KEYCHANGE CHARITY

England & Wales · Charity number 1061344

Details

Other names	KEYCHANGE
Status	Registered
Legal form	Charitable company
Company number	03317563
Registered	1997-03-17
Register	View on the Charity Commission register

Contact

Address	Keychange 5 St. Georges Mews 43 Westminster Bridge Road London SE1 7JB
Phone	02076330533
Email	accounts@keychange.org.uk
Website	www.keychangecare.org.uk

Activities

Objects: 1.THE ADVANCEMENT OF CHRISTIAN RELIGION. 2.THE RELIEF OF PERSONS WHO ARE IN NEED BY REASONS OF THEIR AGE, INFIRMITY OR FINANCIAL CIRCUMSTANCES. 3.THE PROMOTION BY SUCH MEANS AS ARE CONSISTENT WITH THE NEW LIFE IN CHRIST JESUS OUR LORD OF SUCH OTHER CHARITABLE PURPOSES IN ACCORDANCE WITH THE DOCTRINAL BASIS OF THE CHARITY

Activities: Provision of Care homes for the elderly, sheltered accommodation for elderly people and twenty four hours supported accommodation for young vulnerable homeless people.

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Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Accommodation/housing, Religious Activities, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£9,640,298	£9,141,396	£10,435,558	241
2024-03-31	£9,106,243	£9,558,632	£9,906,735	268
2023-03-31	£8,939,544	£9,637,537	£8,963,804	274
2022-03-31	£9,115,047	£9,763,514	£9,661,795	322
2021-03-31	£11,061,697	£9,163,538	£10,310,262	319

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Trustees

Name	Role	Appointed
Timothy Cotterall	Chair	2015-02-17
Annie Ho		2025-02-13
Bradley Cook		2024-07-25
Brenda Asiodu		2026-03-12
Glenda Roberts		2024-11-07
Ian Micheal Bird		2021-09-21
Madeline Bird		2020-11-26
Nicholas Leggett		2019-05-15
Rebecca Stockman		2019-08-07
Sarah Powley		2024-07-25
Stefan Cantore		2020-06-03
Stephen Cockell		2026-03-12

Linked charities

- ALEXANDER HOUSE (1061344-1)
- CRESSINGHAM HOUSE WALLASEY (1061344-2)
- PLYMOUTH AND DISTRICT FREE CHURCH WOMEN'S COUNCIL - EVENTIDE HOME (1061344-3)
- UPTON HOUSE CHRISTIAN EVENTIDE HOME (FORMERLY SOUTH GREEN CHRISTIAN EVENTIDE HOME) DEREHAM, NORFOLK (1061344-4)
- ERITH HOUSE (1061344-6)

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KEYCHANGE CHARITY

England & Wales - Charity number 1061344

Accounts

Keychange

Annual Report

1 April 2024 - 31 March 2025

Registered Charity No: 1061344
Registered Company No: 3317563

Transforming lives through the power of community

Reference & administrative details for year ending 31 March 2025

Trustees
The Trustees who served during the financial year and to the date the Report of the Trustees was signed were as follows:

Madeline Thomson (Chair since April 2020)
Timothy Cotterall (Vice Chair)
Rosemary Milner (Resigned May 2024)
Nicholas Johnson (Resigned July 2024)
Ayub Khan (Resigned November 2024)
Timothy Roberts (Hon. Treasurer) (Resigned November 2024)
Nicholas Leggett
Rebecca Stockman
Stefan Cantore
Ian Bird
Sarah Powley (Joined July 2024) (Hon. Treasurer)
Brad Cook (Joined July 2024)
Glenda Roberts (Joined November 2024)
Annie Ho (Joined February 2025)

Senior Leadership Team
Chief Executive, Benjamin Downing
Director of Finance, Jeremy Simpson
Director of Operations, Graeme Gentry
Director of Strategic Partnerships, Rebecca Chaplin (until May 2024)
Director of Strategic Partnerships, Amy Kimbangi (from September 2024)
Facilities Business Manager, Peter Clark

Address and registered Office:
5 St George's Mews,
43 Westminster Bridge Road,
London
SE1 7JB

Auditors
Sayer Vincent LLP 110 Golden Lane London EC1Y 0TG

Bankers
Barclays Bank plc, 29 Borough High Street, London SE1 1LY
NatWest Bank plc 1 Penn Road, Beaconsfield, Buckinghamshire HP9 2PU
Cambridge and Counties Bank Limited, Charnwood Court, 5B New Walk, Leicester LE1 6TE

Solicitors
Russell-Cooke LLP, 2 Putney Hill, London, SW15 6AB
Womble Bond Dickinson (UK) LLP, 4 More London Riverside, London, SE1 2AU

Company No: 3317563

Charity No: 10061344

Company Secretary
Benjamin Downing

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A word from the chair

Keychange is a Christian charity, and as such is inspired by the example of Christ to love and serve others, specifically by creating caring communities.

This annual report is improved on last year's version, as we have redesigned it to incorporate stories of impact from across our communities. The report also includes all of the formal and legal reporting requirements of the charity, and company in terms of governance, finance, and risks.

Keychange has experienced some exciting growth and changes which is informing the future plan of the organisation. Part of this work has included focussing the vision and creating a new brand that supports the Charity, to achieve its mission. This year after some challenging years since the pandemic we achieved an operational surplus due to a huge amount of hard work and God's provision.

At the heart of this vision and brand remains our focus on creating environments where Christian communities have a transformational impact on the lives of those we support.

The older person care sector continues to experience challenges. However in light of difficult decisions that we made as a leadership in the previous year we have worked through and found solutions to cost increases and some staff shortages. Whilst this has been challenging for all involved, God continues to provide for the Charity.

Our housing communities have good leaders and are strengthening their staff teams and continue to work to support and equip the members of their communities.

We have continued to deliver an improvement in our impact as well as the number of people we are supporting across the organisation. With a future focus we are also researching new opportunities for community sites which will benefit local communities and increase our impact.

Christ remains at the centre of all we do, and this year we've worked particularly hard to live this out. Our weekly team meetings are structured around universally relatable bible teachings, and our Christian Faith and Spirituality working group has been working through our stated goal of increasing our provision of Christian connections and resources. Through this we are able to raise awareness to our non-Christian leaders about our faith, to ensure they feel comfortable and confident in supporting the faith of our Christian residents.

As Chair of Trustees, I am pleased about the achievements of CEO Benjamin Downing in the role, and the clear vision and plan we have in mind for the future of Keychange. I am thankful to our new and strong group of Trustees who continue to work enthusiastically to support our mission. We have said goodbye to a number of long-serving trustees this year and as a consequence of using a high quality recruitment process we have welcomed four new Trustees related to finance, people and culture, and social care that has renewed the Board this year.

The encouragement and achievements of this year have created a positive expectation as I look forward to the year ahead.

Madeline Thomson

Chair of Trustees

A season of change

This financial year has truly been a season of change for Keychange. As CEO, it has been a privilege to lead an organisation that has been making a transformational impact in people's lives for over a century into its next chapter of growth and renewal. Over the past year, we have experienced exceptional care, meaningful progress, and deepened impact.

When I joined the charity in 2022, the lasting effects of several challenging years, particularly during the pandemic were evident. Difficult decisions needed to be made as we worked to elevate not only the excellence of care and support to our residents, but also the long-term financial sustainability of the organisation. Over the past 12-months, we have welcomed new team members who have brought fresh energy and expertise, helping us establish our new 2024 vision of:

"Every person has fullness of life through the unconditional love of a supportive community."

This has been a year to transform lives, to grow our people, to build partnerships and to develop systems and financial sustainability. Across each of these areas, we set ambitious goals and worked collaboratively to achieve and often exceed them. The results have strengthened Keychange in new and inspiring ways.

Our multi-faceted approach, with operations, communities, and central office teams working diligently, has enabled us to support more people while achieving an amazing turnaround in our financial health. We have extended our reach and impact, introduced smarter systems and efficiencies, enhanced leadership and governance, and brought increased capability and quality into our team. Fundraising and partnerships has also grown in strength. We are immensely grateful for the progress made. With our organisation now more robust, in impact, people, and finances, we are well placed to explore opportunities for greater programme reach and deeper community engagement.

This annual report reflects both a celebration of our past and a story of meaningful change. The developments we have made this year are wide-ranging, but each has contributed to a broader organisational shift. We didn't just implement a new electronic roster system or enhance our invoice process, we began embedding a culture of using better business information to guide decision-making. We didn't simply educate our managers in financial processes we strengthened the financial sustainability of the organisation. These are not just operational improvements; they are transformational steps forward.

It is a joy to read the individual stories shared in this report, knowing that the organisational changes we have made have had a direct and powerful impact on the lives of those we support, and on the colleagues who work so faithfully to deliver that support.

As this financial year closes, we celebrate the strength of our collaboration across the organisation and the resilience of our leadership. We have laid the foundation for greater impact, deeper engagement, and sustained growth. We now look forward with ambition and clarity to the season ahead, and changed lives still to come.

Benjamin Downing
CEO

A year at Keychange: through the seasons

Spring 2024

March

Baking at Rose Lawn

Bingo time at Romans

Book Day at Rosemary Mount

April

Nicky celebrates her 100th birthday at Alexander House

Jim at Rose Lawn meets Llama George

May

Joan takes a visit to Sidmouth beach

Juliet from Romans enjoying the gardens

Summer

June

Getting creative at Alexander House

Des enjoys time with therapy dog at Rose Lawn

Babbacombe Ukele visits Erith House

July

Ice lollies in the sunshine at Alexander House

'Yellow Day' at Rosemary Mount - Manager Sam's favourite colour

Aug

Poppy the Troll visits Rosemary Mount

Flower garland making at Alexander House

Autumn

Sept

Sue from Fair Havens takes a trip to the garden centre

Day trip to the shops for Rosemary Mount

Pam enjoys a smoothie in the sun at Rose Lawn

Oct

Kathryn and resident Joan visit World of Country Life, Exmouth

Pub dinner trip for Alde House!

Nov

Sparklers on a carrot at Rosemary Mount!

Residents making Blueberry baked oats at Esther

Winter 2024/25

Dec

Zahra from Fair Havens wins Keychange Cares!

Christmas fun at Erith House

Residents decorate the Christmas tree at Wayside!

Jan

Making bird feeders at Alexander House

Paul from Romans wins Keychange Cares!

Feb

Erith House lunch out with Age UK Torbay

Birthday joy for Carol at Alde House

A season for transforming lives

We've had the privilege of caring for 245 older people across our seven care homes and 69 women and young people in our two housing communities. Each individual cared for by Keychange has a unique life story that has shaped their journey to arrive at our doors. It is a privilege to truly get to know our residents, to honour their past, and enrich their lives by creating new opportunities for growth. Every day across our care and housing communities, lives are being transformed in countless ways. New life pathways are being forged, friendships are flourishing, and for some of our residents, they are experiencing, perhaps for the first time, unconditional love and acceptance.

"With the support of Wayside staff, I mustered the strength to resist going back to what I was familiar with, and being drawn back into cycles of abuse. Wayside has broken that chain, and i've never returned to my old way of life..."

Mandy, Wayside

Full story on page 15

Sumara's story:

Esther Housing Community

"Born in Afghanistan, Sumara came to the UK with her family in 2022, seeking safety after enduring challenging circumstances in her home country.

Difficulties within the family lead to her mother fleeing, with Sumara and her brother soon following suit. Their journey took them through various cities across the UK, including Liverpool and Birmingham, and even led them to both live on the streets for a week. Sumara ended up in Exeter, and as she presented as homeless, her referral came through the Homeless Prevention Panel.

