

Registered Charity No. 1101255 (England and Wales)  
Registered Charity No. SC039681 (Scotland)  
Registered Company No. 02412299

**STONEWALL EQUALITY LIMITED**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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# STONEWALL EQUALITY LIMITED

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CHARITY INFORMATION

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<b>Trustees</b>	Jonathan Andrews (appointed 31 October 2017) Richard Beaven Simon Blake Katie Cornhill Catherine Dixon (appointed 25 July 2017) Jan Gooding Sheldon Mills Phyll Opoku-Gyimah Rosalyn Parker (appointed 25 July 2017) Lisa Pinney MBE Oliver Rowe Tim Toulmin Mohsin Zaidi (appointed 25 July 2017)
<b>Chair</b>	Jan Gooding
<b>Treasurer</b>	Lisa Pinney MBE
<b>Chief Executive</b>	Ruth Hunt
<b>Secretary</b>	Maxine Draper (appointed 19 December 2017) Cathryn Wright (resigned 18 December 2017)
<b>Company number</b>	02412299
<b>Charity number</b>	1101255 (England and Wales) SC039681 (Scotland)
<b>Registered office and business address</b>	192 St John Street London EC1V 4JY
<b>Auditors</b>	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
<b>Bankers</b>	Barclays Bank plc 1 Churchill Place London E14 5HP

**TRUSTEES' ANNUAL REPORT**

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Stonewall's trustees present their report and financial statements for the year ended 30 September 2017. The statements appear in the format required by the Statement of Recommended Practice for the Accounting and Reporting by Charities. 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 core aim of the charity is to seek to advance equality and acceptance for lesbian, gay, bi and trans people in the UK and worldwide. Our vision is a world where everyone, everywhere, is free to be themselves.

Stonewall centres its planning and activity around four core strategic priorities. These are:

- Empowering individuals
- Transforming institutions
- Changing hearts and minds
- Changing laws

For the year of activity covered by this report, we have carried out projects, programmes and campaigns aimed at tackling homophobia, biphobia and transphobia where it exists, as well as creating positive role models and a strong voice for LGBT people across England, Scotland and Wales.

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:

- Support individuals to work out how they can make a difference for LGBT people at work, at home and in their communities. Equip people with the tools and confidence to connect with, influence and enable others in their communities, by challenging homophobic, biphobic and transphobic (HBT) bullying, celebrating difference and improving inclusion and visibility of role models. Empower people of all ages and backgrounds to be role models and allies wherever they live, work, study, shop, socialise and pray.
- Reach more people and have a greater impact by transforming institutions and embedding in them an inclusive and accepting culture. Work with all organisations, including workplaces, schools, healthcare providers, sports clubs and religious institutions, here and abroad, to ensure they offer inclusive, equal and inspiring environments for lesbian, gay, bi and trans people. Work with institutions to enable them to understand the huge benefits that LGBT people can bring to an organisation, and that a different set of experiences and perspectives can help organisations to flourish.
- Go deeper into our communities than ever before to reach people we may not have had a relationship with in the past, including people from a range of ethnic and religious backgrounds, as well as rural communities. Ensure that LGBT role models and allies are visible throughout public life in order to create an environment that enables all LGBT people to participate fully in society.
- Campaign and lobby governments to change laws that do not ensure equality for LGBT people, or laws that do not go far enough. Ensure that the laws affecting trans people are reviewed and reformed in this government. Work alongside the government to ensure they are not complacent about the rights of LGBT people, and to ensure everyone, everywhere is free to be themselves.

TRUSTEES' ANNUAL REPORT

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**Principal achievements of the year 2016/17**

Stonewall was involved in a wide range of activities supporting our core objectives of empowering individuals, transforming institutions, changing hearts and minds and changing laws. Highlights of the reporting year are detailed below:

**Empowering individuals**

- We launched A Vision for Change – a manifesto for change written in partnership with Stonewall's Trans Advisory Group setting out our work for trans equality over the next five years. The document is based on a shared mission: that trans people have the right to live full and authentic lives at work, home and in public. Before launching the final version, we held a series of consultation events around England, Scotland and Wales that were attended by over 150 trans people.
- 1,052 people attended a Leadership, Allies or Role Models programme run by Stonewall in 2016/17. Our School Role Models programme alone meant that more than 15,000 young people heard a Stonewall School Role Model's story in their assembly. We also launched our new Role Models programmes for bi and BAME (Black, Asian and Minority Ethnic) role models.
- In September 2017, we launched our first new brand awareness campaign in ten years – 'Come Out For LGBT' – which aimed to reach passive allies from both within LGBT communities and outside it, and inspire them to become active advocates for LGBT equality. The campaign reached over 9 million people on launch weekend through outdoor digital and cinema advertising, with over 800 press articles and 2,800 online influencers sharing their own content, leading us to trend UK-wide on social media on the launch day.
- We took part in 30 Prides across Britain over the summer of 2017, ranging from major cities to small local events. We marched in London, Manchester, Cardiff, Edinburgh and Birmingham with a total of 835 LGBT people and allies. We also had a presence at three Youth Prides – London, Manchester and added Birmingham Youth Pride to our summer programme for the first time in 2017.

