

CHANGING FACES

**A Registered Charity
A Company Limited by Guarantee**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st MARCH 2022

Haysmacintyre LLP
Chartered Accountants
Registered Auditors
London

Registered Charity number: 1011222
Company Registration Number: 02710440
Charity registered in Scotland: SC039725

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CHAIR'S INTRODUCTION

2021/22 has been an important year of rebuilding, growth, and transition for Changing Faces. Firstly, we welcomed Heather Blake as our new CEO. Heather has rapidly built her knowledge of our charity and fully understands its importance to our community in terms of service delivery and campaigning against prejudice and discrimination. Secondly, in response, to the very clear need for increased support for our community partly because of the pandemic, we have grown our counselling, peer support and other forms of wellbeing support. We also rebuilt our skin camouflage services across England and Scotland, services that had been suspended throughout the first year of the pandemic. They have been running again since June 2021 and we managed to keep them going throughout the year despite the continued uncertainties of Covid-19. Thirdly, we have launched a new strategic plan which, over the next five years, will see Changing Faces significantly extend its reach in serving the needs of more people than ever before.

Our other ambitions for the year were also realised including the launch of excellent new resources for schools and teachers thanks to generous funding from the Vocational Training Charitable Trust Foundation (VTCT). Furthermore, we have progressed our digital strategy through the increased online delivery of wellbeing services which have also included peer group support events.

We have had a year of campaigning success too, with the second instalment of our I Am Not Your Villain campaign timed alongside the release of the latest James Bond film. We sent an open letter to the producers of Bond calling for a positive character with a visible difference to be created for a future film, and released our own campaign film, featuring ambassadors and campaigners, which had 1.4 million views on Facebook, 105.8k views on Twitter and 11,735 views on Instagram.

The goals that we set for the year were in support of our previous strategy, which we extended during 2021/22. While delivering against these goals, we also reviewed our strategic direction and priorities based on evidence. This evidence is drawn from the reach and impact that Changing Faces has already had, and the use of independent survey data. We wanted to better understand what would make the biggest impact for people with visible differences. The Board agreed our new strategy in January, and I am very proud of the clarity and ambition of our two strategic goals for the next five years:

- By 2027, everyone across the UK with a visible difference or disfigurement will have access to the support they need
- By 2027 we will significantly increase everyone's understanding and acceptance of visible difference and disfigurement, and reduce prejudice and discrimination

These are challenging goals to achieve but we are passionate about the importance of them to our community and to society. We know that we can only achieve them by working in partnership with others – with other charities, with funders, with NHS partners and with our own community who are so important in everything that we do.

Our income position for 2021/22 has not been as healthy as the level we achieved in 2020/21 due to exceptional legacies. However, we began the year with a solid reserves position partly because of those legacies. Recognising the need to grow to serve more people, the Board of Trustees chose to invest early in building capacity to ensure that the charity would have momentum going into our new strategic plan. We plan to continue to invest in the coming year, benefiting from the reserves we have been holding from the sale of our premises a few years ago. We want to be able to maintain our service delivery at our new increased levels. We need to continue our user research to support further service expansion and to address inequalities. We also need to grow our fundraising capacity, because we will need greater resources to deliver the ambitious goals of the new strategy.

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Our work continues to be strengthened and amplified by the partnership and friendship of our community and sector – including the Appearance Collective, Face Equality International and many other academic, research and campaigning partners. These will become even more important in the years ahead as we work to deliver our new strategic goals in partnership.

The entire charities sector has faced a challenging time in terms of raising the necessary funds to continue such important work. As I write, the news on the UK economy with respect to inflation, energy costs and rising interest rates conspire to remind me that income generation will be just as challenging in the year ahead. I would like to thank all our donors whether they be large trusts and foundations, corporate partners, individuals, volunteers or our amazing ambassadors and patrons for your support and for the trust you show in us. Long may it continue.

2022 will see Changing Faces celebrate 30 years since the founding of our charity by the wonderful James Partridge. We are more conscious than ever of the importance of building on his legacy. During the year we said farewell to Mark Landon who was our Company Secretary and Deputy Chair, and who served as a trustee for over 15 years. Mark, as much as anyone, understood what James wanted to build. His counsel and support have been vital to ensuring the sustainability of our charity.

Last year, we added several new Trustees to our Board. Despite having to operate remote Board meetings because of the pandemic, I believe we have developed a strong collegiate Board with diverse personalities, skills, and experience. I would like to thank my Board colleagues for their thoughtful input into supporting our work, particularly as we developed our new strategy.

Finally, I would like to thank Heather, and the leadership and staff team at Changing Faces for their hard work and commitment to the hugely important work that we do. We are a relatively small team tackling some big issues. I never cease to be amazed by the sheer volume of work my colleagues get through. We have an outstanding team who are passionate about making the biggest impact possible for our community, and our new strategy gives a focus to that passion. The next year is an important one for Changing Faces. I am convinced it will set us on course for achieving our goals over the next five years.

David Clayton



Chair of the Board of Trustees

Date: October 25th 2022

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OBJECTIVES AND ACTIVITIES

Changing Faces is the UK's leading charity for people in the UK with a scar, mark or condition that makes them look different.

We provide life-changing mental health, wellbeing and skin camouflage services. We work to transform understanding and acceptance of visible difference, and campaign to reduce prejudice and discrimination.

We won't stop until everyone with a visible difference or disfigurement is supported and respected.

WHY OUR WORK IS NEEDED

"I get stared at every single day and it's all I've ever known. When I was younger, I hid away from the world. After school I'd go straight back home, and cry and I used to think 'this is going to be the rest of my life.'"

Chrissie, campaigner

Looking different in a world where there is such pressure to look a certain way presents huge challenges. People with visible differences are vulnerable to isolation, loneliness, social anxiety, and low self-esteem. They often face staring, harassment, bullying and hate crime. They can experience lowered expectations in school, problems getting work and stereotyping in the media.

In October 2021 we commissioned an independent survey from Savanta ComRes of 1,038 adults with a visible difference across the whole of the UK. 51% said they have felt self-conscious or embarrassed as a result of their visible difference, and 25% report feeling isolated or lonely because of it. Alarming, there has been an increase in the proportion of people with a visible difference who have experienced hostile behaviour because of their visible difference, from 34% when we asked this question in 2019 to 43% in 2021.

When asked what would make the biggest difference in relation to living with their visible difference, 38% said support with confidence and self-esteem, and 34% said support with mental health and wellbeing. When asked about barriers to accessing psychological support, 39% said that limited availability was the main barrier.

In a separate survey, independent research company, ChildWise, surveyed 1,400 children aged 7-16 across the UK during June and July 2021 - 600 (43%) children self-identified as having a visible difference such as a scar, mark or condition that affects their appearance. Irrespective of whether they had a visible difference or not, just one in four children (25%) reported feeling confident about how they look – a fall from 39% in 2018. However, the results were most stark for those with a visible difference:

- Children with a visible difference who are unhappy doubled from 2019 (30% versus 14%).
- One in three children with a visible difference reported getting mean comments about how they look (31% compared to 20% among their peers) and one in four have been bullied (24% versus 13%).
- Young people with a visible difference were also more likely than their peers to feel anxious about the future (42% versus 30%).

We spoke in last year's Annual Report about the impact of Covid-19 on people with visible differences, for example feeling stressed and anxious about going back out in public and returning to school, university or work. This impact has not gone away - of the October 2021 survey

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respondents who would like mental health or wellbeing support, 49% feel they need support due to the direct impact of Covid-19.

HOW DOES CHANGING FACES HELP?

"Having a safe space to come and be seen, heard and accepted exactly as I am by a compassionate and caring individual has meant the absolute world to me :) Having this support over the last three months has helped me to find my feet through a period of positive but rather intense change in my life, it has also brought me in to a much closer alignment with myself. I'm not nearly so afraid of being who I am anymore. 'Neither a shrinking violet nor a preening peacock, just a shining diamond bringing Light to dark places'."

Adult 1-1 service user

People with visible differences tell us about the transformational impact our work can have. Our Wellbeing and Skin Camouflage services build confidence and resilience – giving people with visible differences tools to manage their feelings, cope in different social settings, handle other people's reactions or deal with transitions such as starting school. Our campaigns, education and learning programmes drive change so that the ambitions of people with visible difference are not limited by attitudes, behaviours or systems and they can lead the lives they choose.

We have been working to build a future where everyone with a visible difference has the confidence, support, and opportunity to lead the lives they want. We stand alongside people with visible differences to challenge discrimination, remove barriers to success and campaign for a world that truly values and respects people who look different.

Our 2021 survey referenced above showed that 48% of respondents had sought mental health/wellbeing support due to their visible difference either currently or in the past - but only 13% of these respondents had experienced no barriers to getting the support they needed. We won't stop until everyone with a visible difference or disfigurement is supported and respected.

Our strategy to the end of 2021/22 has seen us deliver our charitable purpose through four strategic themes:

The leading provider of service innovation for those with a visible difference

We will innovate, evaluate impact, and demonstrate excellence in our services – based on an in-depth understanding of our service users' needs. We will increase the reach of services through effective use of digital approaches. And we will use our evidence and expertise to inspire and influence best practice in psychosocial support for those with a visible difference.

Championing the voice of those with a visible difference

We are determined to empower people affected by visible difference to tell their stories and be heard. We will raise awareness of the reality of living with visible difference, change attitudes and challenge prejudice. We will be an expert on the issues affecting people with visible differences and use our evidence to secure positive social change.