We welcomed her to Esther in October 2024. She has settled into the home really well and made some great friends. She's also studying at college as she would like to pursue a career in business. Sumara's resilience and determination in the face of adversity is truly inspiring, and she's an example to us all."
Aimee, Registered Manager - Esther

"An amazing atmosphere for supported living. All staff that I have encountered have been empathetic and helpful, encouraging and enabling residents to lead a life that encourages socialisation and practical independence when appropriate to the individuals capabilities and needs. The friendly staff dispense "care" with an emphasis on personalisation which is ideal as individuals preferences and needs vary greatly. Well done to all involved."

Friend of resident at Erith House - published on carehome.co.uk, Feb 2025

New pathways for those with learning disabilities

“Our new strapline, 'transforming lives through the power of community,' perfectly captures the essence of Keychange, especially in our work with individuals with learning disabilities. This sentiment has been at the heart of what we do for many years. At Rosemary Mount, we had the privilege of welcoming our first individuals with learning difficulties back in 2014, and within the last year this work has grown tremendously.

We now have six incredible residents with learning difficulties who we are able to support. They have been offered a positive new beginning, and they are now experiencing newfound freedoms and opportunities—ensuring they can enjoy the 'fullness of life' they truly deserve.

While opening our doors to provide this level of care was both daunting and humbling, it has been nothing short of inspiring to see these incredible individuals thrive in ways we had hoped for and more.”

Sam, Registered Manager - Rosemary Mount

The power of friendship

In 2024, May (name changed) joined Alde House, unable to continue living at home, and the transformation within her has been nothing short of remarkable. Once insular and reserved, May has formed a beautiful friendship with Jean, another one of our residents... (continued p. 13)

“Peter has learning disabilities, and when it came to his discharge, no one seemed interested…”

“Meet Peter, our incredible resident who joined us in October 2024.

After having a fall and ending up in hospital, and without any family around, we were contacted to see if we could help. Peter has learning disabilities, and when it came to his discharge, no one seemed interested in helping him. After going to visit him, I knew we had to do something. Whilst we have never supported anyone with a learning disability before, we felt confident we could support Peter.

Peter has settled in incredibly well. He loves going out and about with his carer, particularly trips out on the train and the bus, and he has made friends at Romans. He even goes out every 6 weeks with our handyman Paul to have their hair cut together. He’s a character, and I’m so pleased we made the decision to welcome him in; he’s a real asset to the community.”
Sarah, Registered Manager - Romans

Jean is living with Dementia, and despite her occasional aggression - something that has made others distance themselves, May’s acceptance and kindness has been truly heart-warming to witness. The two now share conversations as if they were long-lost friends, with May’s calming presence offering Jean comfort, and Jean’s companionship giving May the love and connection she truly deserves.

Nicola, Registered Manager - Alde House

Meet volunteer, Janet

Our communities are not only transforming the lives of our residents, but also the individuals who choose to serve others through our work.

“My mum is a resident at Rosemary Mount, and after visiting the home, I knew I wanted to help out. It’s such a welcoming, calming place and the staff are all so friendly. I’m unable to work, and by volunteering I feel I can give something back to the community. It’s very fulfilling and I love it.

I get to help out with lots of different things in the home, from doing crafts, painting, baking and cake decorating. I’ve started to develop good relationships with the residents now too, they know my name and we have a natter together. I even get hugs from a couple of them! It’s really great to see them smiling and happy.

I would definitely recommend volunteering. Not only am I giving something back to the community, it gives me a lot too, and makes me feel happy. It was the best decision.”

The joy of song

Cameron Lemmer, is a classically trained vocalist who comes in four times a year to sing to residents at Rose Lawn, Sidmouth.

"On Valentine’s Day this year, I had the privilege of singing a song for a resident who was bed-bound in her room. The staff had shared that she particularly enjoyed it when I came to the community to sing, so I knew how much it would mean to her...

After performing for the other residents in the main lounge, I went to her room to sing 'You Are My Sunshine,' a song we both love. To my joy, she sang part of it with me, her face lighting up with a beautiful smile. We even took a picture together.

The whole experience was something I'll never forget. The staff later told me how much it meant to her that I went to her room to sing, and hearing that truly warmed my heart. Knowing I made a difference in her day means the world to me."

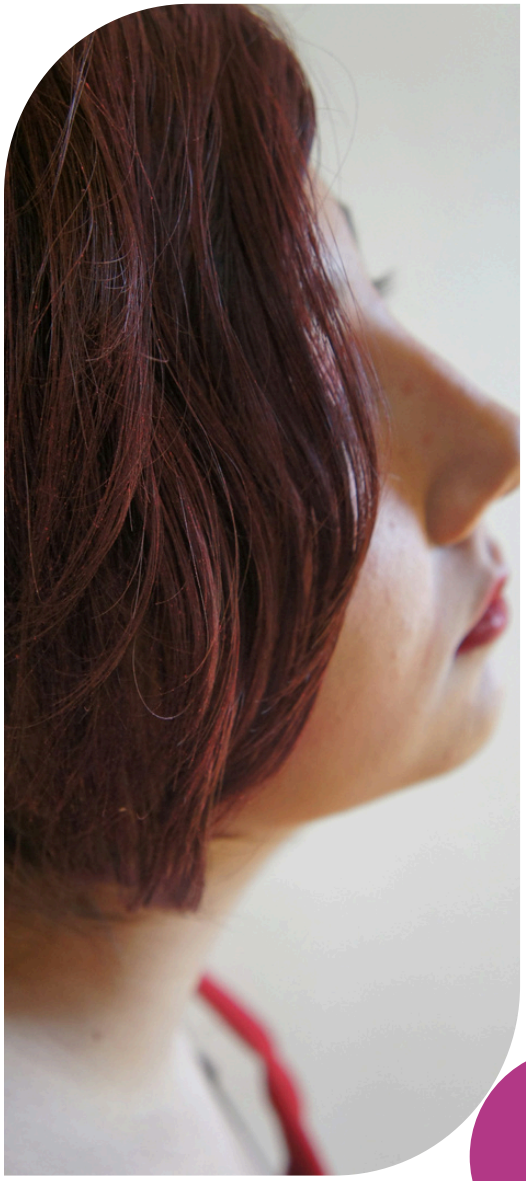
A quiet refuge

"When I came to live at Wayside I'd lived through many years of challenging circumstances which included being in an abusive relationship for 24 years.

My relationship with my children wasn't good, I didn't have a job, or a house and was in a really bad place. My car became my refuge, but I never felt truly safe there either. I felt hopeless and suicidal and after reaching out for help, was given emergency accommodation at Wayside.

After I moved in, life soon changed from chaos to quiet.

I made friends and was encouraged and I didn't feel so alone. I also came to faith. I moved into my own flat ten years ago this year, and I finally feel okay. With the support of Wayside staff, I mustered the strength to resist going back to what I was familiar with, and being drawn back into cycles of abuse. Wayside has broken that chain, and I've never returned to my old way of life."



Mandy, Wayside Housing Community

A season for growing our people

With 338 colleagues working with Keychange this year, focused on providing high quality care and support to its residents, we are committed to making the organisation a great place to be for its staff.

Staff across Keychange fulfil diverse roles. Frontline staff working locally within the communities are engaged in care provision, and ensure the buildings that residents call home are well maintained. Central office staff offer specialist support to local teams in areas such as finance, operations, partnerships and people management.

Whilst the care sector is often perceived as providing limited scope for career growth, Keychange welcomes the chance to develop its people with training and progression opportunities.

"I am valued in this organisation"
Team member, Alexander House

Our monthly Keychange Cares Awards have highlighted the many ways that our staff teams work so well together. The awards give colleagues the opportunity to commend each other for excelling in their role and to celebrate the unique contribution that each person makes.

Keychange Cares Award winner, Jeng and Head of Care Marisa - Romans

"At Keychange, the staff are at the heart of everything we do, enabling quality care and support for our residents. It is great to see commitment from fellow trustees and leaders within the organisation to ensure that staff know they are valued and appreciated.

During the past year there has been particular attention to having systems in place that mean staff can have a voice and shape what we do together. I really appreciate that in every meeting I chair we always have a staff member giving views from our communities to help inform our decision making."

Stefan, Trustee and Chair of People & Organisational Development Working Group

Our change-makers

Juspina
Housing Support Worker - Wayside

"Supporting women is what I'm really passionate about and when someone told me about Wayside, I felt an immediate connection with the work, even at peace in my interview.

My manager is amazing and so supportive. There have been opportunities for me to develop whilst raising my young family. We bring our own ideas to support the residents and we can have some really open conversations. I have the opportunity to explore and work with local services to provide support to our women, and I feel like I have matured professionally.

I am proud of the Christian ethos of the organisation and the impact that we are having on women and their families. I am able to listen to women, to value them and help them find their own goals and passions. It is such a lovely opportunity to encourage women to see the talent in themselves and guide them to their next steps and education, while I also learn more myself. I feel so blessed to be part of this community."

Kathryn
Community Co-ordinator - Rose Lawn

"I joined Rose Lawn in 2017 as Team Leader. I was very anxious when I started, but learnt so much from my colleagues.

After taking a mental health break, I returned to Rose Lawn as a senior carer which I loved, and also took on more of a COVID administration role, testing visitors and staff. I was then offered the role of community co-ordinator which is what I do now. I get to organise activities for residents, work on care plans and do admin tasks too. I also manage our social media which I have a real passion for.

Keychange has really supported me to flourish in my career, to embrace my own unique skills, interests and personality and thrive at work. I love my job as it combines all my interests, and I get to spend lots of quality time with the residents which is what I love."

Our specialists in care

An area of focus this year has involved equipping managers to become specialists in key care topics. This allows staff to gain expertise in specific areas of care provision and improves the services on offer to residents and colleagues. Specialist areas include medication, falls, skin integrity, dementia, challenging behaviours, deprivation of liberty and mental capacity and end of life care. Homelessness and housing, and relationships with local authorities are areas covered by our housing managers.

Christina
Registered Manager - Rose Lawn

"In my journey through pressure care with a focus on skin integrity, I've discovered that every small action I take can profoundly impact someone's life.

I remember the first time I noticed a slight redness on a resident's skin and took immediate steps to alleviate pressure. That simple act of vigilance and compassion prevented a serious complication.

Through ongoing discussions with my colleagues, we've shared these experiences, learned new techniques, and identified early signs together. This teamwork has enhanced our overall care patterns, ensuring we provide the best possible care. It's about the compassion we show, the vigilance we maintain, and our unwavering commitment to improving the quality of life for those we care for."

Tracey
Registered Manager - Fair Havens

"Being falls lead is an opportunity to learn and pass on knowledge to others to prevent falls occurring and consider possible reasons why they do. It's another way for us to protect our residents and provide the care that they deserve. Some falls are unavoidable, but we can strive to reduce their prevalence with improved knowledge and by adapting to each individual."

Strengthening our leadership

Another area of key focus this year has been strengthening our leadership. We are incredibly grateful for the experience and character represented by our management team, particularly as we seek to continue to foster a leadership approach rooted in radical candour. This includes care, respect, inclusivity and ensuring that every team member is valued and supported to thrive.

Meet Tamaryn, People & Culture Officer

"When looking for a new role and organisation to work for, the values and work that Keychange is involved in really resonated with me personally and professionally.

I wanted to be part of an organisation where people and purpose are central, and where there's room to contribute to meaningful change.

Since joining the charity in 2024, I have seen a lot of openness to collaboration, learning and change. There's a real willingness to look at how things can keep improving, especially when it comes to supporting our employees.

Together we are building a legacy of care across the organisation rooted in Christ's love for humanity, which really excites me!

