley	(Resigned 23 October 2012) (Appointed 23 October 2012)
Treasurer	Peter Havelock Rachel Harper	(Resigned 24 April 2012) (Appointed 24 April 2012)
Chief Executive	Ben Summerskill	
Secretary	Cathryn Wright	
Company number	02412299	
Charity number	1101255 (England and Wales) SC039681 (Scotland)	
Registered office and Business address	Tower Building York Road London SE1 7NX	
Auditors	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW	
Bankers	Barclays Bank plc 50 Pall Mall PO Box 15162 London SW1A 1QB	

STONEWALL EQUALITY LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2012

Stonewall's Trustees present their report and financial statements for the year ended 30 September 2012. The statements appear in the format required by the Statement of Recommended Practice for the Accounting and Reporting by Charities (revised 2005 and 2008). The report and financial statements also comply with the Companies Act 2006 as the company was incorporated by guarantee on 9 August 1989 as The Stonewall Lobby Group Limited. It changed its name to Stonewall Equality Limited on 10 February 2004. It has no share capital and is a registered charity.

Objectives and activities

The principal aim of the charity is to seek to advance the education of the public on the discrimination experienced by lesbians, gay men and bisexuals, to protect those who have experienced such discrimination and to continue to work to achieve full equality for lesbian, gay and bisexual (LGB) people in Britain and worldwide. Stonewall's vision is of a Britain and a world where one day all lesbians, gay men and bisexuals will not only be entitled to fair treatment and respect but will be afforded fair treatment and respect too.

The main objective for the year continued to be the promotion of equal rights by tackling homophobia in education, the workplace, public services and the media and securing equal legal treatment in areas where it does not exist. The Trustees confirm that they have complied with the duty in Part 1, Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Our key aims reflecting this public benefit during the reporting year were to:

- Challenge homophobia in secondary schools, primary schools, colleges and universities and underachievement by lesbian, gay and bisexual pupils through development of our Education for All programme. Raise standards through local government, the teaching profession and young volunteers.
- Promote fair treatment across the GB workplace. Further grow our Diversity Champions programme, helping gay people choose good employers and develop at work. Promote the business case for equality and ethical consumerism. Promote pension equality.
- Put equality into practice by promoting fair treatment of all LGB people across the public domain in areas such as the NHS, the policing and justice system, housing, care, and children's services and sport. Improve political representation.
- Secure equal legal treatment in Britain and abroad in areas where it doesn't already exist such as extension of the legal form of marriage to same-sex couples. Influencing public policy development in areas such as service delivery, blood donation, asylum, the workplace and faith-sanctioned discrimination.
- Promote fair representative coverage in the print and broadcast media. Pro-actively engage broadcasters to promote realistic representation of LGB people. Develop more 'non-crisis intervention' by Stonewall in the media. Encourage LGB people to engage with newspapers and broadcasters.

Principal Achievements of the year

The charity was once again involved in a wide range of activities supporting our core objectives. Highlights of the reporting year included:

- Further development of our Education for All campaign to address homophobia and homophobic bullying in schools, colleges and universities. We distributed our highly-praised set of 'Different Families' resources to every primary school in the country, 25,000 in all. We developed an initial teaching training programme and guide for new teachers and delivered training through 21 major providers. Our Education Champions programme was providing support to 64 education authorities, more than one in three, by the end of the year and we launched a parallel programme to support individual schools. We further developed our 'talent programme' for next generation leaders aged 18-23 and supported young people, who are closely involved in the development of all our interventions, in advising organisations such as ChildLine and Catch22. Almost 200 young people attended a Youth Pride brunch addressed by the Deputy Prime Minister and we published the third annual edition of our online university guide *Gay by Degree*. The Director-General of the BBC and the Shadow Secretary of State for Education addressed our annual Education Conference in July. As a result of our interventions, Ofsted's inspection framework introduced explicit reference to homophobic bullying.
- Membership of our Diversity Champions programme, promoting good practice for major employers, reached almost 600 during the year. Growth continued in both the private and public sectors in spite of the external environment and a fall in membership of comparator programmes. Members now employ almost six million people between them and the programme remains the largest non-governmental intervention of its kind in the world. We held a seventh leadership course for 'next generation' leaders at Ashridge Business School and published the seventh annual edition of *Starting Out*, our graduate recruitment guide. More than five hundred employers attended our annual Workplace Conference, addressed by the Home Secretary, and we held similar conferences in Manchester, Edinburgh and Cardiff. We published new guidance for employers both on monitoring and supporting gay staff posted abroad. We supported the launch of a parallel programme in Ireland.
- We further developed our health work through a pioneering Health Champions programme, supported by the Department of Health, to assist 20 major NHS organisations to help them improve patient care. Our health work was supported by the publication in spring 2012 of major research into gay and bisexual men's health. We delivered training to the Royal Colleges of GPs, Nursing and Psychiatrists. We also published the first research into the experience of public service use of black and minority ethnic people who are also gay. We worked with police forces to support the effective training of football stewards and lobbied the major political parties on improving their representation of lesbian, gay and bisexual people.