Achieving long term financial sustainability

We will manage our finances responsibly and ensure there is greater predictability and sustained growth in our funding whilst minimizing risk by developing a more balanced portfolio of funding sources.

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A highly efficient and effective organisation

We will build a values-focused culture of learning, accountability and high-performance. We will have a transparent and effective governance structure and build a working environment that encourages learning and innovation. We will prioritize and evaluate what is critical to our success and report regularly and transparently our performance. We will build our digital vision, skills, culture, and capability.

STRATEGIC OBJECTIVES

The leading provider of service innovation for those with a visible difference

This has been a year of growth in our service provision, with the reach of our Wellbeing services for adults, children and young people expanding due to generous funding from the VTCT Foundation and Garfield Weston, and our Skin Camouflage service re-opening across England and Scotland following the impact of Covid-19. It has also been a year of testing new approaches across both service areas, as well as in our wider work, including a new way of measuring the impact of our adult 1-1 and skin camouflage services – more information on this is in the Measuring Impact section below.

Wellbeing Service

All of our wellbeing services whether 1-1 or in groups continued to be delivered online or by phone during 2021/22. We used the opportunity to expand provision geographically across the UK and to test new digital procedures for our Peer Group Chat service. We also embarked on an extensive review of the clinical model that underpins our service delivery, with plans to launch the new model next year alongside associated changes to our supervision and training.

Online resources

There has been huge uptake of our online resources during the year, with 37,444 people visiting our advice and guidance content – this amounts to 64,575 unique page views (compared to our target of 61,560). The number of people using our web support has increased further since we launched advice pages relating to specific conditions such as acne or vitiligo, with over 6,300 unique page views of the condition-specific pages since launch in December 2021. These pages link through to the wellbeing support we provide and to partner charities offering more detailed condition-specific information and support.

Our Covid-19 advice pages continued to be well utilised, though views of this content started to tail off from mid-year as restrictions lifted. We had over 2,500 unique page views across eight Covid-19 guides, including a new page to help people who were worried about cancelled hospital appointments.

Support and Information Line

"Thank you so, so much for being there. I am very grateful for the support I received."

Adult Wellbeing Service User

Our Support and Information Line supported 742 people through calls and emails during the year, compared to 663 last year.

A quarter of the calls were support calls, giving people the space to share their story and to explore the best options of support for them from our range of Wellbeing offers or, if appropriate, other services. This is often the first time that some people have spoken about their feelings about their visible difference and can be the beginning of a different journey for them in terms of coping and living the lives they wish for. Of the callers who provided feedback (26 out of 133 clients, 20%), 96%

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rated the quality of the service highly and said that we met their needs. 88% felt we helped with their appearance related concerns (based on responses from 25 out of 133 clients, 19%)

We piloted the use of WhatsApp as a means of contacting the Support and Information Line (SIL) but found that take-up was lower than expected (37 queries between May and November 2021). We found it was neither delivering additional benefit compared to contacting SIL by phone or web form, nor was it reaching the target age group of 18–25-year-olds (only 6 queries were from the target audience). There were some useful learnings to take forward however, principally that users were expecting the WhatsApp chat to act as a triage into all services (not just wellbeing services), and users did rate the ability to more easily book a first support call with SIL which we could explore delivering through a different mechanism.

Peer group chat and online forum

“It was great to meet and talk with other people facing similar problems. I didn't really realise how much I needed this support until after the session. It was quite liberating to talk openly with people who understood how it feels to be treated differently, nobody judged anybody, it was clear that we had all faced challenges, which had made us better people. It did trigger unexpected emotions, but it was a really positive experience for me.” Peer Group Chat participant

We ran 4 eight-week peer group chat programmes during the year, reaching a total of 26 clients compared to 33 last year. The sessions ran online either via Zoom video or a web chat facility. Towards the end of the year we completed a project to digitise the Peer Group Chat processes, improving both the efficiency of the service and the experience for clients and the team. There is further information on this in the Digital section below.

Our Online Community Forum, provided through HealthUnlocked, had 370 new members joining over the course of the year, bringing a year-end total of 2,539 members. On average, 152 members logged in monthly during 2021/22. In total, there were 12,228 users of the forum across the year, including those who read the forum anonymously without registering as a member.

Counselling and coaching support for adults, children and young people

During 2021/22 we increased the size of our team of Wellbeing Practitioners with two new members, one supporting adults and one supporting children, young people and parents, thanks to funding from the VTCT Foundation and from Garfield Weston. In total we supported 257 children, young people, parents and adults through 1-1 sessions compared to 176 last year.

“Just having space to talk about the way I was feeling about the scar on my face when everyone I know was just really happy it wasn't cancer.” Adult Wellbeing Service User, when asked what they most valued about the service

*“I was honestly blown away by the sessions with the practitioner - she has brought the entire family to a really good confident and happy place at the moment. When we first started the sessions, I was wracked with worry and ***** was really struggling. Now we are in a really good place.”* Parent client after 1-1 sessions with Wellbeing Practitioner

Workshops for children, young people and parents

The team ran 5 workshops during the year to a total of 96 children and family members, with exercises to build confidence and the opportunity to hear from other young people with lived experience. These included family days, 'Parents Together' workshops and our 'Looking Forward' – a back to school / transition workshop for 11-17 year olds.

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"Brilliant session for the whole family. It provoked a lot of discussion around the dinner table that evening. I also found it was good for xxx to listen as she has been struggling with how she looks and how to talk about it with her friends." Parent attendee at the family workshop

We ran our first Parents Together workshop in February with 15 parents in attendance.

"Fantastic workshop exactly what we needed. Informative, down to earth and inspirational speakers." Parent attendee at the parent workshop

We received no complaints during the year relating to our Wellbeing services.

Skin Camouflage Service

Our Skin Camouflage was suspended for the whole of 2020/21 due to the impact of Covid-19. From June 2021 we re-opened the service using Covid-secure protocols and moved from delivery by volunteers to the service being delivered by paid practitioners. Although the cost is higher, this has enabled greater reliability and consistency in service delivery at a time of uncertainty, and we plan to continue this model for the future.

In England we delivered 1520 face-to-face appointments and 143 online appointments compared to targets of 1800 and 120 respectively. Our numbers were over target in the second half of the year but significantly under in quarter 1 due to the time needed to get the service up and running again and some issues with accessing Covid-safe venues. The challenges of Covid-19 continued throughout the year, with significant numbers of client cancellations, but the team worked hard to reorganise appointments and fit people in, resulting in a reduction in the backlog of client demand that had built up over the period of service suspension. We estimate the remaining backlog at around 300 clients, though it should be noted that these clients expressed initial interest in the service only and may not go on to book an appointment.

"The appointment was very informative...To be honest I thought there was nothing that could be done to improve my situation and I feared the appointment would be a waste of time. I was very wrong. This is a great service for people struggling psychologically. thank you!"

Client from our Liverpool clinic in March

We are also using online sessions to support clients while they wait for a clinic appointment, and as follow-ups for clients needing additional support. These are facilitated by trained volunteers and have proved useful for clients at various stages of their journey with us.

"The lady was so helpful and knowledgeable. She was extremely kind-natured, and you could just get a sense she was there to help without judgement. I was so scared about this, but she put me at ease immediately." Online client

We received no formal complaints during the year relating to our Skin Camouflage services. A small number of issues were raised and resolved informally.

Education and Learning

In September we launched our *A World of Difference* classroom, assembly and teacher resources, developed in partnership with University College London and funded by the VTCT Foundation. The resources are aimed at all schools and teachers to help them explore the ways in which people are different and how to accept those differences. As result of gaining the PSHE (personal, social, health and economic) Quality Mark for the classroom resources, we were able to send an email to the 72,000 members of the PSHE mailing list. We also sent the resources directly to a further

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65,000 individuals across primary and secondary schools, and they have been promoted by the Anti Bullying Alliance, UNICEF's Rights Respecting Schools, and in Scotland by Education Scotland, the Inclusion Alliance and the Shine Network.

By the end of March, there had been 2,466 downloads of the resources, and downloads are continuing particularly through the PSHE link.

In March, we completed and launched resources for youth groups, funded by the National Lottery of Scotland and Robertson Trust. The resources are aimed at youth group leaders and volunteers and appropriate for all youth group settings including youth clubs, sports clubs, performance groups, uniformed groups or outdoor activity centres.

We delivered four online training sessions for the BBC Equality& Diversity and HR forum, Farley's Solicitors, AVON customer support (delivery as a digital resource) during 2021/22 including a paid for training session to Welsh Government staff (over 120 participants).

We continued to engage with health professionals, attending two conferences (British Dermatology Nursing Conference and Association of Surgeons in Training) and a number of online meetings. We are developing plans for broader engagement next year as part of our new five year strategy.

Scotland

As in England, the Skin Camouflage Service was suspended in Scotland during 2020/21 and re-opened in July 2021. We delivered 296 face-to-face appointments during the year against a target of 300, with numbers growing steadily over the course of the year in spite of the ongoing impact of Covid-19. We also delivered 13 online appointments against a target of 30.

We agreed a four-year Service Level Agreement with Ayrshire and Arran Health Board for the skin camouflage service, starting in December 2021, and another SLA is in progress with Fife. The service has developed more local partnerships and moved to new venues with much better facilities including Glasgow (Prince and Princess of Wales Hospice) and Aberdeen (CLAN Cancer Support Centre) and Ayrshire Cancer Support in Ayrshire and Arran.