**Transforming institutions**

- We worked with 760 organisations through our Diversity Champions programme to empower them to create change for LGBT employee, customers and service users. Of those, 146 were global businesses, helping them to transform their international workplace cultures for staff and customers. We also launched 25 new workplace resources this year, including toolkits for businesses on inclusive service delivery.
- Our 2017 Workplace Equality Index (WEI) had over 430 submissions – the highest ever number of entries – and more than 90,000 people submitted responses to the related staff questionnaires.
- 755 teachers across Britain were empowered to tackle homophobic, biphobic and transphobic bullying and language in their schools by our Train the Trainer programmes. 450 schools with a faith character signed up to work with Stonewall on tackling HBT bullying and language this next academic year, and more than 3,500 LGBT young people took part in our School Report research. The report, released in summer 2017, outlines issues facing LGBT young people in schools today and will guide Stonewall's ongoing work to influence schools and policy makers to address these issues.

TRUSTEES' ANNUAL REPORT

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**Changing hearts and minds**

- Our Rainbow Laces campaign, to kick homophobia, biphobia and transphobia out of sport, continued to grow strongly. We distributed 58,350 pairs of Rainbow Laces to supporters to wear with pride over the year. In November 2016's Rainbow Laces activity, 22 per cent of sports fans engaged with the campaign, including more than 149 million engagements on social media and through more than 200 pieces of media coverage.
- We engaged with 151 LGBT community groups across England to find out how we can support them to change hearts and minds in their area. 60 LGBT people and allies took part in workshops in South West England and Manchester to explore how we can better support local campaigners. Over 1,000 people signed up to our By Your Side campaign, showing their support to all LGBT people in Britain and overseas; even more engaged in conversations about the campaign and shared photos showing their support on social media. We ran our first annual Stonewall Season in October 2016, asking people from different communities to run their own events for LGBT equality. 82 events were held, covering England, Scotland and Wales.

**Changing laws**

- When the General Election was called in April 2017, 1,600 candidates received emails from our supporters asking them to back Stonewall's priorities for LGBT equality in the next parliament. More than 230 people took part in the LGBT hustling event that Stonewall co-organised during the campaign in May, with over 25,000 people viewing the event live on social media.
- We met more than 70 parliamentarians throughout Britain to ensure LGBT equality is part of their work and gave evidence to parliamentary committees on homophobia in sport and on blood donation. We responded to 37 government consultations across England, Scotland and Wales, covering a broad range of areas such as tackling anti-LGBT hate crime and protecting LGBT rights after our exit from the European Union (EU).
- We joined up with seven other UK campaign groups working for global LGBT rights to form the new UK Alliance for Global Equality. Stonewall chaired the Alliance as it developed its three-year plan to work together on global LGBT rights.
- We secured an apology from the UK Government to all gay and bi men persecuted under the Sexual Offences Act 1956 and other historical offences. We also secured a commitment to ensure more gay and bi men who are still alive can have their old convictions based on these discriminatory laws deleted from the criminal record, so they no longer prevent them from applying for certain jobs and volunteer roles.

We remained 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 for the year was 2% of payroll costs. Our annual confidential staff survey indicated that at November 2017, 94% of staff said they were proud to work for Stonewall, 84% of staff said that working for Stonewall is fun and 89% of staff said that they enjoy the work they do. We are proud that these are sector-leading scores for staff satisfaction.