Our 'Alli amendment', which now permits the celebration of civil partnerships in religious premises and is an important step towards extending the legal form of marriage to gay people, was implemented by the government in December. We published both a draft bill and model consultation response on marriage. We successfully persuaded the government to enhance its proposal to disregard historic convictions for consenting activities. Our lobbying to lift the automatic ban on blood donation successfully came to fruition and we worked to ensure that the revised guidelines were appropriately implemented. We recruited our first dedicated staff to support our work internationally and engaged extensively with the Foreign & Commonwealth Office and others to promote this work.

STONEWALL EQUALITY LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2012

- We continued to work with major broadcasters to improve the portrayal of gay people in the media. The sixth Stonewall Awards, held in November 2011 and hosted by Stephen K Amos, provided once again a significant opportunity to highlight and celebrate the achievements of a range of individuals and organisations that had conspicuously supported or promoted equality during the previous year, most particularly in the print and broadcast media. The event, and its winners, received wide media coverage.
- Stonewall Scotland worked closely with the new Scottish Government and Parliament and promoted marriage equality. Our ground-breaking Good Practice Programme worked with a range of public bodies across Scotland to help them become exemplars of service delivery for lesbian, gay, bisexual and trans people. Membership of the Diversity Champions programme for Scottish employers was 34 at the end of the year.
- Stonewall Cymru continued to work in partnership with the new Welsh Government representing the interests of lesbian, gay and bisexual people across Wales. Membership of the Diversity Champions scheme for major Welsh employers had risen to 32 by the end of the year and we held a second workplace conference for employers. Our Education Champions programme grew further and we continued to promote issues of community safety.
- Our dedicated Info line – on 08000 50 20 20 – once again provided significant levels of high quality advice and referral. Run by both staff and trained volunteers, it dealt with 8,240 enquiries during the year from Britain's 3.7 million lesbians and gay men as well as employers and service providers. An evaluation of the service – which 97 per cent of users said they would recommend to others – helped us plan to better support our volunteers. Data gathered from callers continues to support our policy and research function and referrals to appropriate sources of information across Britain help us support local community organisations.
- We remained committed to the publication of high quality research to inform all our work. Our eighth *Workplace Equality Index*, published in January, provided demonstrable evidence of a connection between the workplace interventions we have promoted and raised levels of staff satisfaction. Our *School Report 2012*, based on a sample of 1,640 young people, found that the rate of homophobic bullying of LGB secondary school pupils had decreased to 55 per cent from 65 per cent in the last five years. In 2007, seven in ten gay pupils had never seen gay issues addressed in their school. The research found that this figure has now fallen to half. *Living Together*, a major five-yearly survey of public attitudes carried out for us by YouGov, found material positive changes across a range of issues. Research of this sort enables us to make evaluative critical assessments of our long term impact.
- We continued to secure a disproportionately high media profile – both for our issues and organisationally – for a charity of our size. A focus on new media as well as traditional platforms during the year saw the combined number of our Facebook and Twitter followers rise to more than 70,000, a figure much higher than many larger charities.
- The Equality Dinner, the Brighton Walk, the Stonewall Awards and our Summer Party remained the centrepieces of the charity's fundraising calendar. In September we trialled a new comedy event for women supporters, Girls' Night Out. This was attended by almost 500 people. Growth of our Ambassadors programme for higher value individual donors helped maintain income from regular committed giving in spite of the economic environment. We were successful in various applications for grant funding (note 2) and sponsorship (note 9). Our Fundraising Team, strengthened during the year, continued to focus on relationship-building across all our income streams.

STONEWALL EQUALITY LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2012

We remain firmly committed to the personal and professional development of our staff to enable them to deliver the very best on behalf of the charity. Our training budget during the year was 2.25 per cent of payroll, 50 per cent above the average for similar charities. Our annual confidential staff survey indicated that at March 2012 100 per cent of staff said they were proud to work for Stonewall, 94 per cent of staff said their work gave them a sense of personal achievement, 98 per cent would recommend Stonewall as a good place to work, 100 per cent thought working at Stonewall was fun and 100 per cent felt that Stonewall makes best possible use of supporters' time and money.