The Scottish Ambulance Service became the first emergency service and the first Health Board to sign our Pledge To Be Seen on 24 March, and we are aiming to build on this with other Health Boards.

The launch of both the education resources and the youth group resources has been particularly successful in Scotland, with Education Scotland hosting the World of Difference classroom and teacher resources and youth resources on their Knowledge Hub. The youth group resources were specifically developed for Scotland and are now also hosted by Youthlink, the national youth agency on their main site and under their "Action for Prejudice" site.

Championing the voice of people with a visible difference

Face Equality Week

This year our Face Equality Week had the theme of education. Due to Covid-19 restrictions our planned launch of the classroom and teacher training resources, and associated new research, was postponed to September 2021, and we focused instead on encouraging people to talk about living life with a visible difference during Face Equality Week. Our campaigners and ambassadors worked together with us to create a series of films that we shared across social media to prompt and encourage conversations about visible difference. Our lead campaign film had 62.2k views across

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our social media channels. We also made specific media approaches supporting campaigners to share their stories.

We secured a feature in The Independent with quotes from our ambassador Adam Pearson, we supported our campaigner Emma to write her first [opinion piece for The Metro](#), our campaigner [Shannon to share her experiences](#) in a regional newspaper and campaigner [Peter worked with his employer](#) to introduce Face Equality Week and Changing Faces to his colleagues across NHS Lanarkshire. Campaigners Atholl, Emma and Hannah also shared their experiences as part of our [Voices of Visible Difference](#) podcast series, now a year old.

Supporters, stakeholders, campaigners and ambassadors all received our Face Equality Week social media pack encouraging them to share our messages and film. Supporters were also encouraged to share our new A World Of Difference classroom and teacher training resources as part of their soft launch. This soft launch allowed us to gather early feedback to use in our national launch in September 2021.

Campaigner, Fiona said: *“My daughter’s school is hugely embracing Face Equality week. Using the resources they have assemblies, PSHE lessons and inclusion of FE week into the diversity drive led by the head girl. So I am delighted!”*

To coincide with Face Equality Week we secured the sign up of the Welsh Government as a Pledge To Be Seen employer with associated internal communications across the Welsh Civil Service, on [ITV Wales](#) and across the [syndicated newspapers in North Wales](#).

We also worked with the Leader of the House of Commons who interviewed ambassador Tulsi about Changing Faces and our Pledge To Be Seen campaign and Face Equality Week. This was shared by the social media handles associated to the Leader of the House of Commons - introducing the issue of positive representation and visible difference to new audiences beyond our own reach and supplementing the statements of support for Pledge To Be Seen and Changing Faces made in the House of Commons by a number of cross-party MPs.

I Am Not Your Villain

In September 2021, to coincide with the release of the Bond movie ‘No Time To Die’, we released new research about the impact of a lack of positive representation of visible difference in popular culture, alongside an open letter to the producers of Bond calling for a positive character with a visible difference to be created for a future film. We also created our own campaign film, featuring ambassadors and campaigners as reimagined versions of iconic film heroes, showing that they could easily be someone with a visible difference.

Our call to action for supporters and followers was to share the campaign film. The campaign social media posts reached more than 2.8 million social media accounts and our campaign film has had 1.9 million views, with significant influencers and organisations sharing the campaign, from Caitlin Moran, Kay Burley and David Baddiel, to the British Medical Journal and the charity Scope. Mark Kermode, one of the UK’s most well-known film reviewers and commentators said of our campaign *“This is how you do it [campaign for change].”* and said he believed that this was a *“tipping point.”*

We also achieved a huge amount of media coverage, securing more than 249 media pieces, including 15 national broadcast pieces, 72 regional broadcast pieces, 21 broadcast pieces in Scotland, 6 national print (hard copy) pieces and 124 internet pieces including coverage in key national online titles.

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Ambassador, Robert Rhodes, who featured as our Bond in the campaign film said:

"Honestly, I have had the best time on the campaign. I can't wait to raise some more awareness in the future!"

Pledge to be Seen

Throughout 2021/22 we have continued to increase and build our growing movement of Pledge To Be Seen organisations. Our work with Welsh Government has been particularly interesting, with various departments and teams receiving additional training – extending the offer of Pledge To Be Seen with paid-for activities. Their sign up also prompted Caerphilly Council to sign up and has started conversations with Transport for Wales who are looking to commit in the future.

At the end of 2021/22 we celebrated the first Scottish organisation to sign the Pledge To Be Seen commitment. Scottish Ambulance Service are now working with us, undertaking staff learning sessions, and connecting us with other NHS organisations in Scotland.

We have made good progress with generating interest from businesses too, with Farley's Solicitors and IBM making public announcements and undertaking engagement activities with us, including staff learning sessions and employee fundraising.

At every learning session with a Pledge To Be Seen organisation, we are joined by a campaigner or ambassador who shares their experiences and speaks out about why positive representation is so important.

Campaigners' Programme

Over the past year our Campaigners' Programme supported 22 campaigners to speak out about what life is like living with a visible difference in the UK. This included recruiting 15 new campaigners in a targeted second recruitment wave to bring fresh, diverse perspectives and voices from across the UK.

Through a structured programme of training and development, our campaigners have been supported to raise awareness about the changes needed in society to ensure better representation and equality of opportunity for people with visible differences. They have received training to be the public face and voice of our high profile, evidence-based campaigns, with the aim of delivering real and positive change for visible difference community, ensuring they are no longer overlooked, and that they have a collective voice.

Campaigners have featured in media coverage, spoken at events and presentations, contributed to consultation events and created social media content.

Campaigner, Eleanor, addressed a roundtable hosted by Ofcom to highlight the lack of positive representation of visible difference on TV. She said of the experience:

"I found it very rewarding to speak to Ofcom - knowing that they were all from the main broadcasters, the ones we all watch regularly, meant it felt like some very important people were finally listening. Representation on TV is such a significant part of what I think will really make a difference."

"I've only seen someone like me on screen once or twice in my life (in a positive light) and it really gave me a great feeling of hope that things are properly changing!"

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Young Media Champions

In August we recruited our first cohort of Young Media Champions – this group is a pilot, enabling us to test different ways of running activities and reviewing the programme with a group of 12 young people (13-18) from across the UK that we have had contact with previously.

The YMCs have had six sessions, including a media training session, focussed interview practice sessions and a filming masterclass. Ahead of the launch of the A World Of Difference resources they shared quotes and spoke out about their experiences. Several of the YMCs have now given their first media interviews and are rightly very proud of their achievements.

After a radio interview, Young Media Champion, Bronwen, said: *“It was such a great experience, and I really enjoyed it. So happy I’ve done it. Thank you for the amazing opportunity. Everyone at school has been so supportive and excited for me which has been great.”*

Emmerdale

During summer 2021 we advised the ITV Emmerdale team on a storyline involving a character on the show, Priya, who sustains burns in a fire. The creative team worked with our comms team and ambassador, Catrin Pugh to plan this story line so it was sympathetic to and considerate of the real-life experiences of people acquiring a visible difference.

At the end of key episodes viewers are encouraged to find further information on the Emmerdale and ITV information and support webpages. These now include information about Changing Faces, the services and support we offer and our contact details.

Actor Fiona Wade gave several high-profile interviews about the storyline where she has spoken positively of her experiences working with Changing Faces and our ambassador, Catrin. The results of this are Changing Faces and our services being recommended and referenced, in publications including The Mirror, The Daily Mail, The Metro and OK Magazine, and on popular daytime TV show, This Morning.

Policy and consultations

We engaged with a number of policy consultations over the past year:

The Women & Equalities Select Committee published their report and recommendations to Government following their inquiry into body image.

Our campaigner Tatyana spoke on Radio 4’s Women’s Hour, alongside Chair of the Committee, Caroline Nokes MP, about the report, which explicitly referenced Changing Faces’ research, and the views and experiences of our community. The report included many of the recommendations that we made in our written submission and in the oral evidence session last year.

The Law Commission published their recommendations to Government around the new Hate Crime Laws. This document included several references to evidence submitted by Changing Faces and explicit recognition that people with visible differences experience hate crime. Importantly, disability hate crimes will now have parity with racist hate crimes and those targeting people due to their religion.

We celebrated the announcement of new rules issued by the Committee for Advertising Practice (CAP), which is the organisation responsible for the codes that all UK advertisers must follow. From May 2022, adverts for cosmetic surgeries that are aimed at under-18s or that have a particular appeal to that age group won’t be allowed on all media. This includes social media sites like TikTok

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and Instagram, newspapers, magazines and billboards, as well as social influencer marketing. This ruling followed a consultation on the issue by CAP that we responded to, supporting a call for a ban on such adverts and sharing the experiences of our campaigners.

We also submitted responses to the Home Office Hate Crime Survey, the Committee of Advertising Practice *Body Image in Advertising: Call for Evidence* and the Health and Social Care Committee inquiry into the impact of body image on physical and mental health.