TRUSTEES' ANNUAL REPORT

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**Looking Ahead: Future Plans****Empowering individuals**

- We will empower LGBT people and their allies in all aspects of their lives, to enable them to be agents for change in their communities and to challenge homophobic, biphobic and transphobic discrimination.
- We will work with LGBT communities and allies to provide effective tools that empower them to influence and enable others in their communities. We will empower LGBT people to stand up as role models and leaders, and empower allies to realise the positive difference they can have in celebrating difference and improving inclusion. We will use our experience in England to create a Young Campaigners programme in Wales. With funding from Comic Relief, we will also develop LGBT empowerment programmes for young campaigners from trans, BAME and disability backgrounds.
- We will do much more to improve the experiences of trans people, BAME, and disabled LGBT people, as well as those from low income backgrounds. We will reach deeper in to these communities, and inspire more people to be active allies to all LGBT people. We will further roll out our BAME / People of Colour (PoC) Role Model programme throughout 2017/18, and build up networks and activism in three new regions to increase local LGBT campaigning ability, prioritising areas with a significant BAME or low income population.
- We will ensure that the specific challenges facing older LGBT people, LGBT people in rural areas and LGBT people from faith communities are considered as part of our engagement.

**Transforming institutions**

- We will continue to reach more people and achieve a greater impact by working with institutions to embed cultures of inclusion and acceptance across workplaces and service provision. Over 2017/18 we will conduct research into how we can best support SMEs and define our offering to them.
- In early 2018, we will launch our first ever trans-inclusive Workplace Equality Index results.
- We will deepen our understanding of sector-specific challenges, develop related strategies and tailor our interventions, particularly for service provision (e.g. healthcare, policing), across education, in sport, with faith organisations, and with national umbrella bodies across the private and public sectors.
- We will grow our international impact through existing programmes, by expanding our influence and by working with more countries in collaboration with LGBT campaigners and institutions. As part of this, we will better collaborate with and support our Global Diversity Champions (GDCs) and Global Founding Partners (GFPs) to drive social change through their activities and influence. In 2017/18, we will run a series of webinars for employers, and formalise partnerships with non-UK events.

**Changing hearts and minds**

- We will work to ensure that LGBT people, across all communities are valued, welcomed by all and able to participate fully in society. We will help LGBT people to better understand and respect difference across LGBT life, and work to tackle prejudice within LGBT communities, particularly racial prejudice.

TRUSTEES' ANNUAL REPORT

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- We will develop our 'Come Out For LGBT' campaign over 2017/18 to move people from being passive supporters of LGBT equality to active advocates, inspiring and empowering them with the tools and confidence to do this. This includes making our messages, campaigns and activities even more relevant to everyone (e.g. allies, parents, sports fans and professionals, healthcare professionals and others).
- We will continue to research trends in attitudes across LGBT communities and wider society to better inform our approach to influencing hearts and minds, and to understand our impact.
- We will make LGBT role models and allies more visible across public life, and work with those who profile them in the media and elsewhere, to create a society that celebrates diversity, challenges stereotypes and allows all LGBT people to be themselves without discrimination, or fear of discrimination. In 2017/18 we will roll out our first Trans Allies programme across Britain.
- We will work with sports institutions to influence wider audiences, developing our Rainbow Laces campaign and our work with Team Pride with the help of a new sport directorate. Sport brings people together and is a potential influencer of change - directly and indirectly, in the UK and internationally.
- We will continue to support young people in schools and youth settings to help them value and celebrate difference, from school, through work and for life.

**Changing laws**

- We must ensure that the UK government is committed to maintaining and protecting laws that are already in place to ensure equality for LGBT people. Where LGBT people continue to face discrimination and inequalities in law, we will do everything in our power to change this.
- We will work in 2017/18 to ensure the UK and Scottish governments fulfil their commitment to review the Gender Recognition Act (GRA) and introduce new legislation to grant full legal recognition to trans and non-binary people.
- We must build strong cross-party relationships and show the governments of the UK that positively addressing LGBT issues will help them to gain cross-party support, and are firmly in the public interest, especially after we leave the EU.
- We will build consensus on ensuring Relationships and Sex Education (RSE) guidance is fully LGBT inclusive by working with allies across parliament in 2017/18. We will ensure the recommendations of the Scottish Government LGBT Inclusive Education Working Group are delivered.
- It is essential that LGBT hate crimes are brought into line with hate crimes based on race and faith, by making them aggravated offences, and we will work to build consensus on this in Westminster. In Scotland, we must work to ensure current protections for LGBT people are not diluted but strengthened as part of the Scottish Government Hate Crime Review in 2018.
- We must work with and learn from international LGBT communities, to ensure we can help them have maximum impact in their countries, and we must share our experiences with them.
- We will continue to influence the UK government to put global LGBT rights at the heart of its foreign policy and international development agenda, as directed by the priorities and advice of international LGBT activists.