As part of a continuing organisational development programme preparing the charity for anticipated growth, we significantly strengthened our executive team during the year and we started work on further development of our 'middle managers'. We also introduced a major new database in June, a material investment which now links all our departments and staff in the three nations and which makes our IT fit for purpose as our activities expand further.

Most of the voluntary sector remained under significant financial pressure during the reporting year. Continuing economic uncertainty for both individual donors and organisations meant that our staff had to work hard to protect our sources of income. We retain a very low level of reliance on public funding, with a commitment not to seek core public funding. This is both stabilising and a key feature of our independence. Consequently we continue to rely upon support from many thousand individual donors and are planning, with the help of our new database, further to improve our relations with them.

Under the leadership of our Chief Executive, Ben Summerskill, the continuing commitment of all our staff and volunteers to high levels of professionalism and assiduous financial stewardship remains central to our organisational effectiveness.

Financial Review

There were net incoming resources during the year of £174,260. Our total incoming resources were £4,016,778, the first time that the charity's turnover has exceeded £4 million. Core income (excluding legacies and projects) was up five per cent, reflecting a successful fundraising year in spite of the challenging economic environment. The charity has in recent years developed a culture of strict variance scrutiny and expenditure during the year remained under careful control despite supporting increased activities.

Structure, Governance and Management

Stonewall is governed by a board of trustees who meet regularly during the year. Trustees serve for a three year period and may be re-elected for a further two consecutive terms of three years each. The Finance Committee and Appointments Committee are made up of trustees. The committees operate under terms of reference which delegate certain functions from the board. Each committee has its work reviewed by the full board as appropriate.

During the reporting year a process of open recruitment in line with good practice was completed to source new trustees. This followed a skills audit and produced successful candidates from a range of backgrounds. During the year Rachel Harper, Director of Internal Audit (Refining & Marketing) at BP, was appointed Treasurer. Trustees made plans for the anticipated retirement of our chair and deputy chair in autumn 2012 after serving on the Board of the charity for nine years each.

STONEWALL EQUALITY LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2012

Structure, Governance and Management (continued)

New trustees undergo an induction session with the Chair and Chief Executive. They are briefed on the Memorandum & Articles of Association, risk register, policies and procedures on issues such as delegation of authority, recruitment, reserves, conflicts of interest and also briefed on current and previous years' financial performance.

Trustees are responsible for the strategic direction of Stonewall Equality Limited and delegate management to the Chief Executive who reports on performance against operational plans approved by the Board. The Chief Executive also reports regularly, via the Treasurer and Finance Committee, on the financial position, including outturn against budget. Management Accounts and variance reports are received quarterly by the Board and monthly by the Finance Committee.

Diversity

Trustees are firmly committed to the diversity of our workforce, volunteers and beneficiaries and continue to believe that we have an obligation to 'role model' the sort of changes we expect of others. Responsibility for implementing our diversity policy rests with the Chief Executive who is required to report annually to the board.

At the end of the reporting year, he was able to advise that the proportion of women staff employed was 54 per cent (up from 35 per cent at September 2006), the proportion of black and minority ethnic staff in our London office was 22 per cent (up from 9 per cent in 2006), the proportion of our staff who are disabled was 18 per cent (up from 5 per cent in 2006) and the proportion of heterosexual staff was 26 per cent (up from 8 per cent in the same period). These staff were employed at all levels.

Volunteers

The charity is dependent on voluntary help. Volunteers assist in our offices, in our finance department, on our Info line and at external events. We estimate that without this volunteer help an additional 6 staff members would be required to undertake administrative, fundraising and other duties at an annual cost of £150,000.

At the end of the year 51 per cent of our regular volunteers were women, 26 per cent of those in London were from black and minority ethnic backgrounds, 5 per cent were disabled and 10 per cent were heterosexual.

Our confidential volunteer survey, carried out in September, found that 95 per cent of volunteers felt their work with us gave them a sense of personal achievement, 98 per cent would recommend Stonewall as a place to volunteer and 100 per cent said that their accomplishments were recognised when they did a good job.

Environment

In July 2008, the charity adopted an Environment Policy. During the reporting year our offices recycled 9,900 kg of paper, card and plastic and 650kg of glass and metal.

All travel by staff within Great Britain was by train with the exception of 15 domestic flights between nations.

STONEWALL EQUALITY LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2012

Reserves Policy

Trustees keep the reserves policy of the charity under review. In 2009, they committed to building a general reserve equivalent to seven months expenditure by 2015 to reflect anticipated growth in income by this date. This has been achieved, well ahead of target, and is now in line with best practice in the charity sector. These reserves are needed to meet working capital requirements should there be a material deficiency in funding at any point in the future.