Our year in numbers

	Our 2021/22 Target	Our 2021/22 Result
Unique page views of the advice and guidance content on our website	61,560	64,575
Support and Information Line interactions	800	1093
New forum members	300	370
Adults over 26 supported through 1-1 and peer group chat	150	174
Children up to 17 years and parents supported through 1-1, workshops and peer group chat	260	359
Young people aged 18 - 25 years supported through 1-1 and peer group chat	30	36
% of 1-1 clients reporting an improvement (at least a one-point minimum in their Client Outcome Score by the end of their sessions)	85%	79%
Number of Skin Camouflage clients attending appointments in England	1800	1520
% of Skin Camouflage clients in England reporting service met their needs	75%	95%
Number of Skin Camouflage clients attending appointments in Scotland	300	296
% of Skin Camouflage clients in Scotland reporting service met their needs	75%	97%
Downloads of our new resources for schools	1500	2466
National and regional media pieces including the voice of someone with a visible difference	110	359
Average click through traffic from Social Media channels throughout the year	14%	10%
Number of stories to be hosted on the website including case studies from service users and generated as part of media campaigns	45	46

Achieving long term financial sustainability

Outcome against budget

2021/22 was very much a transition year for the charity. Coming out of the pandemic lockdowns, we focussed upon restarting our services, investing for the future and developing a new five-year strategy. This happened against the backdrop of a very challenging environment for the sector as a whole, with significant competition for funding.

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Using the exceptional legacy income that was received in 2020/21, the charity invested in employing over 20 part-time skin camouflage practitioners to deliver our clinics to improve the robustness of the service model, having previously relied on an amazing group of volunteers to deliver this service. Further investment was made in wellbeing services as well as improving the charity's digital capability. Investment will continue in 2022/23, specifically in income-generating activities to support our ambitious growth plans.

The budget set for 2021/22 reflected this investment with an overall deficit built into the annual plan. The £689k deficit incurred in FY22 was funded out of a designated fund set out specifically for the purposes of this planned investment. The designated fund is used for new or improved services; whereas general reserves are used for existing activities and overheads. Following the year end, the charity also made a transfer between designated and free reserves to ensure the stated policy, maintaining six months of operating expenditure, was met.

Plans for sustainable future income

Our new strategy is supported by an ambitious growth plan, with the aim of increasing our annual expenditure to £3.2m by 2027 in order to meet our objectives on ensuring access to support and increasing understanding and acceptance of visible difference.

We have developed a bold and exciting fundraising plan to harness new opportunities offered by the new strategy appropriately and quickly, whilst building our financial sustainability and income growth year on year. To achieve this, Changing Faces is seeking to focus on three main areas of development over the next five years: major investment in our individual giving programme, developing our major donor fundraising programme, and building in extra capacity to our trusts programme to respond to opportunities through the new strategy.

Delivery of our fundraising growth plans is being supported by investment from our designated reserves, benefiting from the reserves we have been holding from the sale of our premises a few years ago.

A highly efficient and effective organisation

Digital transformation

The investment in our new website delivered significant results. In the first three months after launch (in March 2021), time on site was up 10% and the bounce rate (the percentage of single page visits to the site) dropped by 74%. The change was more significant for mobile users – time on site on mobile devices was up 26% and the bounce rate has dropped by 80%.

There was also a marked increase in the accessibility of the site (from 52% to 89% as scored by a third-party tool), and our annual survey of user experience brought improved scores for both the design and navigation of the website. In addition, more website users than ever said they would be likely to visit again in future (88% compared to 81% the previous year).

We have continued to make significant steps in our digital transformation in line with our strategic commitment in this area. In 2021/22 we digitised our Peer Group Chat service – this involved automating a currently manual service, for example with triggered emails and text reminders, and the ability to measure the impact of the service more effectively. The new approach was launched in April 2022.

The Digital team also responded to user need to lead the development of new condition-specific web pages. These pages help people find relevant information and support related to their specific

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type of visible difference – this might be support provided by Changing Faces or signposting to other service providers. The new pages were launched across the second half of the year.

With agency support, we reviewed our digital marketing performance and capabilities, and set up a Google Grant account to support our paid search activity. Brand campaigns and ads for our new condition-specific content are performing particularly well, we are seeing improved conversion numbers, and we are nearly maximising the monthly \$10,000 ad spend.

Safeguarding

Supporting people who use our services to be safe and to feel safe in their lives is a priority for Changing Faces. Sometimes the experience of living with a visible difference mean that people's wellbeing can be at significant risk. When people tell us they are at risk from others, or are feeling that life is intolerable, we respond in line with our safeguarding protocols. There was one incident in 2021 which required a prompt referral to the emergency services, and 19 lower risk safeguarding concerns raised and resolved across the year.

We have a skilled and experienced internal Safeguarding Team who are on a rota to respond to immediate needs. They meet regularly to review all the safeguarding concerns that have been raised.

We ensured that all staff completed Level 1 training during the year including a refresher of our annually updated safeguarding policies. Level 2 training was also held for relevant staff and volunteers. Key staff and Trustees are trained to Level 3. As well as holding regular review meetings, our Safeguarding team hold bi-monthly reflective practice sessions to develop our approach to the issues that people raise with us.

Measuring impact

In line with our commitment to understand the true impact of our activities, in November we launched a pilot of an accredited wellbeing impact framework for our adult 1-1 and skin camouflage services, working with the consultancy Trust Impact. We are using the short Warwick-Edinburgh Mental Wellbeing Scale and the pilot tested the user journeys, messaging and response rates. We are now reviewing the results of the pilot, with the aim of rolling out the approach across our other adult services and campaigner programme. We will also be testing a parallel approach for our Children and Young People's services using an appropriate measure.

As part of the development of our new strategy during 2021/22, we produced an evidence report of the impact of our work over the last three years to inform our decisions on what will make the biggest impact for our beneficiaries in the future. We also reviewed our overall approach to measuring our impact as an organisation and now have a new set of output, outcome and impact measures aimed at tracking our delivery against our two strategic goals (see Looking Ahead section below).

London Head Office

For most of 2021/22 our team were entirely home-based as we had moved out of our previous London office at the start of the pandemic when the lease came to an end. In mid-March we moved into a temporary office in Camden and are using this to test ways of working for our teams prior to deciding what is appropriate for us as a long-term office and/or service delivery base.

Our commitment to equality, diversity and inclusion

As a charity whose mission and vision are to build a fairer and more equal society for everyone, we are absolutely committed to being a fair, open and inclusive organisation delivering services that

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consider the needs of all members of our community. Our clients and community are welcomed irrespective of faith, race, culture, nationality or sexual orientation. We monitor protected characteristics such as gender, race, disability and age.

People with visible differences can face deep discrimination and challenges because of both their appearance and other protected characteristics such as race, disability and class. Our services and campaigns look to recognise the intersectional challenges and impacts of living with other protected characteristics and visible difference on mental health, wellbeing and discrimination.

We believe there is an important opportunity to show leadership in this area within the visible difference sector. In 2021 we set up an anti-racist project group with a group of staff volunteers across the organisation with the specific intention of making a real difference in the way we approach this work in the charity – the group has undertaken work to review three key areas: recruitment and policies, representation and training for staff and volunteers. This has already resulted in improvements to the way we recruit volunteer campaigners to ensure the process is as inclusive as possible, and updates to our website style guide around the language and imagery used when describing our services and campaigns.

This has also fed into our new strategy, which seeks to put equity, diversity and inclusion at the heart of the entire organisation, with everyone held accountable. We still have a long way to go, and we are committed to doing whatever it takes to support all people living with visible differences.

LOOKING AHEAD

During 2021/22 we developed our strategy for the next five years. We based this on evidence of our impact in recent years, and on an independent survey with Savanta ComRes in October 2021 of what would make the biggest impact for people living with visible differences. We were keen to break out of the echo chamber and not just talk to people who already engage with us. There were over 1,000 responses to the survey and most were people who don't engage with Changing Faces currently - over half hadn't heard of us.

Three key themes, i.e. opportunities to make a bigger difference, emerged from the strategy review:

1. Some people are not being supported with their visible difference as much as others. The strongest evidence for this relates to geographical location, and there is also some evidence to suggest inequalities in uptake and experience of support for men and for people in lower socio-economic groups.
2. There is not enough recognition of the psychological impact of living with a visible difference, as opposed to the physical or medical needs of someone with a condition affecting their appearance. This is particularly relevant for health professionals, who then miss opportunities to offer help, but is also true of society in general, for example not being conscious of the negative impact of staring.
3. There is still significant prejudice and negativity towards people with visible differences and a long way to go to eliminate this.

From these opportunities, we developed our two strategic goals for the next five years:

- **By 2027, everyone across the UK with a visible difference or disfigurement will have access to the support they need**
- **By 2027 we will significantly increase everyone's understanding and acceptance of visible difference and disfigurement, and reduce prejudice and discrimination**

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And our new overarching vision for Changing Faces:

We won't stop until everyone with a visible difference or disfigurement is supported and respected.

Our plans for the next five years are being shaped by our strategic goals, including a new impact framework to monitor whether we are on track. As a high-level summary, we plan to:

- Grow the reach of our support, initially focusing on geographical coverage.
- Develop new forms of support that allow significantly wider reach while maintaining effectiveness. There is likely to be a strong digital focus, but we need to allow for alternatives for the digitally excluded or where effective support can't be delivered digitally.
- Focus on engaging health professionals, and over time on health professional education as resources become available.
- Direct our campaigning activities on the themes of the strategy, and over time grow these.

We are excited to be working with other charities, funders, NHS partners and our own community to achieve these goals.

FUNDRAISING STATEMENT

Changing Faces is committed to the pursuit of its charitable aims to the benefit of all people living with visible difference. We fundraise so that we can provide services that deliver our charitable objectives and work for Face Equality for all people across the UK.

We have regard to the guidance provided by the Fundraising Regulator, and we actively support the Code of Fundraising Practice. We promise to be open, honest, clear, respectful, fair, reasonable, and accountable.

All Changing Faces staff and volunteers, including the Board of Trustees, have a responsibility to be aware and have a thorough understanding of fundraising best practice.