I'm looking forward to continuing to strengthen our People and Culture foundations to ensure operational consistency, as well as aligning our strategy with the wider vision, mission and values of the organisation."

"Together we are building a legacy of care across the organisation rooted in Christ's love for humanity, which really excites me!"

Time together

MBTI training at Leadership Conference, September 2024

Following new additions to the Senior Leadership and Operations Team over the past twelve months, all in geographically dispersed locations, opportunities to gather in-person have been a particular highlight. Four leadership conferences have been held in the last year. These events provide a great opportunity for collaboration across the organisation, sharing expertise and perspectives, as well as building stronger relationships and peer support amongst leaders.

Christmas meal at Leadership Conference, December 2024

"Seeing many months of working towards a vision finally start to bear fruit was very reassuring and positive. Our times as leaders have a feel good atmosphere and a lot of positivity of what the future holds for us."

Feedback from November conference

A season for building partnerships

Over these past twelve months we have further sought to reach beyond our walls and into the community by not only strengthening our existing connections, but building new partnerships both locally and further afield.

The hope with reaching outwards is to foster a more collaborative approach to care which benefits both our communities and the organisations we work with. By working together with others there are opportunities to learn and to share knowledge for the benefit of the locality and beyond.

Retired minister Lynda from Anna Chaplaincy visits Romans care home on a weekly basis to provide spiritual support for residents. The services are inclusive, with residents of no faith often choosing to join in. Within the last year, this connection has gone from strength to strength.

Full story on page 26

New pathways for partnerships

Meet Amy, Director of Strategic Partnerships

Can you tell us what your role entails?

In a nutshell my role is about how we can deliver more impact by working together with others. When we're looking to tackle big social challenges like the needs of our ageing population or supporting people to recover from homelessness, we just can't do that alone. So whether it's local authorities, funders, other charities or the general public at large, we want to strengthen how we work with others for the benefit of the people we serve.

What work is underway to strengthen our partnerships?

There's lots going on! In our local communities we are identifying opportunities to improve our offer for residents by working with local charities, businesses and community groups. We are also seeking to strengthen our relationships with local authorities, so that we can be a trusted partner in helping to tackle the big challenges we all face around older adult's care and homelessness.

We've also started to improve awareness of Keychange by refreshing our brand and improving our digital presence, hopefully enabling more people to get to know us and partner with us in our mission.

What are our plans in the next year for this area?

We are particularly strengthening our work with churches in our localities through providing practical assistance, supporting the spiritual development of our residents, or supporting our mission in prayer. Finally, we are continually looking to improve the experience for our donors, whose support is vitally important to our mission. We want to ensure that everyone who partners with us knows the impact of their contribution and the difference they are making to creating community for those who need it most.

Across the generations: Erith House & Mummy and Me

Mummy and Me is a community led support group for families with babies 0-12 months. They offer a varied schedule of post-natal education in a fun, safe and friendly environment. After recognising the benefits to resident wellbeing of having visiting babies in the home, manager Sam reached out to Mummy and Me with hopes to establish regular visits from the group to Erith House. Now, every fortnight, around eight mums and their babies visit the home, participating in sensory activities, games, crafts and singing.

As well as being a wonderful time for the residents of Erith House and the babies from the group, this opportunity is also offering a valuable space for the mums who attend.

Mummy and Me Founder, Lena Fearnley said: “A lot of our mums have lost those connections to the older generations, either by having children later on in life, or families not living nearby. This opportunity is helping to bridge that gap and encourage those interactions. It is amazing to see the friendships that are flourishing.”

“It’s such a joy when the mums and their little ones come to visit. It takes me back to when I was raising my own children, and I love having a chance to share those memories with the mums. It’s wonderful to reminisce about those days and see how much joy the little ones bring to all of us"

resident at Erith House

Across the continent: Fair Havens & Ukraine

"The son of one of our residents is the CEO of a charity that has been instrumental in supporting people in Ukraine following the devastation of war. After speaking with him about his work, I was both moved and shocked by the conditions he described — especially the impact on the older generation as winter approached.

Electricity was scarce, with hospitals requiring the bulk of the supply to care for the injured, leaving many civilians without light or heat. As temperatures dropped, the fear was that many, particularly the elderly, might not survive the harsh winter conditions.

Feeling compelled to help, I spoke with my team and decided as a community to take action. Together, our resident families rallied and donated 41 hot water bottles to be sent to Ukraine, along with a beautifully knitted blanket made by our very own residents, Freda and Evelyn.

It was a small gesture, but one made with immense care and compassion — a reminder that even from afar, we can make a meaningful difference in the lives of others."

Tracey, Registered Manager, Fair Havens

Resident, Freda and the knitted blanket

Celebrating those we care for

For two and a half years, retired minister Lynda has visited Romans each week to provide spiritual support for its residents. Lynda is part of Anna Chaplaincy, a faith-based organisation that works through the local church. (continued overleaf)

Honouring the lives of those in our care

Alongside regular church services, Lynda organises quizzes and other events that family and friends can get involved with. Most residents join in – even those who don't have a faith, resulting in a real sense of community.

Over the past year, this connection has further strengthened through setting up 'Celebration of Life' services after a resident has passed away. These services are personalised to the individual, including their favourite songs and readings. During the service, family, residents and staff are also invited to share their own memories of their loved one.

A Celebration of Life service was held this year for Doris, a beloved resident at Romans, with family joining online from Lancashire and Spain.

"As a family near and far spread around the world it was time we could all come together and remember our precious Mum, Nan, Nanna and Great Nanna with the technology of Zoom.

We all thought the memorial service that Lynda conducted was beautiful, remembering Mum and her life story. It brought closure by releasing Mum onto her next journey. With a lovely poem, prayer, and song "time to say goodbye."

Very emotional and respectful celebration. Not just for us but also her extended family at Romans. The whole service was prefect, Mum would have enjoyed it."

Julie, Doris's daughter

Fun & Friendship:
Afternoon tea for Alexander House

Within the last year, Alexander House has been working more closely with King's College School in Wimbledon. Every Friday afternoon a number of sixth form students host an afternoon tea at the School, with residents from Alexander House and other care homes heading over for tea, cake and conversation. These regular meet ups have led to new friendships forming between residents from a number of different homes, and have provided a great learning experience for the students involved.

"Friendship Hour provides a great opportunity for those students with an interest in the care sector and medicine to gain experience building relationships with those of different generations. It's a chance for them to learn from their elders, and also vice versa. It's been wonderful to see the friendships blossoming amongst the older people attending too."

Rev Madeleine Miller, Chaplain, King's College School, Wimbledon

Following the success of this partnership, one of the students from the School has since requested work experience at Alexander House during the summer holidays.

Staff and residents at Alexander House visit King's College School for Friendship Hour

Special connections beyond the classroom

In September, Erith House connected with Combe Pafford School in Torquay to discuss working together for mutual benefit. This large special school caters for students with moderate learning difficulties and autism.

It was agreed that two pupils would regularly visit Erith House with the aim to help improve their communication skills and resident socialisation. Once weekly conversation sessions were a success, the school then began to organise craft sessions, developing leadership and teamworking skills for residents and students. Feeling like part of the Erith team, the students then became engaged with practical tasks, including cleaning, thus broadening their skills base.

"This is a perfect opportunity to engage our residents with a different generation. They've really enjoyed interacting with the students, and developing connections that they might not have considered before." Donna, Head of Care - Erith House

"The arrangement proved highly successful. It really helped to improve the confidence in our students, allowing them to experience a new environment." Edward Thompson, Employer Engagement Co-ordinator - Combe Pafford School

Pictured above: Combe Pafford student, Nubah who enjoyed the work experience

Empowering Communities

At Keychange we believe that when someone moves into one of our communities, that should not be the end point at which their contribution to society ends, nor should the walls of the building be a barrier to creating partnerships.

In June, Keychange attended a roundtable event in Westminster to discuss *Empowering Communities to Care* – a document produced by Pilgrims' Friends Society with ideas on how to utilise local partnerships and resources to better serve an ageing population.

"Our long-term trajectory is to stretch our reach of expertise and care to as many people as possible. We want to create links that promote continuity of accessible holistic social care for all. This will take coordination, sharing information through the connections made to ensure there is a focus on what is needed, where it is needed and how we can deliver.

Long term goals of integrated delivery would be to expand our homes to be community hubs – to provide education and support, to work alongside local NHS trusts and councils as system partners, to provide safe spaces for the most vulnerable people in our localities.

We do not want the work we do to be siloed. We want to empower our employees to think beyond the walls of their workplace, and inspire others to do the same."

Georgie, Operations Manager - Care

A season for developing financial sustainability & systems

Over the past twelve months, Keychange has made significant strides in improving its financial sustainability in a continually changing care and support sector.

Through a combination of increased occupancy, focus on fair charging, and enhanced operational efficiencies, we have reported a surplus for this financial year. This will be reinvested into both our existing service provision for our beneficiaries and new programmes to grow our impact.

Our focus on streamlining processes and adopting new systems and technologies has resulted in more efficient and effective delivery of our care and support. These improvements have contributed to the long-term sustainability and resilience of the charity.

People-led processes

“The people we support and the people we work with to provide that support are always at the heart of our decision making.

Consequently, to enable continually improving quality of care and a continually improving work environment, Keychange started transforming the way that we engage digitally across 2024-2025.

This has included working with Planday to implement electronic rostering, which has supported improvements in payroll processes.

We have also extended our use of Person Centred Software, digitalising our care records, and invested in Depensys to understand in a standardised way the growing complexity of needs of those living in our care communities. We are working with Inform to digitalise our housing case records. All of these system improvements allow us to deliver care and support in a more personalised way, gathering data to deliver insights to managers to enable knowledge-based decision making that impacts the lives of those living with us.”

Graeme, Director of Operations

“Planday has really changed the game for us!

The staff now have access to a system that helps them manage their shifts, meaning that managers aren’t needing to chase to ensure full staffing capacity.

We can easily see who is on shift and who is available at a glance, creating the rota well in advance so that everyone knows their schedule. Reviewing absences, sickness, annual leave and more is so much clearer. Overall management oversight of our people is both simpler and more effective”

Nicola, Registered Manager - Alde House

Graeme, Director of Operations at Keychange, Kendra, Clinical Digital Educator for Merton South West London ICB, Andrea, Registered Manager at Alexander House, Nour, Health and Social Care Integration Officer – Merton & Wandsworth

Awarded for digital leadership: Alexander House

In 2024, Alexander House was awarded a certificate by the regional NHS Integrated Care Board (ICB), following the implementation of a number of digital projects including the Universal Care Plan (UCP).

The UCP, an NHS service, facilitates the digital sharing of personal data to healthcare professionals across London, to improve outcomes for patients. The platform provides easily accessible patient information including historical records, improving relationship building and coordination of care across services.

Following their work, the team at Alexander House were awarded with a certificate for being in the **top 5% of digitally enabled care homes in the area.**

"This work has allowed us to provide further multi-disciplinary support for our residents and develop co-ordinated and integrated plans for treatment, ensuring holistic care. As a result of our engagement, other doors have opened, enabling our team to access training and support at a time where people are keeping their loved ones at home until they are not able to manage. Staff confidence in providing dementia care and supporting more complex needs has grown and we can provide a higher quality of care to people's loved ones."

Andrea, Registered Manager, - Alexander House

Financial turnaround

In recent years Keychange has faced many operational challenges and obstacles, including the pandemic which resulted in an operational loss for a number of years.

We are therefore hugely thankful for God's provision, the hard work of our staff and the continued support of our donors, for the financial surplus of the 2024-2025 financial year. This is allowing for programmatic growth and the improvement of organisational systems to deliver more impact and greater quality care.