Designated funds totalling £120,000 have been set aside for office relocation costs which may happen in the next financial year in London. A further £300,000 has been designated for future research programmes.

Risk Management

Trustees review risk management annually. This involves identifying the types of risk the charity faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. As part of this process the Trustees keep the adequacy of the charity's internal controls under review. The Trustees are pleased to report that the charity's internal financial controls conform with guidelines issued by the Charity Commission.

Auditors

The auditors, UHY Hacker Young LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to Auditors

So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the trustees believe they have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Trustees' responsibilities

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

STONEWALL EQUALITY LIMITED

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

Trustees' responsibilities (continued)

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Jacqueline Davies
Chair

29 January 2013

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF STONEWALL EQUALITY LIMITED

We have audited the financial statements of Stonewall Equality Limited for the year ended 30 September 2012 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 7-8, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2012, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES AND MEMBERS OF STONEWALL EQUALITY LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

**Michael Egan
Senior Statutory Auditor
For and on behalf of UHY Hacker Young LLP, Statutory Auditor
Quadrant House
4 Thomas More Square
London
E1W 1YW**

29 January 2013

UHY Hacker Young LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

STONEWALL EQUALITY LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2012
[INCOME AND EXPENDITURE ACCOUNT]**

	Note	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Incoming resources					
<i>Incoming resources from charitable activities</i>					
Donations	2	696,002	-	696,002	758,114
Trusts & foundations	3	21,850	659,491	681,341	824,566
Sponsorship		-	487,226	487,226	452,479
Events		571,822	-	571,822	483,103
Fees		1,256,532	-	1,256,532	1,185,132
<i>Incoming resources from generated funds</i>					
Investment income		55,922	-	55,922	26,817
<i>Other incoming resources</i>		267,933	-	267,933	129,785
Total incoming resources		<u>2,870,061</u>	<u>1,146,717</u>	<u>4,016,778</u>	<u>3,859,996</u>
Resources expended					
<i>Cost of generating funds:</i>					
Fundraising costs of grants and donations		343,331	237,054	580,385	580,342
		<u>343,331</u>	<u>237,054</u>	<u>580,385</u>	<u>580,342</u>
<i>Charitable Activities:</i>					
Campaigns & research		1,561,599	774,642	2,336,241	2,104,387
Employment		763,706	106,875	870,581	750,080
<i>Governance costs</i>	4c	55,311	-	55,311	62,399
		<u>2,380,616</u>	<u>881,517</u>	<u>3,262,133</u>	<u>2,916,866</u>
Total resources expended	4	<u>2,723,947</u>	<u>1,118,571</u>	<u>3,842,518</u>	<u>3,497,208</u>
Net income for the year	5	<u>146,114</u>	<u>28,146</u>	<u>174,260</u>	<u>362,788</u>
Total funds brought forward 1 October 2011	10	2,669,872	33,722	2,703,594	2,340,806
Total funds carried forward 30 September 2012	10	<u>2,815,986</u> =====	<u>61,868</u> =====	<u>2,877,854</u> =====	<u>2,703,594</u> =====

There are no recognised gains and losses other than those in the statement of financial activities. Therefore no statement of total recognised gains and losses has been prepared. All the above amounts relate to continuing activities.

The notes on pages 14 to 27 form part of these financial statements.

STONEWALL EQUALITY LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2012

	Note	2012 £	2011 £
Fixed assets			
Tangible assets	6	39,300	50,256
Current assets			
Debtors	7	404,552	271,910
Short term deposits		2,100,000	2,500,000
Cash at bank		1,153,900	757,855
		3,658,452	3,529,765
Liabilities			
Creditors: amounts falling due within one year	8	819,898	876,427
Net current assets		2,838,554	2,653,338
Total assets less current liabilities		2,877,854	2,703,594
Net assets		2,877,854	2,703,594
The funds of the charity			
Unrestricted funds		2,815,986	2,669,872
Restricted funds		61,868	33,722
Total funds	10	2,877,854	2,703,594

The accompanying notes form an integral part of these financial statements.

The accounts were approved by the Board of Trustees on 29 January 2013.

Jacqueline Davies
Chair

Rachel Harper
Treasurer

The notes on pages 14 to 27 form part of these financial statements.