Changing Faces respects the rights of its supporters to clear, truthful information about our work, how donations and other income are spent, and how we manage donors' information responsibly. The individuals that we mail are our supporters with whom we already have a relationship, and who have given their consent to be contacted by us. We never buy in any data lists for fundraising, and we do not sell or share supporter details with any other individuals or organisations.

We did not employ professional fundraising agencies with regard to any aspects of our fundraising activities in 2021/2022. All of our activities were planned and delivered in house by our small fundraising team, who build relationships with our supporters.

Our policies and procedures are compliant with best practice as set out by the Institute of Fundraising, with the best interests of the charity's donors and the vulnerable paramount. We never pressure anyone to make a donation and take particular care to avoid asking vulnerable people for donations.

We will not solicit or accept donations from companies or individuals who participate in activities which could cause detriment to the charity's reputation or work.

The charity received no complaints regarding its fundraising activities in the last twelve months.

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Complaints are taken very seriously and will be investigated, with disciplinary action being taken where appropriate. If a complaint is deemed serious enough it may result in the removal of a fundraiser from a campaign and/ or the termination of a campaign.

Our warmest thanks go to everyone who has supported Changing Faces this year. We are ever so grateful to the individuals who have run, cycled, baked, and so much more in support of our work. We are also thankful to those who have supported us in other ways: by nominating Changing Faces, sharing our campaigns, and voting for us.

We would like to thank NHS England for their ongoing support and advice during the year.

Corporate supporters and Trusts and Foundations have continued to support our work generously. In particular we would like to highlight the support of:

Avon, BBC Children in Need, the City of London Corporation's charitable funder, City Bridge Trust, Farleys Solicitors, Fidelity UK Foundation, Garfield Weston Foundation, Global's Make Some Noise, John Ellerman Foundation, IBM, The National Lottery Community Fund, Pegasus, PF Charitable Trust, The Julia and Hans Rausing Trust, Masonic Charitable Foundation, Peter Sowerby Foundation, The Robertson Trust, Scottish Power Foundation, St. James's Place Charitable Foundation, Thomas Cook Children's Charity, the William Grant Foundation, Veterans' Foundation, and The VTCT Foundation.

FINANCIAL REVIEW

2021/22 was very much a transition year for the charity. Coming out of the initial pandemic lockdown the focus was on restarting our services, investing for the future and developing a new five-year strategy. Using the exceptional legacy income that was received in 2020/21 the charity invested in employing skin cam practitioners to deliver clinics. Previously the charity utilised volunteers to deliver this service. In addition further investment was made in delivering wellbeing services as well as improving the charity's digital capability. This investment will continue in 2022/23 specifically in its income generating activities in order to support the ambitious growth plans of the charity.

The budget set for 2021/22 reflected this investment with an overall deficit built into the annual plan. The £689k deficit incurred in FY22 was funded out of a designated fund set out specifically for the purposes of this planned investment. By utilising this fund the charity was able to maintain its free reserves at a level in line with its stated reserves policy of six months of operating expenditure.

Compared to the prior year overall income was much lower at £1.238k versus £2.058k in FY21. The key reasons for these variances were:

1. FY21 was an exceptional year for legacies
2. A tough economic environment that led to a decline in trust, major donor and corporate partnership income versus prior year.
3. This was offset to an extent by the restarting of skin cam clinics that generated £144k
4. The charity received £146k of one off "pandemic related" grants in FY21 that were not received in FY22

Expenditure at £1.926k, a 30% increase over FY21 reflected the planned additional investment in additional service delivery staff and digital capability. In March 2022 the charity took possession of a short-term lease (to December 2022) for a head office in Mandela Street London NW1.

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2021/22 summary

Income fell in 2021/22:

Income

	2022 £'000	2021 £'000
Gross income		
Legacies	129	514
Income from trusts and grants	734	1,224
Other donations	208	288
Income from fundraising activity	23	21
Charitable activities	144	8
Investment income	-	2
Gross income from operating activities	1,238	2,058

Gross income from operations fell by 40% in 2021/22 compared to 2020/21.

There are two key reasons for this:

- Firstly, one-off legacy income of £514k in the prior year, compared with £129k this year.
- A fall of 40% (from £1.224k to £0.73k) in income from trusts and grants. This income line varies year on year, depending on the number of successful bids.

Prior year income included government grants to cover the salary costs of staff who were put on furlough as a result of the pandemic.

Voluntary income, excluding legacies was 28% lower in 2021/22 compared to the prior year. This was due to the tough economic environment.

Income from charitable activities comprises principally of skin camouflage services provided by Changing Faces to clients in England and Scotland. These services are largely paid for by NHS bodies under a mix of SLAs, contracts, and as non-contracted activity (NCA). The skin camouflage service was closed for the entirety of 2020/21 as a result of the pandemic.

Expenditure

	2022 £'000	2021 £'000
Services and Innovation	1040	759
Championing the Voice	379	327
Scotland Office	151	147
Costs of income generation	<u>357</u>	<u>247</u>
Total	<u>1,927</u>	<u>1,480</u>

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Services and Innovation comprises the charity's work directly with people living with visible difference and includes one to one psychosocial and skin camouflage services, as well as digital services, digital resources, education, and training. Championing the voice comprises communications and campaigns.

Total costs in 2021/22 were £0.447k (30%) higher than in 2020/21. Costs were lower across most operating areas in 2020/21 as the pandemic and lockdowns restricted activity. In addition, the skin camouflage service - and related costs - was closed during that year.

Result

Changing Faces reported a deficit of £662k at the operating level in 2021/22 compared to an operating surplus of £578k in 2020/21.

	2022	2021
	£'000	£'000
Income	1,238	2,058
Costs	<u>1,927</u>	<u>1,480</u>
Total reported surplus / (deficit)	(688)	578

Reserves

All charities are required to ensure that the amount they hold in reserves is appropriate for the charity's size and the nature of its activities. Changing Faces' policy is to hold free reserves calculated at six months of relevant unrestricted operational expenditure.

Reserves

	2022	2021
	£'000	£'000
Restricted reserves	277	322
Designated reserves	894	1,290
Designated reserves		
Free reserves	<u>303</u>	<u>550</u>
Unrestricted reserves	<u>1,197</u>	<u>1,840</u>
Total reserves	<u>1,474</u>	<u>2,163</u>

Restricted reserves

At 31 March 2022, restricted reserves totalled £277k (2021: £322k). Restricted reserves are those funds which represent donations and grants received which are to be spent on a specific activity. These funds are ring-fenced, and costs are allocated against the funds by reference to the funders' expressed purposes.

Unrestricted reserves

Designated reserves

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At 31 March 2022, designated reserves totalled £894k (2021: £1,290k). These designated reserves have been allocated by the trustees for investment in infrastructure (chiefly office property) and operational growth (rebuilding services after the pandemic).

Unrestricted reserves: free reserves

At 31 March 2022, free reserves totalled £303k (2021: £550k).

The Trustees have calculated the level of free reserves which are needed to allow the charity to meet its commitments to its clients, staff and other stakeholders, to manage the implications of a period of a shortfall in income or unexpectedly high costs.

In estimating the level of free reserves, the Trustees have had regard to Charity Commission Guidance on the level of appropriate reserves to ensure sustainability of service delivery. The Trustees have determined that Changing Faces should target six months cover of recurrent operating costs, with consideration given to the treatment of those costs covered by restricted funds.

Recurrent operating costs are calculated by adjusting the actual level of costs incurred to remove the elements covered by restricted funding, the exceptional costs relating to the restructuring and additional costs which are considered to imply no long-term financial commitment, for example consultancy costs. The six-month target amounts to £600k, and free reserves at the year end were £303k. Following the year end, on 1st April 2022, a transfer was made from designated fund to bring free reserves back to £600k.

The Trustees will continue to carefully monitor the charity's results in light of the budget and the reserves position and will take any action needed if they identify any significant risk to the charity's financial position or its ability to support its core activities.

Investments

The priority in Changing Faces investment policy is to preserve capital, and a low-risk investment policy has been adopted. After assessing the risks of different investment groups, Changing Faces has limited its investments to fixed term deposits of between three and six months, and notice deposits of a similar term, placed with financial institutions with a high credit rating.

Principal risks and uncertainties

The Board of Trustees has overall responsibility for risk management at Changing Faces. It is responsible for establishing the charity's risk appetite, ensuring that major risks are identified and approving appropriate procedures to detect, prevent and manage major risks. Changing Faces' risk management programmes are designed to mitigate risks appropriately, rather than to eliminate all risk.

The Audit and Risk Committee has the power to investigate and manage risk on behalf of the Board, and reports to the Board on strategic risks and risk management. The Finance Committee reviews management accounts and financial performance and provides assurance to the Board.

The principal tools used by Changing Faces to mitigate risks are:

1. **Risk register.** The Leadership Team manages a risk register which is regularly reviewed by the Audit and Risk Committee. Risks are assessed as to the likelihood of their occurring and the impact if they were to occur, giving a "raw" risk rating. Mitigations and future actions are

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defined, and the risk rating is then recalculated, to ensure that it remains within the Board of Trustees' stated risk appetite.

2. **Performance indicators.** We monitor performance through the use of key performance indicators and strategic milestones, which are reported to the Board quarterly, with differences to expectations thoroughly analysed.
3. **Planning and budgeting.** We produce budgets annually, monitor variances monthly, and reforecast expected results quarterly. The Finance Committee reviews monthly management accounts and reserves levels, and reports to the Board of Trustees.