"Coming on board as the new Treasurer I have been impressed by the level of financial review and the number of improvements that have been put in place in the last twelve months to enable Keychange to be the best it can and to make the best use of the resources it has. The financial climate is a difficult one and money has to go a lot further.

The management team has demonstrated that future proofing the organisation is a key priority to ensure that those it serves get the best care in communities that are well run and sustainable for the future."

Sarah, Trustee, Treasurer and Chair of Finance & Facilities Working Group

Fundraising

As we look to the future, we are focused on continuing to strengthen our financial position, which underpins our ability to deliver social impact. We aim to diversify our income by further developing fundraised income streams, creating opportunities to launch new projects and services that improve the lives of our beneficiaries.

We are enormously grateful for the funding received from individual donors and legacy givers over the past year; together they form a faithful and committed supporter base for Keychange. In the coming years, we will take steps to identify new supporters to partner with us financially as we work together to transform lives through community.

Keychange Charity Trustees' report for year ending 31 March 2025

The trustees, being the company's directors, present their annual report on the affairs of the charity, together with the Accounts and Auditor's Report for the year ended 31 March 2025. The information included on Page 2 forms part of the trustees' report. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in January 2015 in preparing the annual report and financial statements of the charity. The financial statements comply with all statutory requirements and the requirements of the charity's governing document.

What we do
Our objects, as stated in our Memorandum of Association, are:

- The advancement of the Christian religion
- The relief of persons who are in need by reasons of their age, infirmity or financial circumstances: and
- The promotion by such means as are consistent with the new life in Christ Jesus our Lord of such other charitable purposes in accordance with the doctrinal basis of the Charity.

Keychange is a Christian Charity, creating caring communities. We fulfil our objective by providing care and support for older people and young homeless people. Our values and behaviours are based on Christian principles and linked to the Bible. We try to follow Jesus Christ's example of giving practical love and compassion in our residential care communities for the elderly and residential supported accommodation for young adults. We firmly believe that creating a caring community for all people to live and work alongside one another improves their physical, emotional, mental and spiritual well-being. We provide care and support in seven care homes and two homeless housing settings for a maximum of 203 vulnerable adults.

Governing documents
Keychange is a registered charity and a registered company limited by guarantee. It is governed by its memorandum and articles of association dated 23 November 1996. Keychange Charity is affiliated to the Evangelical Alliance.

Trustees and Leadership Team
Trustees are appointed by the Board of Trustees in general meeting. One third of trustees retire by rotation and may offer themselves for re-election. Our individual trustees share a broad mix of skills appropriate to the governance responsibilities of the board and the objectives and activities of Keychange. We complete a regular audit of these skills to ensure ongoing effective governance, leadership and working with the Senior Leadership Team.

Potential new trustees are invited to attend a trustees meeting as an observer, visit one of our communities, and be interviewed by the Chair. On acceptance of a formal invitation there is an induction program led by the CEO, and referral to the Charity Commission's relevant guidance.

Rosh Milner, who served as trustee from 1994, resigned in May 2024. Nick Johnson resigned as trustee in July 2024 and Tim Roberts and Ayub Khan resigned as trustees in November 2024. Due to the ill health of the current Chair, Tim Cotterall has been interim Chair from May 2025 and Sarah Powley appointed interim Vice Chair from May 2025. The Senior Leadership Team, led by Benjamin Downing, CEO, included Peter Clark (Facilities Business Manager), Graeme Gentry (Director of Operations), Jeremy Simpson (Director of Finance), and Amy Kimbangi (Director of Strategic Partnerships), with Amy joining in September 2024.

Keychange Charity Trustees' report for year ending 31 March 2025

Organisational structure
The Board of Trustees meets four times a year. The trustees determine the strategy and policy of the charity and are involved in specific areas as part of Trustee Working Groups. Working groups (detailed below) review progress against existing goals and discuss new recommendations to the Board. Each group comprises trustees and Senior Leadership Team (SLT) members with the appropriate skill. At present the four working groups and the trustees involved in each are as follows:

Quality and Safety
To monitor, review care and support operations, care policy, quality improvement and inspection reports. Tim Cotterall (Chair); Stefan Cantore, Nicholas Leggett, Annie Ho, and Glenda Roberts (SLT: Graeme Gentry).

People and Organisational Development
To focus on development of people and culture within the organisation including policy, retention etc. Stefan Cantore (Chair); Brad Cook and Glenda Roberts (SLT: Graeme Gentry).

Finance & Facilities
To monitor, review and report on financial performance and risk, and the state of property, facilities, IT, Health and Safety. Sarah Powley (Chair); Ian Bird and Timothy Cotterall (SLT: Jeremy Simpson).

Governance
To develop and focus organisational governance and legal registrations. Timothy Cotterall (Chair) and Madeline Thomson; (SLT: Benjamin Downing and Jeremy Simpson).

Day to day management is delegated to the CEO with regular contact with the Chair. The CEO as part of the SLT oversees the strategic plan delivery, as well as the operational leadership and management of our mission, goals and performance. The wider Keychange Leadership Cohort includes the SLT, community managers and other key managers.

This leadership delivers the core mission and work of creating caring communities for high quality care and support. Registered Managers lead their team of staff in each location. Our Central Office team supports, enables, and empowers our communities' leaders in terms of quality care delivery, leadership, people and culture, facilities, finance, health and safety, administration, and communications.

There are role descriptions and person specification and pay banding for all staff, which are reviewed annually as part of the budget process. These take account of London based salaries in the charity sector for similar positions.

Related parties and connected charities
Under various directives issued by the Charity Commission, the following communities are linked charities and their financial activities are amalgamated into Keychange Charity in the financial statements.

- Alexander House, Wimbledon
- Cressingham House, Wallasey
- Erith House, Torquay
- Stumpwell Housing Association: is a subsidiary of Keychange Charity.

Keychange Charity Trustees' report for year ending 31 March 2025

Objectives and activities
The objects of the Charity are as stated in its Memorandum of Association which was updated in February 2025 and are listed under 'What we do' on page 34. The vision of Keychange Charity is: *Every person has fullness of life through the unconditional love of a supportive community.* This forms the basis of our strategy.

The Board and the Working Groups regularly review strategic goals and achievements and the aims for the future. This is by using the strategic themes:

- Improve quality of care and support to those living in our communities, and their families
- Property portfolio and infrastructure are fit for purpose to operate at the highest level
- Financial strategy that achieves financial sustainability to generate surpluses for re-investment in our vision
- Proactively establish new partnerships to enhance the work of Keychange
- External communications that better express Keychange vision, mission and impact
- Working with collaboration in a high performing culture. This supports our mission of creating caring communities, by providing the best quality care and support in line with our Christian values
- Strengthen our governance, our legal registration of assets and the Board so we are equipped to deliver the mission of the organisation.

Public benefit
The trustees have taken account of the Charity Commission's guidance and demonstrate public benefit has been provided to beneficiaries through the following activities:

•Our community vision recognises that we support strong connections with the local communities and encourage volunteers to support us

• Housing women who would otherwise be homeless, and supporting them with education and employment

•Accepting socially funded older people residents at fee levels below the cost of providing good care and accommodation

•Providing support and guidance for women in our housing communities which benefits society as well as enabling residents to gain independence

•Providing a wide range of care and support including activities for our residents

•Co-creating training and work experience opportunities for young people

Keychange Charity Trustees' report for year ending 31 March 2025

Organisational update
Across the Keychange communities we deliver safe quality care and equip staff to support community members as well as develop their own self-care.

Care communities
We have worked locally and across the organisation to increase occupancy through increased partnerships, networking, word of mouth recommendations and marketing.

We are better utilising the feedback and experience of community members, so our reputation, our mission, and our positive regulatory standing achieve our desired goal of impacting more vulnerable adults with quality care.

Housing communities
We operate housing communities providing support, hope and opportunity to homeless women and young people. Our goal is to offer a safe place to live, grow, develop and help them restore, and to them find ongoing purpose for their lives.

We have two housing communities and our teams in Surrey and Devon develop links with the community and churches. We are appreciative of our staff team that invests and advocates for the residents in each housing community site. Their work allow Keychange to achieve our mission and goals to impact the lives of vulnerable adults.

Partnerships
We are investing in partnerships for the organisation to be better connected. With this in mind our membership of the National Care Forum is key to being connected and understanding best practice in the sector.

We have invested capacity in building relationships with local authorities to better deliver the impact we want alongside their needs. We are working a key member of Faith in Later Life to collaborate with other like-minded organisations. We continue to grow our knowledge and partners in the supported housing sector.

Leadership
The SLT continued to review the organisation and each community in terms of impact, quality of care and financial viability. In light of the difficult decisions in the 2023/24 Financial Year, the Financial Year 2024/25 was a year of positive growth in terms of impact and financial sustainability. The care and housing communities are operating sustainably for the first time since before 2020.

The SLT and Registered Managers were able to develop as a team and were stable in terms of recruitment. The only new member of the team at a leadership level was the new Director of Strategic Partnerships, Amy Kimbangi.

Cross organisational working
We have strengthened connections between the Central Office and Registered Managers in a group called the Leadership Cohort. Our cross-organisational engagement approach allowed leaders to share and learn regularly which gave opportunity for leaders to speak about their current reality and the challenges that they face.

Keychange Charity Trustees' report for year ending 31 March 2025

In order to support staff and managers in each community, there has been investment in People and Culture and communication capacity. This has helped us in the recruitment of good calibre staff.

Governance
This year we have strengthened the governance of the organisation and the Board of Trustees. We reviewed and renewed both our Articles of Asssociation and our Scheme of Delegation in 2025.

Trustees completed an end of year review to assess their own performance. These evaluations are collated and reviewed to ensure continuous improvement of governance functions and identify any outstanding skills needed in the Board. This year we have provided Governance training to our Board on Safeguarding.

Engagement of staff
Keychange is committed to diversity within recruitment processes and assesses all candidates on their merits and abilities. Keychange seeks to engage all staff through increasing internal communications. We provide training opportunities for employees at the different levels of their development.

Each month there is a Keychange Cares staff award; this acknowledges the work of staff who have gone above and beyond in their roles. This gives staff recognition for their special contributions.

Salary improvements
This year we have invested significant time and resource in the area of staff salaries. We have begun to build a foundation so the lowest paid staff have received a significant, above inflation, increase in their pay for the second consecutive year. Also a project to introduce salary banding was implemented in this period. It provides more consistency of pay rates across the organisation and allows a clearer development pathway for staff.

Communications and marketing
In order to ensure consistency across its future communications, and clarity throughout the organisation of our core identity, Keychange began working to clarify its messaging. This process helped to emphasise some of the values already inherent within Keychange, but brought them to light in a new and exciting way.

The messaging for the Keychange umbrella organisation is as follows:

- Community is at the heart of everything Keychange does
- We believe in the power of community to transform lives
- Everyone deserves to feel safe, secure and valued
- We don't just provide homes, we build caring communities

Fundraising standards information
We adhere to the UK Fundraising Regulator and its Fundraising Code. We have not had any breaches of these during 2024-25.

We are mindful of how we engage with vulnerable people, ensure we work within the Data Protection Laws and Fundraising Code of Practice, and seek advice from the Safeguarding Leads when needed. The charity does not employ outside or commercial fund-raisers.

We ensure that our supporters are kept up to date with our work and that they can give to support it. No complaints have been received in the year about our fundraising.

Risk management
The Board and Senior Leadership Team (SLT) conducted an assessment of risk to which the Charity is exposed, due to our areas of work they are focussed in operations and finances.