Company Registration Number: 02412299

STONEWALL EQUALITY LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2012**

	Note	2012	2011
		£	£
Net cash (outflow)/inflow from operating activities	18	(38,617)	342,748
Returns on investments and servicing of finance			
Deposit interest received		55,922	26,817
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(21,260)	(75,384)
Net cash (outflow)/inflow before management of liquid resources and financing		(3,955)	294,181
Management of liquid resources			
Cash taken from/(invested in) short term deposits		400,000	(398,080)
Increase/(decrease) in cash in the year		396,045	(103,899)
Net cash resources at 1 October 2011		757,856	861,754
Net cash resources at 30 September 2012		1,153,901	757,855

STONEWALL EQUALITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

1 Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

a) Basis of preparation

The financial statements have been prepared under the historic cost convention and comply with the Companies Act 2006. The financial statements have been prepared in accordance with Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities: Statement of recommended practice" and applicable accounting standards.

b) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of the charity.

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

Restricted income funds are funds subject to specific restrictions imposed by donors. The purpose and use of the restricted funds is set out in the notes to the financial statements.

c) Incoming resources

All income is accounted for as soon as the charity has entitlement to the income and there is certainty of receipt and the amount is quantifiable.

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' annual report.

d) Pension policy

The charity operates a pensions policy in compliance with the Stakeholder pension requirements. The charity does not have its own pension scheme. Instead the charity contributes up to 8% to a private pension scheme chosen by the individual concerned. As such, the amount paid in respect of contributions to such schemes is included within the wages and salaries expense.

e) Resources expended

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expense headings on the basis of time spent.

Governance costs are those incurred in connection with the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

STONEWALL EQUALITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

1 Accounting policies (continued)

f) Fixed assets

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:

Fixtures, fittings & equipment	25%- 100% straight line
Website costs capitalised	25% straight line
Software costs capitalised	33% straight line

The charity does not capitalise individual expenditure items below £1,000.

g) VAT

Where appropriate, expenditure includes irrecoverable value added tax.

2 Donations

	2012	2011
	£	£
Individual donations	666,198	725,550
Corporate donations	18,335	27,200
Legacies	11,469	5,364
	<hr/>	<hr/>
	696,002	758,114
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STONEWALL EQUALITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

3 Trusts and foundations

	2012	2011
	£	£
Unrestricted funds		
CA Rodewald Charitable Trust	750	-
Mickworth Charitable Trust	100	50
Robert Gavron Charitable Trust	-	1,000
The Monument Trust	20,000	20,000
JP Jacobs Charitable Trust	-	2,000
The Coutts Charitable Trust	1,000	-
	<hr/>	<hr/>
	21,850	23,050
	<hr/>	<hr/>
Restricted funds		
Aardvark Fund	-	9,448
Awards for All (England)	10,000	-
Awards for All (Scotland)	9,995	-
Awards for All (Wales)	5,000	-
Big Lottery Fund	112,604	150,871
Department of Health	79,000	80,000
Eleanor Rathbone Charitable Trust	1,000	-
Equality and Human Rights Commission	23,798	71,335
Esmée Fairbairn Foundation	9,711	8,310
Funderbirds	-	4,000
Lloyds TSB Foundation	37,000	-
London Women's Clinic	-	15,000
Paul Hamlyn Foundation	36,529	46,676
Russell Commission	-	51,588
Scottish Government (Voluntary Action Fund)	100,000	100,000
The Monument Trust	113,981	138,502
The Percy Bilton Charity	6,453	-
The RS Macdonald Charitable Trust	10,000	-
Tse Foundation	-	20,000
Vodafone Foundation	5,500	-
Wales Council for Voluntary Action	12,341	23,407
Welsh Assembly Government	84,850	82,379
Zachs-Adam Family Fund	1,729	-
	<hr/>	<hr/>
	659,491	801,516
	<hr/>	<hr/>
Total trusts and foundations	681,341	824,566
	<hr/> <hr/>	<hr/> <hr/>

STONEWALL EQUALITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012

4 Resources expended

a) Analysis of total resources expended

	Staff costs	Support costs	Other direct costs	Total 2012	Total 2011
	£	£	£	£	£
Unrestricted funds					
<i>Cost of generating funds</i>					
Fundraising costs	296,089	38,618	8,624	343,331	373,558
<i>Charitable activities</i>					
Campaigning & Research	1,037,574	183,639	340,386	1,561,599	1,176,453
Employment	561,259	71,107	131,340	763,706	643,494
<i>Governance</i>	15,530	16,293	23,488	55,311	62,399
Total unrestricted resources expended	1,910,452	309,657	503,838	2,723,947	2,255,904
Restricted funds					
<i>Cost of generating funds</i>					
Fundraising costs	-	-	237,053	237,053	206,784
<i>Charitable activities</i>					
Campaigning & Research	379,648	33,168	361,826	774,642	927,934
Employment	-	-	106,875	106,875	106,586
Total restricted resources expended	379,648	33,168	705,754	1,118,570	1,241,304
Total resources expended	2,290,100	342,825	1,209,592	3,842,517	3,497,208