The major risks identified by Changing Faces are:

Risk	Management
Pandemic impact on the charity: New forms of COVID emerge requiring the reintroduction of restrictions. This could reduce the charity's ability to offer face to face services for an extended period, reduce demand due to infection concerns.	<ul style="list-style-type: none"> • Ongoing options evaluations for all face-to-face services • Hybrid model proposed with staff combining working in an office and working at home • Continued investment in digital capability and capacity • Maintain flexibility on skin camouflage, including ability to offer online appointments.
Inflation, economic uncertainty, and external shocks Cost base increases due to inflationary pressures, market uncertainty, cost of living crisis and energy costs. Reduced ability to deliver strategy as income going on higher cost base rather than extra activity.	<ul style="list-style-type: none"> • Careful management of costs, including tendering for major contracts and negotiation on fees • Approval process • Regular review of management accounts to identify unexpected cost increases • Inflation costs built into funding bids
Finance: The charity is reliant on voluntary income to support its activities. We have an ambitious plan to grow fundraising, but there is a risk this does not deliver as expected. Increased competition and cost of living pressures could mean that we fail to reach our targets, leading to the loss of liquidity and inability to meet our commitments. Poor financial controls could lead to error or fraud.	<ul style="list-style-type: none"> • Diversification of income streams, especially individual giving and major donors • Investment in strong and effective fundraising team • Relationship management with donors and funders • Robust process for setting budgets, aligned to the strategic plan • Scrutiny of and challenge to budgets by Trustees • Monthly monitoring of budgets and budget variances • Quarterly reforecast of expectations • Robust reserves policy • Risk averse investment policy • Scrutiny of results by the Finance Committee
Governance: Lack of strategic clarity and failure to ensure impact could harm the charity's ability to achieve its charitable objectives. Inability to attract and retain good staff could mean that strategic opportunities are missed.	<ul style="list-style-type: none"> • Reporting on KPIs and key milestones • Reporting on budget • Investment in data and impact management tools and knowhow • Implementation of strategic plan • Involvement of people with lived experience of visible difference • Emphasis on training and development for staff • Building strong and effective culture and values

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Risk	Management
Compliance: Failure to comply with legal and regulatory requirements could result in fines and reputational damage.	<ul style="list-style-type: none">• Key legal and regulatory requirements identified• Serious incident reporting policy in place• Safeguarding action plan, policies, and training• Mandatory data protection training framework• GDPR compliant data mapping tool employed• DBS check framework in place• Access to specialist Legal and HR services to support decision-making
Operational: Service provision and development may not be aligned to beneficiaries' needs and desires.	<ul style="list-style-type: none">• Robust clinical governance and extensive safeguarding processes underpin services• Multi-year investment in digital capability to build a digital culture and develop digital products• Service development based upon user research
Environmental and External: Communications and brand positioning may fail to maintain a strong reputation and the confidence of stakeholders and funders.	<ul style="list-style-type: none">• Building a clear brand• Consistent and well-resourced communications team• Meticulous reporting to funders• Due diligence when considering new projects• Development of key messages• Reputation management

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GOVERNANCE

Legal structure

Changing Faces is a company registered in England and Wales, limited by guarantee, with registered number 02710440. It is a registered charity in England and Wales (Charity number 1011222), and in Scotland (Charity number SC039725).

Public benefit

The Trustees believe the charity has fully met the requirement to provide benefit to the public and have paid due regard to Charity Commission guidance on this matter. Changing Faces' services are widely publicised and available to everyone in the UK who would benefit, free of any cost.

Board of Trustees

The Board of Trustees is responsible for managing the activity of the charity. It was composed of 13 Trustees at 31 March 2022, with a wide range of skills and experience including professional and clinical expertise.

The Board meets four times per year to regularly review and direct Changing Faces' strategy, budget, and performance. Certain matters are reserved for Board approval, including changes to strategy and budget. The Board also meets for an annual away day to review and discuss strategic proposals in more depth.

Appointments to the Board of Trustees are managed by Trustees. Trustees are recruited through a process of advertisement, application, and interview. Selection is based on set criteria to ensure a broad range of skills and experience. New Trustees are provided with a formal induction programme incorporating the opportunity to meet key staff, and an induction pack of documentation including the charity's constitution, recent Annual Reports and Accounts, recent Board minutes and the current Strategic Plan. Opportunities for training are offered to Trustees, and budget is provided for this purpose.

The Board maintains control over all strategic and policy decisions, including the approval of budgets, risk management and governance arrangements. It delegates some of its responsibilities to three Board committees, which make recommendations to the Board within their terms of reference:

- The Audit and Risk Committee is responsible for managing risk, monitoring compliance with regulatory authorities, and reviewing the year end accounts.
- The Finance Committee is responsible for ensuring that the charity's finances are being appropriately and effectively managed, by monitoring the charity's financial position, overseeing the production of budgets and management accounts, developing and implementing financial, reserves and investment policies and ensuring that proper financial records are kept.
- The Nominations Committee is responsible for overseeing the recruitment of Trustees and of the charity's CEO. The committee also approves trustee appointments to the other committees.

Day to day management is delegated to the Chief Executive and the Leadership Team.

Management remuneration

Changing Faces seeks to set its salary levels for all paid staff, including management, by reference to market rates, within the context of voluntary sector organisations of a similar size. A benchmarking project was completed in June 2018; all staff roles were re-evaluated at the same time and transferred to the new pay and staffing structure. The pay policy describes how salaries

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are set and defines the salary structure for all staff within the organisation. During the year ended 31 March 2022, key management were defined as the CEO, the Director of Fundraising and the Director of Finance and Resources.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Changing Faces 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 of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

So far as each of the Trustees is aware at the time the report is approved:

- 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.

As Directors we also confirm that we have made all necessary enquiries and taken such steps that we ought to, to ensure that we become aware of any relevant audit information and that we confirm that the charitable company's auditors have been made aware of such information.

By Order of the Board

David Clayton



Chair of the Board of Trustees

Date: October 25th 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHANGING FACES

Opinion

We have audited the financial statements of Changing Faces for the year-ended 31 March 2022 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 state of the charitable company's affairs as at 31 March 2021 and of the charitable company's net movement in funds, including the 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 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees. 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.

CHANGING FACES

REPORT OF THE TRUSTEES for the year ended 31st March 2022

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Reports of Trustees (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Report of the Trustees has 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 Report of the Trustees (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 26, 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, 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 going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

CHANGING FACES

REPORT OF THE TRUSTEES for the year ended 31st March 2022

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the requirement relevant to registered charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as include the Companies Act 2006 and the Charities Act 2011, and we considered other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to manual journals. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

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. This description forms part of our auditor's report.

CHANGING FACES

REPORT OF THE TRUSTEES for the year ended 31st March 2022

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London EC4R 1AG

Date: October 25th 2022

CHANGING FACES

REPORT OF THE TRUSTEES for the year ended 31st March 2022

CHANGING FACES

Company limited by guarantee

Registered Company No: 02710440

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

(Incorporating an Income and Expenditure account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
		£	£	£	£
Income from					
Donations and legacies		622,638	470,640	1,093,278	2,047,387
Charitable activities		144,370	-	144,370	8,332
Investments		364	-	364	1,913
Total	3	767,372	470,640	1,238,012	2,057,632
Expenditure on					
Raising funds		356,723	-	356,723	247,407
Charitable activities		1,053,487	516,331	1,569,818	1,232,068
Total	4	1,410,210	516,331	1,926,541	1,479,475
Net (expenditure) / income		(642,838)	(45,691)	(688,529)	578,157
Transfers between funds	10	-	-	-	-
Net movement in funds	10	(642,838)	(45,691)	(688,529)	578,157
Reconciliation of funds	10				
Total funds brought forward		1,840,286	322,279	2,162,565	1,584,408
Total funds carried forward		1,197,448	276,588	1,474,036	2,162,565

All of the charity's activities are continuing. There were no gains or losses other than those shown above. The accompanying notes form part of these financial statements.

CHANGING FACES

REPORT OF THE TRUSTEES for the year ended 31st March 2022

BALANCE SHEET AT 31 MARCH 2022

CHANGING FACES

Company limited by guarantee

Registered Company No: 02710440

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	7	13,899	14,830
Total fixed assets			
Current assets			
Debtors and prepayments	8	154,075	283,782
Cash at bank and in hand		1,430,131	2,101,451
Total current assets		<u>1,584,206</u>	<u>2,385,233</u>
Liabilities			
Creditors: amounts falling due within one year	9	(124,069)	(237,498)
Net current assets		<u>1,460,137</u>	<u>2,147,735</u>
Total net assets		<u>1,474,036</u>	<u>2,162,565</u>
Restricted income funds		276,588	322,279
Unrestricted funds:			
Designated funds		894,483	1,290,191
Free reserves		302,965	550,095
		<u>1,197,448</u>	<u>1,840,286</u>
Total funds	10	<u>1,474,036</u>	<u>2,162,565</u>

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board of Trustees and authorised for issue on and signed on their behalf by:

David Clayton



Chair of the Board of Trustees

Date: October 25th 2022

CHANGING FACES

REPORT OF THE TRUSTEES for the year ended 31st March 2022

CHANGING FACES

Company limited by guarantee

Registered Company No: 02710440

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash Flows from operating activities:		
Net cash provided by/ (used in) operating activities (see below)	(665,716)	512,532
Cash flows from investing activities:		
Bank interest received	364	1,913
Payments to acquire tangible fixed assets	(5,968)	(2,823)
Net cash provided by/ (used in) investing activities	(5,604)	(910)
Change in cash and cash equivalents in the reporting period	(671,320)	511,622
Cash and cash equivalents at the beginning of the reporting period	2,101,451	1,589,829
Cash and cash equivalents at the end of the reporting period	1,430,131	2,101,451
Reconciliation of net income/(expenditure) to net cash flow from operating activities	2022 £	2021 £
Net income / (expenditure) for the year	(688,529)	578,157
Adjustments for:		
Depreciation charges	6,899	6,365
Bank interest received	(364)	(1,913)
Decrease/(Increase) in debtors and prepayments	129,707	(35,853)
(Decrease)/increase in creditors	(113,429)	(34,224)
Net cash used in operating activities	(665,716)	512,532
Analysis of cash and cash equivalents	2022 £	2021 £
Cash at bank and in hand	1,430,131	2,101,451

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Changing Faces meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going Concern

No material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern have been identified by the Trustees and therefore these accounts have been prepared on a going concern basis.