Keychange Charity Trustees' report for year ending 31 March 2025

Current organisational risks are assessed by the SLT and within the Board Working Groups on a cyclical basis. Immediate operational risks are considered by the SLT with relevant strategies put in place. The trustees are satisfied that systems are in place to mitigate the charity's exposure to the major risks.

The key current areas of risk are:

- *Financial unsustainability*. We continue to mitigate this risk as we have done over the last two years by adding capacity and skills to each community and the central office to ensure a higher level of impact, care, accountability and efficiency of delivery.
- *Safeguarding and care quality failure* – We are mitigating this risk in a multifaceted way. Amongst other things we have implemented the Safeguarding Governance Framework which looks at six key organisational areas including culture, reporting, process etc. This is allowing increased transparency at all levels organisationally from Trustees to care, both internally and externally.
- *Lack of leadership* (capacity, character and ability) – We are developing the leadership team to build on their experience in the sectors where we operate and increase capacity. This is allowing the organisation to attend to daily operational need as well as strategically plan for the medium to long term.
- *Governance weakness* – Considerable time and resource is being invested in the area of legal and structural registration as well as board governance. This is equipping the organisation to navigate future strategic decisions and operational strengthening.
- *Lack of vision clarity* – Leadership and management time has been intentionally utilised to mitigate this risk and we have clarified the vision, mission and organisational goals planning in the last 12-month. This focus of message has led to a rebranding and improved communication of our impact to our beneficiaries and stakeholders.

Future

We are deveoping a strategic organisational plan to better achieve our vision and mission.

Due to the various years of transition the initial focus of this plan was the coming year. Going forward a longer-term strategy will be developed as better business information is researched.

Our vision is every person has fullness of life through the unconditional love of a supportive community. Our new strategic plan focuses on increasing the number of people we impact, financial health & sustainability, and strengthen organisational systems. Our priority for the future is that Keychange increases the reach and number of vulnerable adults supported.

Financial review

Total turnover from care homes and housing communities for the year ending 31 March 2025 was £9.6m (up 5.9% from £9.1m last year). Work continued to ensure that costs were managed effectively amid ongoing environmental uncertainties. We are pleased to report that the organisation generated a net operating surplus of £0.4m, equating to a net operating margin of 3.9% (compared to a net operating loss of £0.5m last year).

A balanced budget has been approved for the next operating year 2025/26, and the budget has begun to incorporate some expansion and development of services to meet the anticipated growing needs of the communities we serve.

Keychange Charity Trustees' report for year ending 31 March 2025

Going concern

The Charity's trustees are pleased to report a significant improvement in net current assets from -£0.2m last year to £2.3m as of 31 March 2025, due to operations generating a surplus and the sale of the Overdale asset.

The trustees have reviewed the 2025/26 budget and cash flow estimates and are confident that the organisation is financially viable in the short to medium term. They reaffirm the Charity's compliance with the CQC and Ofsted operating framework and identify no other financial or regulatory issues that could lead to the Charity ceasing operations.

The trustees have considered the financial position of the charity and its future cash flow requirements, including the level of reserves held and the impact of external factors on income and expenditure.

Despite the continuing challenges in the operating environment, particularly in relation to cost pressures in staffing, energy, and property maintenance, the trustees are satisfied that the charity has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties identified that cast significant doubt on the charity's ability to continue as a going concern.

Therefore, the trustees have decided to continue preparing the financial statements on a going-concern basis. Further information can be found in the accompanying notes to the financial statements (Note 1 - Accounting Policies).

Reserves

The Trustees of Keychange have adopted the following policies regarding unrestricted reserves (free reserves) to accomplish the following goals:

- Provide working capital to fund everyday operations
- Provide stability where income fluctuates unexpectedly so that service operations can continue and are not affected in the short term
- Set aside amounts as funds to fulfil strategic plans in the medium to long term alongside campaign donations.
- In the event of unforeseen circumstances, provide for an organised cessation of operations and closure costs.

When considering the nature of care and homeless operations, the Trustees consider an equivalent to six months of operating costs, a reasonable value.

For 2024/25, this value is estimated to be approximately £4.6m. The actual value for the year ended March 2025 is £4m (last year £1.5m), representing five months of operating costs (last FY was two months). Meaningful progress has been made during 2024/25; however, the Trustees remain committed to rebuilding the unrestricted reserves to the minimum level.

Designated Funds £6.5m (last year £8.6m) comprise the Capital Reserve Fund £6.0m (last year £8.0m) representing the net book value of the Tangible Fixed Assets employed by the charitable group, excluding those held in Restricted Funds and a further £460k (last year £620k) designated as a contingency to cover the losses currently suffered in the linked charities, should it not be possible to apply property proceeds against the Linked Charity Income Funds. Discussions continue with the Charity Commission.

Restricted reserves are those for which a specific charitable purpose has been attached to the gift. We recognise that they cannot be used in the Charity's general operations without the donor's permission; further details are provided in the notes to the financial statements.

Keychange Charity Trustees' report for year ending 31 March 2025

Statement of Trustees' responsibilities
Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2025 was £10 (2024: £11). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The trustees (who are also directors of Keychange Charity for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period.

In preparing these financial statements, the Trustees are required to:

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

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

In so far as the trustees are aware:

•There is no relevant audit information of which the charitable company's auditor is unaware

•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 auditor is aware of that information

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

Both the Trustees' Report and the Strategic Report were approved by the trustees and signed on 17 July 2025 on their behalf by

.....
Sarah Powley, Trustee

Independent Auditor's Report to the members of Keychange Charity for the year ended 31 March 2025

Opinion
We have audited the financial statements of Keychange Charity (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011 Basis for opinion We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

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 group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the Trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Keychange Charity'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.

Independent Auditor's Report to the members of Keychange Charity for the year ended 31 March 2025

Other Information
The other information comprises the information included in the Trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the group 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The Trustees' annual report, including the strategic report, 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent 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

Responsibilities of Trustees
As explained more fully in the statement of Trustees responsibilities set out in the Trustees' annual report, the Trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the members of Keychange Charity for the year ended 31 March 2025

Auditor's responsibilities for the audit of the financial statements
We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

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

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

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

We enquired of management and the finance committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:

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

Independent Auditor's Report to the members of Keychange Charity for the year ended 31 March 2025

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

.....
Judith Miller (Senior statutory auditor)

Date 21 July 2025

for and on behalf of Sayer Vincent LLP, Statutory 110 Golden Lane, London, EC1Y 0TG Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Keychange Charity consolidated statement of financial activities (incorporating an income and expenditure account) for the year ended 31 March 2025

	Note	Unrestricted Funds £	Restricted Funds £	Endowment £	2025 Total £	Unrestricted Funds £	Restricted Funds £	Endowment £	2024 Total £
Income from:									
Donations and government support	2	79,263	138	0	**79,402**	99,408	0	0	**99,408**
Grants		4	3,370	0	**3,373**	0	0	0	**0**
Charitable activities									
Care for the Elderly	3	5,351,297	3,313,459	0	**8,664,756**	5,436,130	2,777,739	0	**8,213,869**
Support for the Homeless	3	853,685	0	0	**853,685**	742,037	0	0	**742,037**
Investments	4	25,574	13,509	0	**39,082**	49,024	1,904	0	**50,928**
Total income		**6,309,823**	**3,330,475**	**0**	**9,640,298**	**6,326,599**	**2,779,643**	**0**	**9,106,243**
Expenditure on:									
Charitable activities									
Care for the Elderly	5	5,062,685	3,166,179	0	**8,228,864**	6,187,146	2,621,265	0	**8,808,411**
Support for the Homeless	5	898,978	13,555	0	**912,533**	736,166	14,055	0	**750,221**
Total expenditure		**5,961,663**	**3,179,733**	**0**	**9,141,396**	**6,923,312**	**2,635,320**	**0**	**9,558,632**
Net income / (expenditure) before net gains / (losses) on investments and revaluation of fixed assets		**348,160**	**150,741**	**0**	**498,902**	**(596,713)**	**144,323**	**0**	**(452,390)** **0**
Tangible Asset - Unrealised Gains/Losses		0	0	0	**0**	1,135,855	259,466	0	**1,395,320**
Tangible Asset - Realised Gains/Losses		29,922	0	0	**29,922**	**0**	**0**	**0**	**0** **0**
Net gains / (losses) on investments and revaluation of fixed assets		**29,922**	**0**	**0**	**29,922**	**1,135,855**	**259,466**	**0**	**1,395,320**
Net income / (expenditure) for the year	6	**378,082**	**150,741**	**0**	**528,823**	**539,142**	**403,789**	**0**	**942,931**
Transfers between funds		0	0	0	**0**	93,386	(93,386)	0	**0**
Net income / (expenditure) before other recognised gains and losses		**378,082**	**150,741**	**0**	**528,823**	**632,528**	**310,403**	**0**	**942,931**
Net movement in funds		**378,082**	**150,741**	**0**	**528,823**	**632,528**	**310,403**	**0**	**942,931**
Reconciliation of funds:									
Total funds brought forward		**10,165,676**	**(619,719)**	**360,778**	**9,906,735**	9,533,148	(930,122)	360,778	**8,963,804**
Total funds carried forward		10,543,758	(468,978)	360,778	10,435,558	10,165,676	(619,719)	360,778	**9,906,735**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

Keychange Charity balance sheet company no. 3317563 for the year ended 31 March 2025

	Note	The group 2025 £	The group 2024 £	The charity 2025 £	The charity 2024 £
Fixed assets:					
Tangible assets	11	**8,420,323**	10,511,506	**8,232,599**	10,316,654
		8,420,323	10,511,506	**8,232,599**	10,316,654
Current assets:					
Debtors	13	**171,110**	304,456	**128,588**	323,808
Current assets investments	12	**0**	1,107	**0**	1,107
Short-term deposits		**2,908,897**	0	**2,908,897**	0
Cash at bank and in hand		**230,050**	498,815	**242,708**	423,716
		3,310,057	804,378	**3,280,194**	**748,631**
Liabilities:					
Creditors: amounts falling due within one year	14	**(997,019)**	(1,012,496)	**(937,129)**	(921,408)
Net current assets		**2,313,039**	(208,118)	**2,343,064**	**(172,777)**
Total assets less current liabilities		**10,733,362**	10,303,388	**10,575,663**	**10,143,877**
Creditors: amounts falling due after one year	15	**(297,804)**	(396,653)	**(297,804)**	(377,543)
Total net assets		**10,435,558**	**9,906,735**	**10,277,859**	**9,766,334**
The funds of the charity:	16a				
Endowment funds		**360,778**	360,778	**360,778**	**360,778**
Restricted funds		**(468,978)**	(619,719)	**(468,978)**	(652,995)
Unrestricted income funds:					
Designated funds		**6,527,062**	8,665,968	**6,527,062**	8,665,968
General funds		**4,016,696**	1,499,708	**3,858,997**	1,392,583
Total unrestricted funds		**10,543,758**	**10,165,676**	**10,386,059**	**10,058,551**
Total charity funds		**10,435,558**	**9,906,735**	**10,277,859**	**9,766,334**

Approved by the trustees on 17 July 2025 and signed on their behalf by:

.....
Timothy Cotterall, Trustee

.....
Sarah Powley, Trustee

Keychange Charity consolidated statement of cashflows for the year ended 31 March 2025