b) Analysis of support costs

	Campaigning & Research	Employment	Fundraising	Governance	Total
	£	£	£	£	£
Travel	11,062	871	4,297	222	16,452
Premises	110,351	38,602	17,142	9,795	175,890
Communications & IT	30,003	12,049	5,250	2,615	49,917
Stationery, postage & printing	39,496	7,132	6,394	498	53,520
Financial costs	8,163	3,926	1,745	996	14,830
Depreciation	17,732	8,527	3,790	2,167	32,216
Total support costs	216,807	71,107	38,618	16,293	342,825

Support costs are allocated on the basis of staff time.

STONEWALL EQUALITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

4 Resources expended (continued)
c) Analysis of governance costs

	2012	2011
	£	£
Legal & professional fees	1,965	9,270
Audit fees	9,350	10,200
Non-audit fees	2,424	2,725
AGM & Trustee meetings	898	1,008
Trustee recruitment and training	8,851	14,770
Appointment of staff & support costs	31,823	24,426
	<hr/>	<hr/>
Total governance costs	55,311	62,399
	=====	=====

5 Net incoming resources

These are stated after charging:	2012	2011
	£	£
Auditors' remuneration	9,350	10,200
Non-audit fees: payroll	2,424	2,725
Depreciation	32,216	25,128
	<hr/>	<hr/>
	=====	=====

6 Tangible fixed assets

	Website costs capitalised	Fixtures fittings & equipment	Software costs capitalised	Total
	£	£	£	£
Cost				
At 1 October 2011	50,455	81,102	75,384	206,941
Additions	-	-	21,260	21,260
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2012	50,455	81,102	96,644	228,201
	=====	=====	=====	=====
Depreciation				
At 1 October 2011	50,455	81,102	25,128	156,685
Charge for year	-	-	32,216	32,216
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2012	50,455	81,102	57,344	188,901
	=====	=====	=====	=====
Net book value				
At 30 September 2012	-	-	39,300	39,300
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2011	-	-	50,256	50,256
	=====	=====	=====	=====

The above fixed assets are used to support all of the charity's activities.

STONEWALL EQUALITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

7 Debtors

	2012	2011
	£	£
Fees receivable	295,314	201,286
Prepayments and accrued income	109,238	70,624
	<hr/>	<hr/>
	404,552	271,910
	<hr/> <hr/>	<hr/> <hr/>

8 Creditors: Amounts falling due within one year

	2012	2011
	£	£
Accounts payable	176,890	149,538
Taxation and social security costs	65,741	114,651
Accruals	214,698	177,880
Deferred income (note 9)	362,569	434,358
	<hr/>	<hr/>
	819,898	876,427
	<hr/> <hr/>	<hr/> <hr/>

STONEWALL EQUALITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

9 Deferred income

Deferred income is funding received in advance for programme activity which was not planned for the current financial year.

	Opening Balance	Amounts released	Current year funding deferred	Closing balance
	£	£	£	£
Accenture	6,000	(6,000)	-	-
Aviva	25,000	(25,000)	-	-
Awards for All (England)	10,000	(10,000)	-	-
Barclays Bank plc	5,000	(5,000)	5,000	5,000
Credit Suisse	25,000	(25,000)	-	-
Diversity Champions – Membership fees	65,000	(65,000)	73,500	73,500
Education Champions – Membership fee	1,250	(1,250)	13,550	13,550
Eleanor Rathbone Charitable Trust	1,000	(1,000)	-	-
Esmée Fairbairn Foundation	-	-	16,185	16,185
Freshfields Bruckhaus Deringer	15,000	(15,000)	-	-
Garfield Weston Foundation	-	-	7,500	7,500
IBM	20,000	(20,000)	20,000	20,000
IBM Nederlands BV	30,000	(30,000)	20,000	20,000
Lloyds Banking Group	3,750	(3,750)	35,000	35,000
Nationwide Building Society	65,000	(65,000)	-	-
Other income	-	-	667	667
Paul Hamlyn Foundation	14,560	(14,560)	28,785	28,785
Recruitment Guide – Advertising income	61,500	(61,500)	56,000	56,000
School Champions – Membership fees	1,800	(1,800)	5,200	5,200
Société Générale	5,000	(5,000)	-	-
Stonewall Awards – Ticket sales	13,950	(13,950)	4,445	4,445
Stonewall Leadership Programme	-	-	1,095	1,095
The Monument Trust	61,698	(61,698)	18,717	18,717
The Rayne Foundation	-	-	10,000	10,000
The Sylvia Adams Charitable Trust	-	-	20,000	20,000
Tse Foundation	-	-	20,000	20,000
Workplace Conference – Scotland	1,975	(1,975)	6,925	6,925
Wales Council for Voluntary Action	1,875	(1,875)	-	-
	<u>434,358</u>	<u>(434,358)</u>	<u>362,569</u>	<u>362,569</u>
	=====	=====	=====	=====