**TRUSTEES' ANNUAL REPORT**

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**Financial Review**

Net movement of funds during the year was a deficit of £245,388. Our total income was £7,245,714 - an increase of 3% on the previous reporting year. Unrestricted income increased by 4% reflecting a successful fundraising year despite a challenging economic environment. The charity has in recent years developed a culture of strict variance scrutiny and expenditure 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 maximum of two further consecutive terms of three years each. Normally trustees serve a maximum of two terms to maximise planned succession and opportunity. The Finance Committee and Remuneration 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.

A process of skills-based, open recruitment to source new trustees is employed. New trustees are briefed on the Memorandum & Articles of Association, risk register, policies and procedures. This includes briefing on issues such as delegation of authority, recruitment, reserves, conflicts of interest and current and previous years' financial performance.

Trustees are responsible for the strategic direction of Stonewall Equality Limited and delegate management to the Chief Executive and Managing Director who report on performance against operational plans approved by the Board. The Chief Executive and Managing Director also report 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.

**Remuneration of Key Personnel**

Remuneration for the key personnel of the Executive Directors, Managing Director and Chief Executive is derived by individually benchmarking each role with a view to paying at the market rate. The benchmarked salaries are reviewed and agreed by the Remuneration Committee.

**Diversity**

The charity remains firmly committed to the diversity of our workforce, volunteers and beneficiaries, and continues 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.

In line with best practice, we annually review our diversity statistics, by asking employees to voluntarily self-identify as part of the staff survey, and take action to address any underrepresentation. At November 2017:

- 56% of our staff were female
- 6% of our staff identified as trans
- 14% of our staff were from black and minority ethnic communities
- 13% of our staff considered themselves to be disabled
- 27% of our staff were heterosexual
- 18% of our staff were bisexual

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- 23% of our staff had a faith

**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 3 staff members would be required to undertake administrative, fundraising and other duties at an annual cost of £90,000.

At the end of the year, 40% of our volunteer applications were received from women, 6% were from trans people, 24% were from black and minority ethnic backgrounds, 17% were disabled and 10% were heterosexual.

**Reserves**

At 30 September 2017, total reserves were £4,933,744 (2016: £5,179,132). Of these, restricted funds were £15,779 (2016: £112,616) and general funds £4,553,704 (2016: £4,366,156). The Relocation designated fund (2016: £600,000) for costs relating to the London office move and the Rainbow Laces designated fund (2016: £100,000) for the sports campaign have been released in full in the year. A designated fund to reflect the net book value of the capitalised leasehold improvements has been created and totals £364,242.

Trustees keep the reserves policy of the charity under regular review. The policy is to hold general funds equivalent to six months' expenditure. As at the 2016/17 year end, this has been achieved with the general reserve equivalent to 7.3 months' expenditure (2016: 8.6). These reserves are needed to meet future growth plans and working capital requirements should there be a material deficiency in funding at any point in the future. Investment of the reserves is planned in the next few years in campaign costs, resources and infrastructure to enable Stonewall to meet its strategic objectives.

**Risk Management**

Trustees undertake a thorough risk review 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 risks. As part of this process the trustees keep the adequacy of the charity's internal controls under review and, wherever possible, comply with best practice.

Additionally, the Finance Committee continually assesses risk and reviews key risks on a quarterly basis. These include risks relating to the safety and security of our employees mitigated by stringent procedures, assessments and insurance, and political challenges which threaten Stonewall's objectives controlled by a flexible and nimble approach to achieving our objectives.

This report, incorporating the Strategic Report for the purposes of the Companies Act 2006, was approved by the Board.



**Jan Gooding**  
Chair of Trustees

30 January 2018

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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**Trustees responsibilities in relation to the financial statements**

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the 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 Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that 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 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). 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.

In so far 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.



**Jan Gooding**  
**Chair of Trustees**

30 January 2018

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS**

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**Opinion**

We have audited the financial statements of Stonewall Equality Limited for the year ended 30 September 2017 which comprise the statement of financial activities, the balance sheet, the 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 charitable company's state of affairs as at 30 September 2017 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).

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, and to the charitable company's trustees as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees and members those matters we are required to state to them in an auditors' 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 trustees, the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS**

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**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.

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.