Keychange Charity

Consolidated statement of cash flows
For the year ended 31 March 2025

	Note	2025 £	£	2024 £	£
Cash flows from operating activities					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		**498,902**		(452,390)	
(Gains)/losses on investments		**0**		0	
Depreciation charges		**354,338**		380,375	
(Profit) / Loss on the disposal and revaluation of fixed assets		**29,922**		73,970	
Impairment of fixed assets		**0**		0	
Transfer of fixed assets from mergers and new subsidiary		**0**		0	
Interest from investments		**(39,082)**		(50,928)	
Interest paid		**29,811**		35,901	
(Increase)/decrease in stock		**0**		0	
(Increase)/decrease in debtors		**133,346**		94,712	
Increase/(decrease) in creditors		**(33,025)**		(38,534)	
Net cash provided by / (used in) operating activities			**974,210**		**43,107**
Cash flows from investing activities:					
Interest from investments		39,082		50,928	
Interest paid		**(29,811)**		(35,901)	
Proceeds from the sale of fixed assets		1,789,671		0	
Proceeds from the sale of current asset investments		0		0	
Purchase of fixed assets		**(12,036)**		(503,661)	
Proceeds from sale of investments		0		0	
Purchase of investments		**0**		0	
Net cash (used in) investing activities			**1,786,906**		**(488,634)**
Cash flows from financing activities:					
Repayments of borrowing		**(120,984)**		(87,798)	
Cash inflows from new borrowing		**0**		0	
Receipt of endowment		**0**		0	
Net cash (used in) financing activities			**(120,984)**		**(87,798)**
Change in cash and cash equivalents in the year			**2,640,132**		**(533,325)**
Cash and cash equivalents at the beginning of the year			**498,815**		1,032,139
Cash and cash equivalents at the end of the year			**3,138,947**		**498,815**

Analysis of cash and cash equivalents and of net debt	**At 1 April 2024**	**Cash flows**	**At 31 March 2025**
	£	£	£
Cash at bank and in hand	498,815	2,640,132	**3,138,947**
Total cash and cash equivalents	**498,815**	**2,640,132**	**3,138,947**
Loans falling due within one year	(121,772)	(22,135)	**(143,907)**
Loans falling due after more than one year	(396,653)	98,849	**(297,804)**
Total	**(19,610)**	2,716,846	**2,697,236**

Keychange Charity notes to the financial statements for year ending 31 March 2025

1. Accounting policies

a) Statutory information
Keychange Charity is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address (and principal place of business) is 5 St George's Mews, 43 Westminster Bridge Road, London, SE1 7JB.

b) Basis of preparation
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Stumpwell Housing Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. The charity is also the sole trustees and owner of Christian Alliance Trust Limited which is a dormant company. Balances between the entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 as a summary of the result for the year is disclosed in the notes to the accounts.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

These financial statements of the company are the accounts of Keychange Charity amalgamating a number of charities where uniting directions have been obtained from the Charity Commission - see note 19.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Public benefit entity
The charity meets the definition of a public benefit entity under FRS 102.

Keychange Charity notes to the financial statements for year ending 31 March 2025

d) Going concern
The charity's Trustees confirm that, after reviewing the 2025-26 budget and cash flow estimates, they are confident in the achievability of the outcome. They reaffirm the charity's compliance with the CQC and Ofsted frameworks for operations. They have found no other financial or regulatory issues that could lead to the charity ceasing its operations. They have decided to continue preparing the financial statements on the Going Concern basis. For more information about the Going Concern basis, please refer to the Trustees' Report.

e) Income
Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably. Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting
Endowment funds are funds to be used for specific purposes as laid down by the donor and where there is no power to convert the capital donated into income. Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Included within restricted funds are details of the income and expenditure of each of the linked charities - see note 1b) and note 17. Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes. Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings: Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose. Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Keychange Charity notes to the financial statements for year ending 31 March 2025

i) Allocation of support costs
Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j**) Operating leases**
Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets
Items of equipment or major works are capitalised when the purchase price exceeds £25,000. Depreciation costs are allocated to activities based on the use of the related assets in those activities. Assets are reviewed for impairment if circumstances suggest that their carrying value may exceed their net realisable value and value in use. Major components are treated as separate assets where they exhibit significantly different patterns of consumption of economic benefits and are depreciated separately over their useful lives.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property
Land - Not Depreciated
Buildings - 50 years
Building installations - 10 Years

Furniture, fittings and equipment
Fixtures and fittings - 8 Years
Computers - 4 Years

l) 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.

m) Current asset investments
Includes balances that are invested in a mixture of accounts and investment holdings.

n) Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

o) 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.

Keychange Charity notes to the financial statements for year ending 31 March 2025

p) Financial instruments
The charity only has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Non-basic financial instruments (which comprise derivatives) are measured at fair value with any gain or loss going to the statement of financial activities.

q) Pensions
The company operated pension schemes for the benefit of its employees. The funds of the schemes are administered by Trustees and are separate from the company. The schemes are defined contribution schemes and the contributions are charged to the Statement of Financial Activities. when incurred.

2. Income from donations, legacies and government support

	2025			2024		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£	£	£	£	£	£
Donations, legacies and government support	79,263	138	**79,402**	99,408	0	**99,408**
Grants Received	4	3,370	**3,373**	0	0	**0**
	79,267	**3,508**	**82,775**	**99,408**	**0**	**99,408**

3. Income from charitable activities

	2025			2024		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£	£	£	£	£	£
Local authority	1,408,120	1,032,563	**2,440,683**	1,107,375	963,294	**2,070,669**
Private care fees	3,943,184	2,280,896	**6,224,080**	4,325,389	1,814,445	**6,139,834**
Other income	0	0	**0**	2,260	0	**2,260**
Sub-total for care for the elderly	**5,351,304**	**3,313,459**	**8,664,763**	**5,435,023**	**2,777,739**	**8,212,761**
Local authority	820,891	0	**820,891**	719,584	0	**719,584**
Private care fees	32,794	0	**32,794**	22,453	0	**22,453**
Sub-total for support for homelessness	853,685	0	**853,685**	**742,037**	**0**	**742,038**
Total income from charitable activities	**6,204,989**	**3,313,459**	**9,518,448**	**6,177,060**	**2,777,739**	**8,954,799**

Keychange Charity notes to the financial statements for year ending 31 March 2025

4. Income from investments

	2025			2024		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£	£	£	£	£	£
Dividends on listed Stock Exchange investments and bank interest	25,615	0	**25,615**	11,826	9	**11,835**
Rent receivable	(42)	10,650	**10,608**	37,198	0	**37,198**
Feed in Tariff	0	2,859	**2,859**	0	1,895	**1,895**
	25,574	**13,509**	**39,082**	**49,024**	**1,904**	**50,928**

5a. Analysis of expenditure

	Charitable activities					
	Care for the Elderly	Support for the Homeless	Governance costs	Support costs	2025 Total	2024 Total
	£	£	£	£	£	£
Staff costs (Note 7)	4,792,085	455,869	0	797,391	**6,045,345**	6,320,463
Other staff costs	40,641	4,057	0	84,298	**128,996**	179,329
Agency and consultancy	404,055	1,174	0	0	**405,230**	575,563
Repairs and maintenance	599,623	46,051	0	26,127	**671,802**	573,809
Utilities	332,149	45,315	0	1,001	**378,464**	528,988
Depreciation	253,177	87,459	0	13,702	**354,338**	380,375
Office costs	244,866	50,697	0	140,378	**435,941**	287,764
Audit and accountancy	990	0	0	47,849	**48,839**	137,487
Legal and professional	47,161	6,488	0	111,898	**165,547**	99,911
Food costs	216,897	2,889	0	693	**220,479**	240,430
Care home direct costs	116,028	7,092	0	1,790	**124,909**	157,320
Other costs	42,519	4,499	11,305	103,183	**161,506**	77,194
	7,090,191	**711,590**	**11,305**	**1,328,310**	**9,141,396**	**9,558,632**
Total expenditure excluding Support and Governance					**7,801,781**	**8,503,150**
Support costs	1,129,064	199,247	0	(1,328,310)	1,328,310	1,044,251
Governance costs	9,609	1,696	(11,305)		11,305	11,231
Total expenditure 2025	**8,228,864**	**912,533**	**0**	**0**	**9,141,396**	
Total expenditure 2024	**8,808,411**	**750,221**				**9,558,632**

Keychange Charity notes to the financial statements for year ending 31 March 2025

5b. Analysis of expenditure (prior year)

	Charitable activities				
	Care for the Elderly	Support for the Homeless	Governance costs	Support costs	2024 Total
	£	£	£	£	£
Staff costs (Note 7)	5,245,473	429,148	0	645,842	**6,320,463**
Other staff costs	59,887	4,558	0	114,884	**179,329**
Agency and Consultancy	574,791	772	0	0	**575,563**
Repairs and Maintenance	485,413	55,636	0	32,760	**573,809**
Utilities	473,063	51,002	0	4,923	**528,988**
Depreciation	290,532	78,392	0	11,451	**380,375**
Office costs	157,646	27,719	0	102,399	**287,764**
Audit and Accountancy	52,168	0	0	85,319	**137,487**
Legal and Professional	47,749	7,212	0	44,950	**99,911**
Food Costs	235,726	4,638	0	66	**240,430**
Care Home Direct Costs	147,195	7,475	0	2,650	**157,320**
Other costs	68,510	(1,556)	0	10,239	**77,194**
	7,838,154	**664,996**	**0**	**1,055,482**	**9,558,632**
Total expenditure excluding Support and Governance					**8,503,150**
Support costs	960,711	83,540	0	(1,044,251)	1,044,251
Governance costs	9,546	1,685	0	(11,231)	11,231
Total expenditure 2024	**8,808,411**	**750,221**			**9,558,632**

6. Net income (expenditure) for the year

	2025	2024
	£	£
Depreciation	354,338	380,375
Profit on disposal of fixed assets	29,922	0
Interest payable	29,811	35,901
Auditor's remuneration (excluding VAT):		
Audit	27,266	26,800
Other services	6,400	6,400

Keychange Charity notes to the financial statements for year ending 31 March 2025

7. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025	2024
	£	£
Salaries and wages	5,390,907	5,539,521
Redundancy and termination costs	11,695	137,142
Social security costs	437,706	395,819
Employer's contribution to defined contribution pension schemes	204,851	247,982
	6,045,159	6,320,464
Agency costs	405,230	575,563
Other staff expenses	129,182	179,329
	6,579,571	**7,075,356**

In 2025 the redundancy and termination costs were settled and paid at the balance sheet date.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2025	2024
	No.	No.
£60,000 - £69,999	0	1
£70,000 - £79,999	2	0
£80,000 - £89,999	0	1
£90,000 - £99,999	1	0
	3	**2**

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were **£431,968** (2024: £346,942).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling **£5,605** (2024: £4,880) incurred by **7** (2024: 11) members relating to attendance at meetings of the trustees. The charity also purchased directors indemnity insurance for a premium of **£910** (2024: £866).

Keychange Charity notes to the financial statements for year ending 31 March 2025

8. Staff numbers

The average number of employees (head count based on number of staff employed) during the year was **241** (2024: 268). Staff are split across the activities of the charity as follows (head count basis):

	2025	2024
	No.	No.
Charitable activities	225	255
Administration	16	13
	241	**268**

9. Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

The Christian Alliance Trust Corporation Limited

Christian Alliance Trust Corporation Limited (CATC), which is a company limited by guarantee, is the custodian Trustee for all properties owned by Keychange. It also secures through the directors of Keychange that the work of Keychange shall be carried on in strict compliance with the objects and aims of the constitution.