STONEWALL EQUALITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012

10 Total funds

	Opening balance £	Net incoming resources £	Charitable expenditure £	Transfers £	Closing balance £
Unrestricted fund	2,249,872	2,870,061	2,723,947	-	2,395,986
Designated fund:					
Research fund	300,000	-	-	-	300,000
Relocation fund	120,000	-	-	-	120,000
	-----	-----	-----	-----	-----
Total unrestricted funds	2,669,872	2,870,061	2,723,947	-	2,815,986
	=====	=====	=====	=====	=====
Restricted funds:					
American Express	-	30,000	30,000	-	-
Aviva	-	90,000	90,000	-	-
Awards for All (England)	-	10,000	10,000	-	-
Awards for All (Scotland)	-	9,995	9,995	-	-
Awards for All (Wales)	-	5,000	-	-	5,000
Bank of America Merrill Lynch	-	30,000	30,000	-	-
Barclays Bank Plc	-	60,000	60,000	-	-
Big Lottery Fund	5,405	112,604	111,944	-	6,065
Coutts	-	35,000	35,000	-	-
Credit Suisse	-	45,000	45,000	-	-
Department of Health	-	79,000	39,131	-	39,869
Eleanor Rathbone Charitable Trust	-	1,000	1,000	-	-
Equality and Human Rights Commission	-	23,798	23,798	-	-
Esmée Fairbairn Foundation	-	9,711	9,711	-	-
Freshfields Bruckhaus Deringer	-	15,000	15,000	-	-
Google	-	20,000	20,000	-	-
IBM	-	20,000	20,000	-	-
IBM Nederland BV	-	30,000	30,000	-	-
Lloyds Banking Group	-	3,750	3,750	-	-
Lloyds TSB Foundation	-	37,000	37,000	-	-
Nationwide Building Society	-	65,000	65,000	-	-
Paul Hamlyn Foundation	-	36,529	36,529	-	-
Scottish Government (Voluntary Action Fund)	19,317	100,000	118,383	-	934
Société Générale	-	25,000	25,000	-	-
Square Peg Media	-	6,000	6,000	-	-
	-----	-----	-----	-----	-----
Restricted fund subtotal c/f	24,722	899,387	872,241	-	51,868

STONEWALL EQUALITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

10 Total funds (continued)

	Opening balance £	Net incoming resources £	Charitable expenditure £	Transfers £	Closing balance £
Restricted funds (continued):					
Restricted fund subtotal b/f	24,722	899,387	872,241	-	51,868
TDAS	9,000	12,476	21,476	-	-
The Monument Trust	-	113,981	113,981	-	-
The Percy Bilton Charity	-	6,453	6,453	-	-
The RS Macdonald Charitable Trust	-	10,000	-	-	10,000
The Vodafone Foundation	-	5,500	5,500	-	-
Wales Council for Voluntary Action	-	12,341	12,341	-	-
Welsh Assembly Government	-	84,850	84,850	-	-
Zachs-Adam Family Fund	-	1,729	1,729	-	-
	-----	-----	-----	-----	-----
Total restricted funds	33,722	1,146,717	1,118,571	-	61,868
	=====	=====	=====	=====	=====
Total Funds	2,703,594	4,016,778	3,842,518	-	2,877,854
	=====	=====	=====	=====	=====

Designated funds:

Relocation fund

The relocation fund represents funds set aside for the costs associated with moving to new office premises.

Research fund

The research fund represents funds set aside for programmes (usually recurring research into public opinion) to which the charity is already operationally committed.