**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' Annual Report which includes the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the 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 where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the trustees (who are also 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS

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going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



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Cara Turlington (Senior Statutory Auditor)  
For and on behalf of

Saffery Champness LLP      71 Queen Victoria Street, London, EC4V 4BE  
Chartered Accountants

Statutory Auditors

Date: 30 January 2018

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<b>Income from:</b>					
Donations and legacies	2	1,323,717	8,423	1,332,140	1,739,542
<i>Charitable Activities:</i>					
Grants	3	4,500	867,306	871,806	900,988
Sponsorship		609,873	-	609,873	393,250
Events		740,428	-	740,428	771,278
Fees		2,644,908	-	2,644,908	2,296,095
Programmes		589,633	-	589,633	526,853
Other trading activities		3,526	-	3,526	6,314
Investments		47,293	-	47,293	59,740
Other		406,107	-	406,107	321,749
<b>Total</b>		<b>6,369,985</b>	<b>875,729</b>	<b>7,245,714</b>	<b>7,015,809</b>
<b>Expenditure on:</b>					
<i>Raising funds:</i>					
Fundraising		1,272,341	1,500	1,273,841	1,085,668
<i>Charitable activities:</i>					
Campaigns, policy and research		2,657,968	454,133	3,112,101	2,436,157
Employment advice		1,916,127	45,592	1,961,719	1,618,485
Empowerment programmes		672,100	471,341	1,143,441	933,976
<b>Total</b>	4	<b>6,518,536</b>	<b>972,566</b>	<b>7,491,102</b>	<b>6,074,286</b>
<b>Net movement of funds</b>	5	<b>(148,551)</b>	<b>(96,837)</b>	<b>(245,388)</b>	<b>941,523</b>
Total funds brought forward	10	5,066,516	112,616	5,179,132	4,237,609
<b>Total funds carried forward</b>	10	<b>4,917,965</b>	<b>15,779</b>	<b>4,933,744</b>	<b>5,179,132</b>

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

The notes on pages 18 to 28 form part of these financial statements.

## BALANCE SHEET

	Notes	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	6	390,838	7,853
Investments		2,579,655	2,536,502
		<u>2,970,493</u>	<u>2,544,355</u>
<b>Current assets</b>			
Debtors	7	1,647,281	1,363,732
Cash at bank		1,798,541	2,242,862
		<u>3,445,822</u>	<u>3,606,594</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	8	1,482,571	971,817
		<u>1,963,251</u>	<u>2,634,777</u>
<b>Net current assets</b>			
		<u>4,933,744</u>	<u>5,179,132</u>
<b>Total assets less current liabilities</b>			
		<u>4,933,744</u>	<u>5,179,132</u>
<b>Net assets</b>			
		<u>4,933,744</u>	<u>5,179,132</u>
<b>Funds</b>			
Restricted funds		15,779	112,616
Unrestricted funds:			
Designated fund		364,262	700,000
General funds		4,553,703	4,366,516
		<u>4,933,744</u>	<u>5,179,132</u>
<b>Total funds</b>	10	<u>4,933,744</u>	<u>5,179,132</u>

The accounts were approved by the Board of Trustees on 30 January 2018



Jan Gooding  
Chair of Trustees



Lisa Pinney MBE  
Treasurer

The notes on pages 18 to 28 form part of these accounts.

Company number: 02412299



## STATEMENT OF CASH FLOWS

	2017 £	2016 £
<b>Cash flows from operating activities:</b>		
<b>Net cash provided by operating activities</b>	43,748	306,133
<b>Cash flows from investing activities</b>		
Interest from investments	47,293	59,740
Purchase of equipment	(492,210)	(5,962)
(Investment)/withdrawal of cash on deposit	(43,152)	(36,502)
<b>Net cash provided by investment activities</b>	(488,069)	17,276
<b>Change in cash and cash equivalents in the year</b>	(444,321)	323,409
Cash at beginning of the year	2,242,862	1,919,453
<b>Cash at the end of the year</b>	1,798,541	2,242,862

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

	2017 £	2016 £
Net movement in funds for the year	(245,388)	941,523
Investment income	(47,293)	(59,740)
Depreciation charges	109,225	5,865
Increase in debtors	(283,550)	(513,708)
Increase/(decrease) in creditors	510,754	(67,807)
<b>Net cash flow from operating activities</b>	43,748	306,133

NOTES TO THE FINANCIAL STATEMENTS

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**1 Accounting Policies****Accounting convention**

These 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 constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention.

The principal accounting policies adopted are set out below.

**Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**Financial instruments**

The charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially in the accounts at transaction price, including any transaction costs. At the end of each accounting period, basic financial instruments are recognised at amortised cost. For debt instruments this is calculated using the effective interest rate method.

**Critical estimate and judgements and key sources of estimation uncertainty**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**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.

**Government grants**

Revenue grants are credited to the statement of financial activities when there is entitlement and probability of receipt and when the amount can be reliably measured.