10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Keychange Charity notes to the financial statements for year ending 31 March 2025

11. Tangible fixed assets for the group

	Freehold property	Furniture, fittings and equipment	Total
Cost or valuation	**£**	**£**	**£**
At the start of the year	13,884,099	1,018,584	**14,902,683**
Additions in year	0	12,036	**12,036**
Disposals in year	(1,708,861)	(38,712)	**(1,747,574)**
Revaluations	0	0	**0**
At the end of the year	**12,175,238**	**991,908**	**13,167,146**
Depreciation			
At the start of the year	(3,578,334)	(812,843)	**(4,391,177)**
Charge for the year	(287,344)	(66,994)	**(354,338)**
Eliminated on disposal	0	(1,308)	**(1,308)**
Transfers to assets held for	0	0	**0**
At the end of the year	**(3,865,678)**	**(881,145)**	**(4,746,823)**
Net book value			
At the end of the year	**8,309,560**	**110,763**	**8,420,323**
At the start of the year	**10,305,765**	**205,741**	**10,511,506**

Land with a value of £1,108,750 (2024: £1,108,750) is included within freehold property and not depreciated. Professional valuations for freehold and leasehold property and improvements were undertaken at 31 March 1997. The valuations undertaken in 1997 represent the deemed cost of the asset.

Keychange Charity notes to the financial statements for year ending 31 March 2025

11.Tangible fixed assets (continued)

The charity	Freehold property	Furniture, fittings and equipment	Total
Cost	**£**	**£**	**£**
At the start of the year	13,681,793	999,944	**14,681,737**
Additions in year	0	12,036	**12,036**
Disposals in year	(1,708,861)	(38,712)	**(1,747,574)**
Transfers to assets held for	0	0	**0**
Revaluations	0	0	**0**
At the end of the year	**11,972,932**	**973,268**	**12,946,200**
Depreciation			
At the start of the year	(3,567,491)	(797,593)	**(4,365,084)**
Charge for the year	(281,596)	(65,613)	**(347,209)**
Eliminated on disposal	0	(1,308)	**(1,308)**
Transfers to assets held for	0	0	**0**
At the end of the year	**(3,849,087)**	**(864,514)**	**(4,713,601)**
Net book value			
At the end of the year	**8,123,844**	**108,754**	**8,232,599**
At the start of the year	**10,114,302**	**202,351**	**10,316,653**

All of the above assets are used for charitable purposes.

12. Current asset investments

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
Fair value at the start of the year	**1,107**	**1,107**	**1,107**	1,107
Additions at cost	**0**	0	**0**	0
Disposal proceeds	**(1,107)**	0	**(1,107)**	0
Net gain / (loss) on change in fair value	**0**	0	**1,107**	0
Fair value at the end of the year	**0**	**1,107**	**0**	**1,107**

Keychange Charity notes to the financial statements for year ending 31 March 2025

13. Debtors

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	**57,760**	213,906	**41,459**	86,470
Other debtors	**0**	0	**0**	155,634
Prepayments and accrued income	**113,350**	90,550	**87,129**	81,704
	171,110	**304,456**	**128,588**	**323,808**

14. Creditors: amounts falling due within one year

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
Bank loans	**99,637**	121,772	**99,637**	113,359
Trade creditors	**166,842**	167,765	**149,363**	162,515
Taxation and social security	**195,201**	139,838	**169,869**	119,970
Other creditors	**484,660**	465,481	**458,678**	432,959
Accruals	**50,678**	117,640	**59,583**	92,605
	997,019	**1,012,496**	**937,129**	**921,408**

15. Creditors: amounts falling due after one year

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
Repayable in less than 2 years	**83,385**	110,660	**83,385**	102,247
Repayable between 2 to 5 years	**214,419**	285,993	**214,419**	275,296
Repayable in more than 5 years	**0**	0	**0**	0
	297,804	**396,653**	**297,804**	**377,543**

Total group bank loans of **£397,441** (2024: £518,425) include the following bank loans. All charity loans are also secured by debentures on the assets of the Christian Alliance Trust Corporation and Keychange Charity, with interest being charged at the bank's lending rate.

- £397,441 secured on the freehold property at Wimbledon, repayable in 2031/32.

Keychange Charity notes to the financial statements for year ending 31 March 2025

16a. Analysis of group net assets between funds (current year)

	Unrestricted Funds	Restricted Funds	Endowment	Total funds
	£	£	£	£
Tangible fixed assets	6,058,084	2,001,461	360,778	**8,420,323**
Net current assets	4,485,673	(2,172,634)	0	**2,313,039**
Long term liabilities	0	(297,804)	0	**(297,804)**
Net assets at 31 March 2025	**10,543,758**	**(468,978)**	**360,778**	**10,435,558**

16b. Analysis of group net assets between funds (prior year)

	Unrestricted Funds	Restricted Funds	Endowment	Total funds
	£	£	£	£
Tangible fixed assets	8,046,249	2,104,479	360,778	**10,511,506**
Net current assets	2,119,427	(2,327,545)	0	**(208,118)**
Long term liabilities	0	(396,653)	0	**(396,653)**
Net assets at 31 March 2024	**10,165,676**	**(619,719)**	**360,778**	**9,906,736**

Keychange Charity notes to the financial statements for year ending 31 March 2025

17a. Movements in funds (current year)

	At 1 April 2024	Income & gains	Expenditure & losses	Transfers	At 31 March 2025
	£	£	£	£	£
Permanent endowment funds:					
Keychange funds:					
Reigate	**150,230**	0	0	0	**150,230**
Linked charities' funds:		0	0	0	
Alexander House	**20,413**	0	0	0	**20,413**
Erith House	**190,135**	0	0	0	**190,135**
Total endowment funds	**360,778**	**0**	**0**	**0**	**360,778**
Restricted funds:					
Keychange capital funds:					
Reigate	**39,194**	0	(13,555)	0	**25,640**
Linked charities' capital funds					
Alexander House	**1,233,066**	0	(48,695)	0	**1,184,371**
Cressingham House	**432,467**	0	0	0	**432,467**
Erith House	**38,974**	0	(40,768)	0	**(1,794)**
Other restricted funds:					
Stumpwell Housing - Capital Fund	**33,276**	0	(7,128)	0	**26,148**
Stumpwell Housing - Income Fund	**0**	996,123	(893,949)	0	**102,174**
Linked charities' income funds					
Alexander House	**(1,333,878)**	1,084,778	(1,148,422)	0	**(1,397,523)**
Cressingham House	**(970,911)**	0	(20,086)	0	**(990,997)**
Erith House	**(91,906)**	1,249,573	(1,007,129)	0	**150,538**
Total restricted funds	**(619,719)**	**3,330,475**	**(3,179,733)**	**0**	**(468,978)**
Unrestricted funds:					
Unrestricted - general	**1,499,708**	6,339,745	(5,961,663)	2,138,906	**4,016,696**
Designated funds:					
Linked charities support	**619,719**	0	0	(150,741)	**468,978**
Capital reserve (Fixed Assets)	**8,046,249**	0	0	(1,988,165)	**6,058,084**
Total designated funds	**8,665,968**	0	0	(2,138,906)	**6,527,062**
Total unrestricted funds	**10,165,676**	6,339,745	(5,961,663)	0	**10,543,758**
Total funds	**9,906,735**	**9,670,219**	**(9,141,396)**	**0**	**10,435,558**

The narrative to explain the purpose of each fund is given at the foot of the note below.

Keychange Charity notes to the financial statements for year ending 31 March 2025

17b. Movements in funds (prior year)

	At 1 April 2023	Income & gains	Expenditure & losses	Transfers	At 31 March 2024
	£	£	£	£	£
Permanent endowment funds:					
Keychange funds:					
Reigate	150,230	0	0	0	**150,230**
Linked charities' funds:					
Alexander House	20,413	0	0	0	**20,413**
Erith House	190,135	0	0	0	**190,135**
Total endowment funds	**360,778**	**0**	**0**	**0**	**360,778**
Restricted funds:					
Keychange capital funds:					
Reigate	53,249	0	(14,055)	0	**39,194**
Linked charities' capital funds					
Alexander House	1,283,342	0	(50,276)	0	**1,233,066**
Cressingham House	173,001	259,466	0	0	**432,467**
Erith House	77,477	0	(38,503)	0	**38,974**
Other restricted funds:					
Stumpwell Housing	51,192	895,244	(819,774)	(93,386)	**33,276**
Linked charities' income funds					
Alexander House	(1,258,646)	900,026	(975,258)	0	**(1,333,878)**
Cressingham House	(953,575)	2,182	(19,518)	0	**(970,911)**
Erith House	(356,162)	982,191	(717,936)	0	**(91,906)**
Total restricted funds	**(930,122)**	**3,039,109**	**(2,635,320)**	**(93,386)**	**(619,719)**
Unrestricted funds:					
Unrestricted - general	8,068,148	7,462,455	(6,923,312)	(7,107,582)	**1,499,708**
Designated funds:					
Linked charities support	1,000,000	0	0	(380,281)	**619,719**
Capital maintenance fund	465,000	0	0	7,581,249	8,046,249
Total designated funds	**1,465,000**	**0**	**0**	**7,200,968**	**8,665,968**
Total unrestricted funds	**9,533,148**	**7,462,455**	**(6,923,312)**	**93,386**	**10,165,676**
Total funds	**8,963,804**	**10,501,564**	**(9,558,632)**	**0**	**9,906,735**

Keychange Charity notes to the financial statements for year ending 31 March 2025

17. Movements in funds (continued)

Purpose of endowment funds

Reigate Fund
This fund represents the residual value of the Reigate building donated to the charity.

Alexander House
This fund represents the residual value of the original endowment of Alexander House, Wimbledon.

Erith House
This fund represents the residual value of the original endowment of Erith House, Torquay.

Purposes of restricted funds

Keychange restricted funds:

- Stumpwell Housing Association Limited

This fund represents the reserves (aggregate of assets and liabilities) at the end of the operating period

- Reigate Fund

This money was spent on an extension to the hostel at Reigate and will be expended in line with the depreciation of the extension. Reigate is a fully integrated charity and this residual value has been transferred to General Funds in 2024

Linked charities' restricted funds:

Further details of linked charities' funds are disclosed in notes 18 and 19.

Purposes of designated funds

- Linked Charities Support - the trustees have designated a fund in order to facilitate operational support to the linked charities. The value may change dependant on operational outcomes.
- Capital Reserve - the trustees have identified functional assets (at net book value less restricted funds) employed by the Charitable Group to deliver its operational outcomes.

Purpose of transfers

Transfers have been made from restricted funds to unrestricted funds in the year. These transfers are in order to represent the management charge from the parent charity to the trading subsidiary which is removed on consolidation. The transfer ensures that the restricted fund carried forward matches the individual entity reserves.

18. Linked charities

These financial statements of the company are the accounts of Keychange Charity amalgamating the following charities where uniting directions have been obtained from the Charity Commission:

1061344-1 ALEXANDER HOUSE
AS AMENDED BY SPECIAL RESOLUTIONS DATED 29 JUNE 1999 AND 4 DECEMBER 2001.

1061344-2 CRESSINGHAM HOUSE WALLASEY
A UNITING DIRECTION MADE UNDER S.96 OF THE CHARITIES ACT 1993 AND DATED 27 NOVEMBER 2006. This home was closed in May 2022.

1061344-6 ERITH HOUSE
INDENTURE DATED 22 OCTOBER 1862, AS AMENDED BY A FULLY REGULATING SCHEME DATED 16 DECEMBER 1996 AND AMENDED BY A SCHEME DATED 16 JULY 2009.

In line with the Charities Statement of Recommended Practice the results and balances of the linked charities are included in these financial statements as restricted funds.