Cashflow forecasts have been prepared, reflecting several different scenarios for 2022/23 and 2023/24. The charity has implemented an ambitious strategy for growth, particularly in fundraising. Concurrently, management have considered options to reduce costs at short notice, should it become necessary. Trustees have examined these cashflow forecasts and are confident that Changing Faces has the financial resources to continue operating for the foreseeable future.

Income

All income is recognised once the Charity has entitlement, it is probable that income will be received, and the amount of income receivable can be measured reliably.

Legacy income is recognised when it is probable it will be received. Pecuniary legacies are recognised when probate is granted. Residuary legacies are recognised when either probate has been granted, or the estate has been finalised or notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate.

Grants

Grants are accounted for as income when they are receivable. Where the grant making body specifies that amounts given should be utilised in a future accounting period, the income is deferred to that period. If certain conditions have to be fulfilled before the charity becomes entitled to the use of the grant, then the income is deferred until such conditions have been met.

Donated Assets

Donated assets are capitalised at a value equivalent to market value as at the date of donation.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Raising funds are those costs incurred to raise donations and legacies and costs of trading activities. Charitable activities relates to costs incurred in delivering the charity's activities and services to its beneficiaries. Governance costs are those associated with incurred in meeting the

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

constitutional and statutory requirements and is now apportioned on the same basis as support costs.

Cost Apportionment

A proportion of staff and indirect costs are attributed to activities on the following bases:

Staff	-	actual costs or level of activity engaged by staff
Indirect costs	-	level of activity engaged by staff

Leases

Rentals under operating leases are charged to the income and expenditure account as incurred.

Depreciation of Tangible Fixed Assets

Depreciation is provided on all tangible fixed assets so as to write them off over their anticipated useful lives at the following annual rates on a straight-line basis:

Office equipment	-25%
Office furniture	-20%
Computer equipment	-25%

Additions to fixed assets costing less than £500, and those acquired from restricted income funds are written off in the year.

Pensions

The company operates a defined contribution pension scheme on behalf of its staff. Contributions are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme.

Employee benefits

Short term benefits: Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits: Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Accounting estimates and judgements

In preparing the financial statements, the Trustees are required to make estimates and judgements. The matters below are considered to be the most important in understanding the judgements made and the uncertainties that could impact the amounts reported in the financial statements.

Legacy income

Legacy income requires judgement about the probability of receipt which affects the timing of income recognition. Legacy income is recognised when the Charity has established entitlement to a legacy, when the receipt of the legacy is probable and when the amount due can be estimated with sufficient accuracy.

Cost allocation

Support costs are allocated to charitable activities. Judgement is required in determining and applying the basis appropriate for each support activity.

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

Bad debt provision

The valuation of debtors is based on judgements about the probability of receipt of the amounts invoiced.

Valuation of assets and liabilities

Stocks

Stocks are valued at the lower of cost and net realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Fund Accounting

Restricted Funds: The purpose and use of restricted funds are imposed by the donor or by the specific terms of the charity appeal.

Designated Funds: these funds have been allocated by the Trustees for anticipated use on specific projects.

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

Taxation

No provision has been made for taxation as the company's charitable status renders it exempt from UK direct taxation.

2. STATUS

The company is limited by guarantee and has no share capital. The liability of members in the event of a winding up is limited to £1. The members are the Trustees of the charity.

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

3A: INCOME ANALYSIS

	2022	2022	2022	2021
	Unrestricted	Restricted	Total	
	£	£	£	£
Legacies	129,397	-	129,397	514,136
Income from trusts and grants	263,080	470,640	733,720	1,224,321
Other donations	207,619	-	207,619	288,408
Income from fundraising activity	22,542	-	22,542	20,522
Charitable activities	144,370	-	144,370	8,332
Investment income	364	-	364	1,913
Total	767,372	470,640	1,238,012	2,057,632

Income from trusts and grants includes £nil (2021: £137,858) received through the government coronavirus furlough scheme.

All legacies were received in full before the end of the financial year.

3B: INCOME FROM CHARITABLE ACTIVITIES

	2022	2022	2022	2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Skin camouflage services	144,370	-	144,370	8,332
Total	144,370	-	144,370	8,332

No skin camouflage activities took place during the year ended 31st March 2021 due to the pandemic. Sole income in that year relates to an over-provision against potential bad debts in prior years. During the year ended 31st March 2022, skin camouflage services resumed, and income therefore rose.

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

4A: ANALYSIS OF TOTAL EXPENDITURE

	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Total £
CHARITABLE ACTIVITIES				
Service Innovation				
Wellbeing	256,273	331,802	588,075	499,497
Skin camouflage services	314,765	39,243	354,008	183,807
Education	80,410	17,798	98,208	75,174
	651,448	388,843	1,040,291	758,478
Championing the Voice				
Communications	378,879	-	378,879	327,110
Scotland	23,160	127,488	150,648	146,480
	1,053,487	516,331	1,569,818	1,232,068
Cost of raising funds				
Fundraising costs	356,723	-	356,723	247,407
Total	1,410,210	516,331	1,926,541	1,479,475

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

4B DIRECT AND SUPPORT COSTS

	2022 Direct costs £	2022 Support costs £	2022 Total £	2021 Total £
Charitable activities				
Changing lives				
Wellbeing	517,860	70,215	588,075	499,497
Skin camouflage services	321,694	32,314	354,008	183,807
Education	88,294	9,914	98,208	75,174
	927,848	112,443	1,040,291	758,478
Changing Minds				
Communications	336,771	42,108	378,879	327,110
Scotland office	133,275	17,373	150,648	146,480
	1,397,894	171,924	1,569,818	1,232,068
Cost of raising funds				
Fundraising costs	315,247	41,476	356,723	247,407
	1,713,141	213,400	1,926,541	1,479,475

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

4C SUPPORT COSTS

	2022	2022	2022	2022	2022	2021
	Premises costs	Office costs	Staff and volunteer costs	Depreciation	Total	Total
	£	£			£	£
Charitable activities						
Changing lives						
Wellbeing	3,320	41,852	22,773	2,270	70,215	58,348
Skin camouflage services	1,528	19,261	10,480	1,045	32,314	18,555
Education	469	5,909	3,216	320	9,914	4,366
Changing Minds						
Communications	1,991	25,099	13,657	1,361	42,108	24,485
Scotland office	822	10,354	5,635	562	17,373	7,094
Cost of raising funds						
Fundraising costs	1,962	24,721	13,452	1,341	41,476	27,197
	10,092	127,196	69,213	6,899	213,400	140,045

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NET MOVEMENT IN FUNDS

	2022	2021
	£	£
The result for the year is stated after charging:		
Auditor's remuneration		
- Audit	11,750	10,000
- Non audit	9,500	-
Depreciation of fixed assets	6,899	6,365
Operating Leases	236	826

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

6. EMPLOYEES

Total remuneration

	2022	2021
	£	£
Wages and salaries	1,069,411	853,417
Social security costs	110,656	88,772
Pension costs	68,870	50,177
Redundancy costs	-	1,998
	1,248,937	994,364

Average number of employees

The average number of people (full time equivalent) employed by the company during the year was as follows:

	2022	2021
	FTE	FTE
Wellbeing	7	6
Skin camouflage	5	4
Education	1	1
Communications	2	1
Scotland Office	2	3
Administration	6	5
Fundraising	4	2
	27	22

The average number of staff employed during the year was as follows:

2022	2021
Number	Number
48	25

Remuneration of higher paid staff

The number of employees whose emoluments exceeded £60,000 per annum was:

	2022	2021
£60,000 - £70,000	1	3
£70,000 - £80,000	1	-
£80,000 - £90,000	-	1
£90,000- £100,000	-	-
£100,000-£110,000	-	-

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

Remuneration of key management personnel

Total remuneration of key management personnel for the year, including employer pension contributions and employer National Insurance contributions was £247,526 (2021: £229,516). Key management personnel are the charity's leadership team, comprising the CEO, the Director of Fundraising and Communications and the Director of Finance and Resources.

Key management employer pension contributions amounted to £12,565 (2021: £11,514)

Board of Trustees members' expenses

None of the Trustees received any remuneration in the year (2021:nil). No Trustees received reimbursement of expenses during the year (2021: £nil). The charity maintains liability insurance covering members of the Board of Trustees in their capacity as directors.