**Income**

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.

**NOTES TO THE FINANCIAL STATEMENTS**

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Membership income is recognised in full at the beginning of the year to which it relates.

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.

**Gifts in kind**

Gifts in kind by way of donated services are recognised as an incoming resource where the provider of the service has incurred a financial cost. Donated services are recognised on the basis of the value to the charity, which is the amount the charity would have been willing to pay to obtain the services of equivalent economic benefit in the open market. A corresponding amount is then recognised in expenditure in the period of receipt.

**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 9% 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.

**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 staff numbers.

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

**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 and equipment	25% - 100% straight line
Website costs capitalised	25% straight line
Software costs capitalised	33% straight line
Leasehold improvements	20% straight line/break clause of lease

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

**Investments**

Cash balances held as part of the long-term reserves policy are classified as fixed asset investments, as the trustees do not intend to release the funds in the next 12 months. These are included at cost.

**VAT**

Where appropriate, expenditure includes irrecoverable value added tax.

## NOTES TO THE FINANCIAL STATEMENTS

**2 Donations**

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Individual donations	936,537	6,923	943,460	1,359,199
Corporate donations	103,198	1,500	104,698	218,761
Legacies	96,611	-	96,611	155,214
Donated services	187,371	-	187,371	6,368
	<b>1,323,717</b>	<b>8,423</b>	<b>1,332,140</b>	<b>1,739,542</b>

Donated services comprise pro bono professional legal support, media services and gifts for catering at events.

## NOTES TO THE FINANCIAL STATEMENTS

**3 Income from charitable activities: Grants**

	Unrestricted	Restricted	2017	2016
	£	£	£	£
Arcus Foundation	-	-	-	90,089
Awards for All England	-	-	-	4,792
Awards for All Scotland	-	-	-	6,000
Awards for All Wales	-	-	-	5,000
Bute Family Charitable Trust	-	-	-	2,000
CAF American Donor Fund	-	-	-	3,000
C A Rodewald Charitable Settlement	-	-	-	500
City Bridge Trust	-	8,500	8,500	-
Department for Education	-	146,897	146,897	254,243
Foreign & Commonwealth Office (FCO)	-	294,974	294,974	94,094
Goldman Sachs Gives	-	10,000	10,000	10,000
Kleinwort Benson	500	-	500	-
Heritage Lottery Fund	-	-	-	6,680
Lendlease Foundation	-	-	-	1,000
Limoges Charitable Trust	-	-	-	500
Matrix Causes Fund	-	5,000	5,000	-
Mickworth Charitable Trust	-	-	-	250
Mrs Wingfield's Charitable Trust	-	-	-	3,000
Pinsent Masons Foundation	-	5,000	5,000	5,000
Schroder Charity Trust	2,000	-	2,000	-
Scottish Government	-	97,500	97,500	100,000
The Austin Hope & Pilkington Trust	-	-	-	3,000
The Baring Trust	-	29,673	29,673	-
The Bewley Charitable Trust	-	-	-	50
The Charles S. French Charitable Trust	1,000	-	1,000	-
The Cornwell Charitable Trust	-	-	-	350
The Denis Alan Yardy Charitable Trust	-	-	-	500
The JP Jacobs Charitable Trust	1,000	-	1,000	1,000
The MB Reckitt Trust	-	-	-	5,240
The Monument Trust	-	150,000	150,000	156,000
The Persula Foundation	-	-	-	2,500
The Willie & Maud Morris Charitable Trust	-	-	-	750
Trust for London	-	-	-	7,500
University of Cambridge	-	-	-	10,000
Wales Council for Voluntary Action	-	3,560	3,560	7,968
Welsh Government	-	116,202	116,202	119,982
	4,500	867,306	871,806	900,988

Total income from government sources was £655,573 (2016: £568,319).

## NOTES TO THE FINANCIAL STATEMENTS

## 4 Total Expenditure

	Direct Activities £	Support Costs £	Governance Costs £	2017 £	2016 £
<i>Cost of generating funds:</i>					
Fundraising costs	867,140	398,295	8,406	1,273,841	1,085,668
<i>Charitable activities:</i>					
Campaigns, policy and research	2,131,235	960,593	20,273	3,112,101	2,436,157
Employment advice	1,267,935	679,444	14,340	1,961,719	1,618,485
Empowerment programmes	856,358	281,149	5,934	1,143,441	933,976
Total charitable activities	4,255,528	1,921,186	40,547	6,217,261	4,988,618
<b>Total expenditure</b>	<b>5,122,668</b>	<b>2,319,481</b>	<b>48,953</b>	<b>7,491,102</b>	<b>6,074,286</b>