Restricted funds:

American Express

For the Brighton Walk fundraising event

Aviva

For the sponsorship of the Equality Dinner

Awards for All (England)

To support the costs of the Older People's guide

Awards for All (Scotland)

To support the costs of primary school resources in Scotland

Awards for All (Wales)

To support the costs of primary school resources in Wales

Bank of America Merrill Lynch

For the Youth Leadership programme

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012

10 Total funds (continued)

Barclays

For sponsorship of Workplace Conferences

Big Lottery Fund

Funding for the Information Service

Coutts

For sponsorship of the Ambassador Programme

Credit Suisse

To support the costs of the Recruitment Guide

Department of Health

Funding to run an NHS Leadership programme

Eleanor Rathbone Charitable Trust

To support the costs of the Youth Programme

Equality and Human Rights Commission (EHRC)

For the Health programme

Esmée Fairbairn Foundation

For the Education Champions programme

Freshfields Bruckhaus Deringer

For sponsorship of the Equality Dinner champagne reception

Google

For sponsorship of the University guide

IBM

For sponsorship of the Education for All programme

IBM Nederland BV

For sponsorship of the Leadership Development report

Lloyds Banking Group

For sponsorship of e-bulletins

Lloyds TSB Foundation

To support the costs of the Youth Programme

Nationwide Building Society

For sponsorship of the Stonewall Awards

Paul Hamlyn Foundation

For the Education Officer - primary schools' post

STONEWALL EQUALITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

10 Total funds (continued)

Scottish Government (Voluntary Action Fund)

For the Good Practice programme

Société Générale

£15,000 for sponsorship for the Summer Fundraising Party

£10,000 for sponsorship of the Friends magazine

Square Peg Media

£3,000 for sponsorship of the Summer Fundraising Party

£3,000 for sponsorship of the London Gay Mayoral Hustings

TDAS

For the training DVD and best practice model

The Monument Trust

Funding for the Education for All programme

The Percy Bilton Charity

Funding for media equipment for the Youth Programme

The RS Macdonald Charitable Trust

To support the costs of primary school resources in Scotland

The Vodafone Foundation

For sponsorship of two internships

Wales Council for Voluntary Action

£5,000 for volunteer co-ordination and events

£3,341 for outreach work

£4,000 for community engagement and participation

Welsh Assembly Government

Funding for equality work in Wales

Zachs-Adam Family Fund

Funding for equality work in Scotland

STONEWALL EQUALITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

11 Staff costs and numbers

	2012	2011
	£	£
a) Staff costs and numbers		
Salaries	1,953,661	1,786,089
Social security	206,724	187,303
Pension	129,715	103,524
	<u> </u>	<u> </u>
	2,290,100	2,076,916
	=====	=====

The number of employees whose emoluments amounted to over £60,000 in the year were as follows:

	2012	2011
£70,000 to £79,999	1	1
£80,000 to £89,999	-	1
£90,000 to £99,999	1	-

The number of higher paid employees with pension contributions paid into their personal pension plans is 2 (2011:2). The pension contributions for these employees amounted to £29,286 (2011: £20,981).

	2012	2011
The average number of employees analysed by function was:		
Direct charitable activities	53	50
Fundraising	7	7
Management and administration	4	4
	<u> </u>	<u> </u>
	64	61
	=====	=====

b) Trustees

No Trustee received reimbursed travel expenses during the year (2011: £Nil). No Trustee received a salary (2011: £Nil).

STONEWALL EQUALITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

12 Charitable status

Stonewall Equality Limited is a charity registered under the Charities Act 1993 No. 1101255. As such the charity is entitled to take advantage of the exemptions granted by sections 466 to 493 Corporation Tax Act 2010.

13 Related party transactions

There were no related party transactions during the year (2011: £Nil).

14 Operating leases

The company's commitments for rental payments due in the next 12 months under non cancellable operating leases during the year to 30 September 2012 are as follows:

	2012	2011
	£	£
Leases expiring:		
Within one year	28,587	94,782
	=====	=====

15 Capital commitments

As at 30 September 2012 there were no capital commitments (2011: £Nil).

16 Pension commitments

The company makes contributions to personal pension schemes on behalf of some of its employees. Contributions in the year totalled £129,715 (2011 £103,524).

17 Analysis of assets between funds

	Unrestricted	Restricted	Total
	Funds	Funds	Funds
	£	£	£
Fund balances at 30 September 2012 are represented by:			
Fixed assets	39,300	-	39,300
Debtors	284,272	120,280	404,552
Deposits and cash at bank	3,100,361	153,539	3,253,900
Creditors	(607,947)	(211,951)	(819,898)
	-----	-----	-----
Total net assets	2,815,986	61,868	2,877,854
	=====	=====	=====

STONEWALL EQUALITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

18 Notes to the cash flow statement

a) Reconciliation of net movement in funds to net cash flow from operating activities:

	2012	2011
	£	£
Net movement in funds for the year	174,260	362,788
Investment income	(55,922)	(26,817)
Depreciation charges	32,215	25,128
(Increase)/decrease in debtors	(132,642)	37,912
Decrease in creditors	(56,528)	(56,263)
	<hr/>	<hr/>
Net cash flow from operating activities	(38,617)	342,748
	=====	=====