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	Computer Equipment	Total
	£	£
COST		
At 1 st April 2021	24,580	24,580
Additions	5,968	5,968
At 31 st March 2022	30,548	30,548
DEPRECIATION		
At 1st April 2021	9,750	9,750
Charge for the year	6,899	6,899
At 31 st March 2022	16,649	16,649
NET BOOK VALUE		
At 31 st March 2022	13,899	13,899
At 31 st March 2021	14,830	14,830

8: DEBTORS

	2022	2021
	£	£
Trade debtors	55,696	-
Prepayments and accrued income	76,826	283,182
Other debtors	21,553	600
	154,075	283,782

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

9: CREDITORS: Amounts due within one year

	2022	2021
	£	£
Trade creditors	55,661	53,306
Accruals and deferred income	28,882	152,945
Employer pension contributions	9,456	7,776
Other taxes and social security	30,070	23,471
	124,069	237,498

In 2021, deferred income includes a grant of £100,000 representing the second year of a two-year grant where the income was received in advance and where the progress of the project was delayed due to the pandemic.

10: FUNDS

	Unrestricted funds	Restricted funds	Total
	£	£	£
Balance at 1 st April 2021	1,840,286	322,279	2,162,565
Net income/(expenditure)	(642,838)	(45,691)	(688,529)
Balance at 31 st March 2022	1,197,448	276,588	1,474,036
Analysis of net assets between funds			
Tangible fixed assets	13,899	-	13,899
Net current assets	1,183,549	276,588	1,460,137
	1,197,448	276,588	1,474,036

The restricted funds of the charity comprise:

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
Face equality in schools	17,798	-	17,798	-
Scotland Youth Engagement	35,485	43,121	73,606	5,000
Psycho-social support for children and young people	14,447	-	14,447	-
Support for adults with a visible difference	19,303	47,128	38,023	28,408
Support for children and young people with a visible difference	51,067	100,000	101,067	50,000
COVID response, visible difference, young people	9,025	-	9,025	-
Support for armed forces personnel and veterans	14,620	-	14,620	-
Counselling support, new ways of working	114,482	123,081	135,027	102,536

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

Cont...	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
Rebuilding skin camouflage service, London	3,132	46,300	39,243	10,189
Rebuilding skin camouflage service, Scotland	42,920	62,540	53,882	51,578
Wellbeing and counselling service	-	29,658	17,007	12,651
Wellbeing support for children and young people	-	18,812	2,586	16,226
	322,279	470,640	516,331	276,588

Restricted funds

Face Equality in Schools is a three-year project to design, create and evaluate materials for use in schools and further education colleges.

Scotland Youth Engagement is a multi-year project to support children and young people campaigning for face equality in Scotland.

Psycho-social support for children and young people is a multi-year project to support children and young people living with visible difference in Sheffield and the Humber.

Support for adults with a visible difference is a grant funding psychosocial support practitioner.

Support for children and young people with a visible difference is a grant provided to set up a psycho-social support framework.

Visible difference COVID response, young people funded service redesign arising from the COVID-19 crisis and particularly targeted at children and young people

Visible difference support for armed forces personnel is a grant that funds support for armed forces personnel and veterans

Counselling support, new ways of working is a grant to develop and embed new approaches to supporting people with visible differences

Rebuilding skin camouflage service is a grant funding the work to set up skin camouflage clinics, both face to face and digital, after the pandemic in London

Rebuilding skin camouflage service, Scotland is a grant funding the work to set up skin camouflage clinics, both face to face and digital, after the pandemic in Scotland

Wellbeing and counselling service is a grant funding 121 support and workshops for children and young people with a visible difference

Wellbeing and support for children and young people is a grant funding psychological and emotional support to children and young people with a visible difference

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

The unrestricted funds of the charity comprise:

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
Designated funds	1,290,191	-	(395,708)	-	894,483
Free reserves	550,095	767,372	(1,014,502)	-	302,965
	1,840,286	767,372	(1,410,210)	-	1,197,448

Unrestricted reserves: designated reserves

The Trustees have approved investment from the designated fund towards investments in the necessary infrastructure to support Changing Faces' operations. In part, this investment will go toward rebuilding services following the pandemic, particularly through our digital function. We have also set aside funds for new office premises.

11: COMMITMENTS UNDER OPERATING LEASES

As at 31st March 2022, the company had annual commitments under non-cancellable operating leases as set out below:

	2022 £	2021 £
Operating lease payments due:		
Within one year	-	236
In one to two years	-	-
	-	236

12: PENSIONS

The company operates a defined contribution scheme in respect of salaried employees.

Contributions are charged in the accounts as incurred and there were no outstanding or proposed contributions as at the balance sheet date. Pension costs charged in the year were £117,390 (2021: £50,178).

13: RELATED PARTY TRANSACTIONS

No payments were made to related parties in the current or preceding year.

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

2021 COMPARATIVES

14: INCOME ANALYSIS 2021

	2021 Unrestricted £	2021 Restricted £	2021 Total £
Legacies	514,136	-	514,136
Income from trusts and grants	598,970	625,351	1,224,321
Other donations	288,408	-	288,408
Income from fundraising activity	20,522	-	20,522
Charitable activities	8,332	-	8,332
Investment income	1,913	-	1,913
Total	1,432,281	625,351	2,057,632

15: INCOME FROM CHARITABLE ACTIVITIES 2021

	2021 Unrestricted £	2021 Restricted £	2021 Total £
Skin camouflage services	8,332	-	8,332
Total	8,332	-	8,332

16: ANALYSIS OF TOTAL EXPENDITURE 2021

	2021 Unrestricted £	2021 Restricted £	2021 Total £
Charitable activities			
Service Innovation			
Wellbeing	183,417	316,080	499,497
Skin camouflage services	168,899	14,908	183,807
Education	18,365	56,809	75,174
	370,681	387,797	758,478
Championing the Voice			
Communications	85,512	241,598	327,110
	85,512	241,598	327,110

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

Scotland	122,241	24,239	146,480
	578,434	653,634	1,232,068
Cost of raising funds			
Fundraising costs	235,581	11,826	247,407
Total	814,015	665,460	1,479,475

17: DIRECT AND SUPPORT COSTS 2021

	2021	2021	2021
	Direct costs	Support costs	Total
	£	£	£
Charitable activities			
Changing lives			
Wellbeing	441,149	58,348	499,497
Skin camouflage services	165,252	18,555	183,807
Education	70,808	4,366	75,174
	677,209	81,269	758,478
Changing Minds			
Communications	302,625	24,485	327,110
	302,625	24,485	327,110
Scotland office	139,386	7,094	146,480
	1,119,220	112,848	1,232,068
Cost of raising funds			
Fundraising costs	220,210	27,197	247,407
Total	1,339,430	140,045	1,479,475

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2022

18: SUPPORT COST ALLOCATION 2021

	2021 Premises costs £	2021 Office costs £	2021 Staff and volunteer costs £	2021 Depreciation £	2021 Total £
Charitable activities					
Changing lives					
Wellbeing	6,191	43,938	5,567	2,652	58,348
Skin camouflage services	1,969	13,973	1,770	843	18,555
Education	463	3,288	417	198	4,366
Changing Minds					
Communications	2,598	18,438	2,336	1,113	24,485
Scotland office	753	5,342	676	323	7,094
Cost of raising funds					
Fundraising costs	2,886	20,480	2,595	1,236	27,197
Total	14,860	105,459	13,361	6,365	140,045

Support costs are allocated on a per capita basis, relating to the average WTE staff employed in each activity, taking into account the contribution of self-employed contractors and the effects of staff furloughs. The restrictions imposed on operations as a result of the pandemic particularly affected activities in skin camouflage services, education, services managed from our Scotland Office, accounting for lower support costs in these areas.

19: FUNDS 2021

	Unrestricted funds £	Restricted funds £	Total £
Balance at 1st April 2020	1,222,020	362,388	1,584,408
Net income/(expenditure)	618,266	(40,109)	578,157
Balance at 31st March 2021	1,840,286	322,279	2,162,565
Analysis of net assets between funds			
Tangible fixed assets	14,830		14,830
Net current assets	1,825,456	322,279	2,147,735
	1,840,286	322,279	2,162,565

ADMINISTRATIVE DETAILS

Address

Registered Office: Changing Faces, 1st Floor, 14-15 Mandela Street, London NW1 0DU

Postal address: Changing Faces, 1st Floor, 14-15 Mandela Street, London NW1 0DU

Website: www.changingfaces.org.uk

Trustees

The following Trustees served between 1st April 2021 and 31 March 2022

David Clayton (Chairman) ** ***

Mark Landon (Company Secretary and Deputy Chairman, resigned October 2021) ***

Elissa Holme * ** (Hon Treasurer)

Susan Harrison * *** (Chair of the Audit and Risk Committee, Deputy Chair from October 2021)

Bridget Gardiner ** *** (Company Secretary from October 2021)

John Ashcroft (Appointed in July 2021)

Tiwonge Chipeta (Appointed in July 2021)

Monica Gizzi * (Appointed in July 2021)

Helen Gravestock

Emma Howard

Victoria Hunt

Farhana Kapasi ***

Nicholas Lee

Andrew Thompson

Members of Board Committees:

* Audit and Risk Committee

** Finance Committee

*** Nominations Committee

Patrons

Sir Christopher Benson

Rory Bremner

Michelle Dockery

Lord Fellows of West Stafford

Jan Ravens

Fiona Squire

Benjamin Zephaniah

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London EC1M 6HR

Auditor

Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

Bankers

Lloyds Bank plc, Law Courts, PO Box 1000, BX1 1LT