Support costs comprise:

	Cost of raising funds £	Charitable activities £	2017 £	2016 £
General Management	77,609	374,346	451,955	324,723
Finance, operations, human resources and information technology	320,686	1,546,840	1,867,526	1,181,034
	398,295	1,921,186	2,319,481	1,505,757

## Support function

## Basis of apportionment

General Management

Staff numbers

Finance, operations, human resources and information technology

Staff numbers

## 5 Net incoming resources

	2017 £	2016 £
These are stated after charging:		
Auditors' remuneration	12,500	11,000
Non statutory audit fees: tax advice and donor audits	1,650	4,695
Depreciation	109,225	5,865

## NOTES TO THE FINANCIAL STATEMENTS

**6 Tangible fixed assets**

	Leasehold Improve- ments £	Fixtures, fittings and equipment £	Website Costs £	Software Costs £	Total £
<b>Cost</b>					
At 1 October 2016	-	93,900	50,455	101,442	245,797
Additions	455,327	15,859	-	21,024	492,210
Disposals	-	(81,104)	(50,455)	(96,644)	(228,203)
<b>At 30 September 2017</b>	<b>455,327</b>	<b>28,655</b>	<b>-</b>	<b>25,822</b>	<b>509,804</b>
<b>Depreciation</b>					
At 1 October 2016	-	89,246	50,455	98,243	237,944
Charge for year	91,065	9,552	-	8,608	109,225
Disposals	-	(81,104)	(50,455)	(96,644)	(228,203)
<b>At 30 September 2017</b>	<b>91,065</b>	<b>17,694</b>	<b>-</b>	<b>10,207</b>	<b>118,966</b>
<b>Net book value</b>					
<b>At 30 September 2017</b>	<b>364,262</b>	<b>10,961</b>	<b>-</b>	<b>15,615</b>	<b>390,838</b>
<b>At 30 September 2016</b>	<b>-</b>	<b>4,654</b>	<b>-</b>	<b>3,199</b>	<b>7,853</b>

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

**7 Debtors**

	2017 £	2016 £
Fees receivable	1,166,366	857,657
Prepayments and accrued income	386,521	470,911
Other debtors	94,394	35,164
	<b>1,647,281</b>	<b>1,363,732</b>

**8 Creditors: Amounts falling due within one year**

	2017 £	2016 £
Accounts payable	258,065	130,255
Taxation and social security costs	226,325	158,506
Accruals	305,165	178,528
Deferred income (Note 9)	693,016	504,528
	<b>1,482,571</b>	<b>971,817</b>

## NOTES TO THE FINANCIAL STATEMENTS

## 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 £
Deferred income	504,528	(504,528)	693,016	693,016

## 10 Movement in funds

	Opening balance £	Income £	Expenditure £	Transfers £	Closing balance £
General funds	4,366,516	6,369,985	5,860,741	(322,057)	4,553,703
Designated funds:					
Relocation fund	600,000	-	572,430	(27,570)	-
Rainbow laces campaign	100,000	-	85,365	(14,635)	-
Fixed asset fund	-	-	-	364,262	364,262
<b>Total unrestricted funds</b>	<b>5,066,516</b>	<b>6,369,985</b>	<b>6,518,536</b>	<b>-</b>	<b>4,917,965</b>
<b>Restricted funds:</b>					
Campaigns, policy and research	46,923	404,358	455,633	-	(4,352)
Empowerment programmes	20,101	471,371	471,341	-	20,131
Employment advice	45,592	-	45,592	-	-
<b>Total restricted funds</b>	<b>112,616</b>	<b>875,729</b>	<b>972,566</b>	<b>-</b>	<b>15,779</b>
<b>Total funds</b>	<b>5,179,132</b>	<b>7,245,714</b>	<b>7,491,102</b>	<b>-</b>	<b>4,933,744</b>

**Designated funds***Relocation fund*

Represents costs associated with moving to new London office premises.

*Rainbow Laces campaign fund*

Represents funds set aside for the costs associated with the promotion of the Rainbow Laces sports campaign.

*Fixed asset fund*

Represents the net book value of leasehold improvement capitalisation.



## NOTES TO THE FINANCIAL STATEMENTS

**Restricted funds**

Restricted funds are used to fund Stonewall's three core areas of work.

Carried forward restricted funds represent either income received prior to the year end for which work has not commenced or income which is due for work which spans the year end.

**11 Analysis of net assets between funds**

Fund balances at 30 September 2017 are represented by:

	Unrestricted funds £	Restricted funds £	Total funds £
Fixed Assets	2,970,493	-	2,970,493
Debtors	1,525,809	121,472	1,647,281
Creditors	(1,468,181)	(14,390)	(1,482,571)
Cash at bank	1,889,844	(91,303)	1,798,541
	<u>4,917,965</u>	<u>15,779</u>	<u>4,933,744</u>

**12 Staff costs and numbers**

a) Staff costs	2017 £	2016 £
Salaries	3,795,112	3,334,478
Social security	380,572	334,327
Pension	249,262	214,926
	<u>4,424,946</u>	<u>3,883,731</u>

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

	2017	2016
£60,000 to £69,999	1	-
£70,000 to £79,999	1	-
£80,000 to £89,999	1	1
£90,000 to £99,999	1	1

The number of higher paid employees with pension contributions paid into their personal pension plans is 4 (2016: 2). The pension contributions for these employees amounted to £25,910 (2016: £14,688).

The key management personnel of the organisation increased in the year and comprises the Chief Executive, the Managing Director and two Executive Directors. The total employee benefits of key management personnel of the organisation were £311,842 (2016: £203,651).

## NOTES TO THE FINANCIAL STATEMENTS

The average number of employees analysed by function was:

	2017	2016
Direct charitable activities	94	84
Fundraising	15	14
Management and administration	5	6
	<u>114</u>	<u>104</u>

In the year, no payments in lieu of notice were made (2016: £25,626).

#### b) Trustees

Three trustees received a total of £1,281 in reimbursed expenses throughout the year (2016: £1,481). No trustees received a salary (2016: £nil).

The aggregate unrestricted donations received from the trustees in the year was £39,362 (2016: £2,552).

#### 13 Pension commitments

The company makes contributions to personal pension schemes for its employees who have not opted out. Contributions in the year totalled £249,262 (2016: £214,926).

#### 14 Charitable status

Stonewall Equality Limited is a charity domiciled and incorporated in England and Wales. The registered office is 192 St John Street, London, EC1V 4JY.

The charity does not have share capital, but its liability is limited by the guarantees of its members. Each member has agreed to accept liability of an amount not exceeding £1, should the charity be wound up. At 30 September 2017 the total of such guarantees amounted to £9.

#### 15 Related party transactions

Phyll Opoku-Gyimah, a Trustee, is also the co-founder, trustee and executive director of UK Black Pride. Stonewall Equality Ltd partnered with UK Black Pride in the year by providing facilitation consultancy and resource worth £39,407. The transactions were authorised by the Board with Phyll Opoku-Gyimah excluded from all discussions and decisions.

#### 16 Operating leases

The company's total commitments for rental payments due under non-cancellable operating leases at 30 September 2017 are as follows:

## NOTES TO THE FINANCIAL STATEMENTS

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	2017 £	2016 £
Leases expiring:		
Within one year	357,981	12,741
Within two to five years	1,386,994	20,188
Over five years	1,407,759	-
	<u>3,152,734</u>	<u>32,929</u>

**17 Capital commitments**

As at 30 September 2017 there were no capital commitments (2016: £nil).

## NOTES TO THE FINANCIAL STATEMENTS

## 19 Comparative Information

## Statement of Financial Activities for the year ended 30 September 2016

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Income from:			
Donations and legacies	1,721,128	18,414	1,739,542
Charitable Activities:			
Grants	9,900	891,088	900,988
Sponsorship	393,250	-	393,250
Events	771,278	-	771,278
Fees	2,296,095	-	2,296,095
Programmes	526,853	-	526,853
Other trading activities	6,314	-	6,314
Investments	59,740	-	59,740
Other	321,749	-	321,749
<b>Total</b>	<b>6,106,307</b>	<b>909,502</b>	<b>7,015,809</b>
Expenditure on:			
<i>Raising funds:</i>			
Fundraising	1,085,668	-	1,085,668
Charitable activities:			
Campaigns, policy and research	1,983,971	452,186	2,436,157
Employment advice	1,608,021	10,464	1,618,485
Empowerment programmes	525,951	408,025	933,976
<b>Total</b>	<b>5,203,611</b>	<b>870,675</b>	<b>6,074,286</b>
Net movements of funds	902,696	38,827	941,523
Total funds brought forward	4,163,820	73,789	4,237,609
Total funds carried forward	5,066,516	112,616	5,179,132