Keychange Charity notes to the financial statements for year ending 31 March 2025

19a. Analysis of net assets between funds for linked charities (current year)

Alexander House	Unrestricted Funds	Restricted Funds	Endowment	Total funds
	£	£	£	£
Tangible fixed assets	-	1,184,371	20,413	**1,204,784**
Net current assets	-	(477,941)	-	**(477,941)**
Long term liabilities	-	(919,582)	-	**(919,582)**
Net assets at 31 March 2025	**-**	**(213,152)**	**20,413**	**(192,739)**

Cressingham House, Wallasey	Unrestricted Funds	Restricted Funds	Endowment	Total funds
	£	£	£	£
Tangible fixed assets	-	432,467	-	**432,467**
Net current assets	-	(990,997)	-	**(990,997)**
Long term liabilities	-	-	-	**-**
Net assets at 31 March 2025	**-**	**(558,530)**	**-**	**(558,530)**

Erith House	Unrestricted Funds	Restricted Funds	Endowment	Total funds
	£	£		£
Tangible fixed assets	-	(1,794)	190,135	**188,341**
Net current assets	-	150,538		**150,538**
Long term liabilities	-	-		**-**
Net assets at 31 March 2025	**-**	**148,743**	**190,135**	**338,878**

Going concern of linked charities with net liabilities

Alexander House: This fund represents the net assets of the Free Church Federal Council's Alexander House. The capital and income of this fund is to be used for the upkeep and general management of Alexander House. The trustees are satisfied with the going concern status of this linked charity based on the fact that selling the fixed assets will cover any liabilities.

Cressingham House, Wallasey: This fund represents the net liabilities of Cressingham House, Wallasey which was acquired by Keychange Charity on 27th November 2006. The assets were amalgamated with those of Keychange Charity from that date under a uniting directive. The capital and income of this fund is to be used for the upkeep and general management of Cressingham House. The trustees made the decision to close Cressingham House which occurred in May 2022.

Erith House: This fund represents the net liabilities of Erith House, Torquay which was acquired by Keychange Charity on 24th July 2009. The assets were amalgamated with those of Keychange Charity from that date under a uniting directive. The capital and income of this fund is to be used for the upkeep and general management of Erith House.

Keychange Charity notes to the financial statements for year ending 31 March 2025

19b. Analysis of net assets between funds for linked charities (prior year)

Alexander House	Unrestricted	Restricted	Endowment	Total funds
	£	£	£	£
Tangible fixed assets	-	1,233,066	20,413	**1,253,479**
Net current (liabilities)	-	(956,335)	-	**(956,335)**
Long term liabilities	-	(377,543)	-	**(377,543)**
Net assets at 31 March 2024	**-**	**(100,812)**	**20,413**	**(80,399)**

Cressingham House, Wallas	Unrestricted	Restricted	Endowment	Total funds
	£	£	£	£
Tangible fixed assets	-	432,467	-	**432,467**
Net current (liabilities)	-	(970,911)	-	**(970,911)**
Net assets at 31 March 2024	**-**	**(538,444)**	**-**	**(538,444)**

Erith House	Unrestricted	Restricted	Endowment	Total funds
	£	£	£	£
Tangible fixed assets	-	38,974	**190,135**	**229,109**
Net current (liabilities)	-	(91,906)		**(91,906)**
Net assets at 31 March 2024	**-**	**(52,933)**	**190,135**	**137,202**

Keychange Charity notes to the financial statements for year ending 31 March 2025

20. Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Stumpwell Housing Association Limited, a charitable company registered in England. The company number is 14614011 and charity number 1205894. The registered office address is the same as the parent charity. Stumpwell Housing Association owns Alde House, a care home in Buckinghamshire, which is managed by Keychange.

The charity's gross income and the results for the period are disclosed as follows:

	12 months to 31 March 2025	14 months to 31 March 2024
Gross income	996,123	895,245
Result for the year	95,045	(17,916)
Funds brought forward	33,276	51,192
Funds carried forward	**128,321**	**33,276**

	12 months to 31 March 2025	12 months to 31 March 2024
Turnover	996,123	971,083
Turnover from sales to parent undertaking	0	0
Cost of sales	(901,020)	(1,051,302)
Cost of sales related to purchases from parent undertaking	0	0
Gross profit/(loss)	**95,103**	**(80,219)**
Administrative expenses	0	0
Profit/(loss) on ordinary activities before interest and taxation	**95,103**	**(80,219)**
Other operating income/loss	0	0
Operating Profit / (Loss)	**95,103**	**(80,219)**
Interest receivable and similar income	0	21
Interest payable	(58)	(1,297)
Other Operating Income		4,637
Profit / (loss) on ordinary activities before taxation	**95,045**	**(76,858)**
Taxation on profit on ordinary activities	0	0
Profit / (loss) for the financial year	**95,045**	**(76,858)**

Keychange Charity notes to the financial statements for year ending 31 March 2025

20. Subsidiary undertaking (continued)

Retained earnings

Total retained earnings brought forward	33,276	128,050
Profit / (loss) for the financial year	95,045	(76,858)
Total retained earnings carried forward	**128,322**	**51,192**

The aggregate of the assets, liabilities and reserves was:		
Assets	588,200	272,126
Liabilities	(468,435)	(220,934)
Reserves	**119,765**	**51,192**

Keychange Charity notes to the financial statements for year ending 31 March 2025

21. Parent charity

The parent charity's gross income and the results for the year are disclosed as follows

	2025	2024
	£	£
Gross income	8,644,175	8,116,083
Result for the year	403,856	(575,583)

22. Operating lease commitments payable as a lease

The charity does not hold any operating lease payment commitments.

23. Legal status of the charity

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

Keychange

KEYCHANGE CHARITY

England & Wales - Charity number 1061344

Accounts

Keychange

A Christian Charity, Creating Caring Communities

Registered Charity No: 1061344
Registered Company No: 3317563

Annual Report 2023-24

Incorporating the report and financial statements for period ended 31 March 2024

Reference & Administrative Details for the year ended 31 March 2024

Trustees
The Trustees who served during the financial year and to the date the Report of the Trustees was signed were as follows:

Madeline Thomson (Chair since April 2021)
Rosemary Milner (Resigned May 2024)
Timothy Cotterall (Vice Chair)
Ayub Khan
Selina Lau (Resigned February 2024)
Timothy Roberts (Hon. Treasurer)
Nicholas Johnson
Nicholas Leggett
Rebecca Stockman
Stefan Cantore
Ian Bird

Trustees are appointed by the Board of Trustees in a general meeting. The number nearest to one third of Trustees shall retire by rotation at each Annual General Meeting and they may offer themselves for re-election.

Senior Leadership Team
Chief Executive, Benjamin Downing (since 1 December 2022)
Head of Finance, Sharon Jackman (until September 2023)
Director of Finance, Jeremy Simpson (from March 2024)
Director of Operations, Graeme Gentry (from September 2023)
Interim Head of Operations, Rebecca Chaplin (until September 2023)
Director of Strategic Partnerships, Rebecca Chaplin (from September 2023)
Facilities Business Manager, Peter Clark

Address and registered Office:
5 St George's Mews,
43 Westminster Bridge Road,
London
SE1 7JB

Auditors
Sayer Vincent LLP
110 Golden Lane London EC1Y 0TG

Bankers
Barclays Bank plc, 29 Borough High Street, London SE1 1LY
NatWest Bank plc 1 Penn Road, Beaconsfield, Buckinghamshire HP9 2PU

Solicitors
Lodders Solicitors LLP, 10 Elm Court, Arden Street, Stratford Upon Avon, Warwickshire CV37 6PA
Russell-Cooke LLP, 2 Putney Hill, London, SW15 6AB

Company No: 3317563

Charity No: 10061344

Company Secretary
Sharon Jackman (until September 2023)
Hazel Scarlett (from September to December 2023)
Benjamin Downing (from December 2023)

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Keychange voices	5
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A word from the chair

Keychange is a Christian charity, and as such is inspired by the example of Christ to love and serve others, specifically by creating caring communities.

This annual report is slightly different in format to the 2023 version, in that it has been redesigned to incorporate stories of impact from across our communities. The report also includes all of the formal and legal reporting requirements of the Charity, and Company in terms of Governance, Finance, Policies, Activities, Audit, Risks and Reserves.

Keychange is currently undergoing some exciting changes which will inform the future work of the organisation. Part of this work has included revisiting the messaging of the Charity, to fine tune this and ensure consistency across future communications. At the heart of this messaging remains our focus on creating caring Christian communities, and specifically the transformational impact of such a community on the lives of those we serve. Work has also started on the brand architecture, which draws together our marketing discussions.

The care sector continues to experience its challenges including rising living costs, staff shortages etc, which in part led to our difficult decision to close two of our communities. Whilst this has been challenging for all involved, God continues to provide for the charity. Our housing communities are strengthening their staff teams and continue to work to support and equip the members of their communities. We are researching new opportunities for community sites which will benefit the local communities and the organisation. We have also experienced an improvement in occupancy rates across the organisation and are working hard to sustain this success.

Christ remains at the centre of all we do, and this year we've worked particularly hard to live this out. Our weekly team meetings are structured around universally relatable bible teachings, and our Christian Faith and Spirituality working group has been strengthening its external connections. Through this outreach, we are able to raise awareness to our non-Christian leaders about our faith, to ensure they feel comfortable and confident in supporting the faith of our Christian residents.

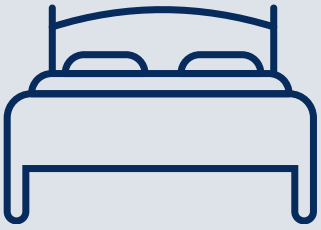
As Chair of Trustees, I am pleased about the achievements of CEO Benjamin Downing in his first full year in the role, and the clear vision and plan we have in mind for the future of Keychange. I am thankful to our strong and cohesive group of Trustees who continue to work enthusiastically to support our mission. We are taking action in relation to the fact that one of our valued Trustees moved on this financial year and two more will be leaving early in the next. We are appointing an agency to source high quality candidates related to finance, people and culture, and social care to refresh the Board this year.
I look forward to the year ahead.

Madeline Thomson
Chair of Trustees

OUR IMPACT

256 PEOPLE AGED 60+ SUPPORTED IN OUR CARE HOMES

10 EMERGENCY BED SPACES PROVIDED AT ESTHER



357 KEYCHANGE EMPLOYEES WORKED ACROSS OUR COMMUNITIES

78 WOMEN & YOUNG PEOPLE SUPPORTED IN OUR HOUSING COMMUNITIES

21% YOUNG PEOPLE EMPLOYED WHILST STAYING AT ESTHER

11 WOMEN LIVING INDEPENDENTLY FROM WAYSIDE

Jesus at the heart

Our identity as a Christian organisation remains at the heart of Keychange, and efforts throughout the year have further strengthened this.

We continue to have a consistent turnout at our Christian Faith and Spirituality meetings which are held regularly. Within these meetings we work together to empower leaders to support their staff and residents with their Christian faith.

Prayer, Praise and Togetherness has continued to meet the Christian faith needs of those living in our communities through an online fortnightly service. This is where communities meet together to read scripture, sing hymns and pray for each other and includes some modern songs and prose. Links have also been strengthened with Anna Chaplaincy who visit care homes in person to run services, offer spiritual support and prayer.

Relationships with local churches are being established, and some links re-established following a period of quiet post COVID-19.

Christian literature is made available within each Keychange community to share amongst staff and residents, and following a renewed focus on marketing, this is being reviewed.

Our weekly online organisational meetings have a Christian focus, whilst still appealing to those of no faith, and continue to include a time of reflection and prayer.

Jeremiah 29:11 - "For I know the plans I have for you," declares the LORD. "plans to prosper you and not to harm you, plans to give you hope and a future."

"I love the impact that I see Keychange making to transform the lives of the vulnerable adults that we work with. Staff consistently 'step beyond' in order to walk alongside and advocate for community members across all of our sites. This desire of staff members to serve in this way is both humbling and impacting."

- Benjamin Downing, CEO

Keychange voices - from those who lead our communities

Sarah Mainwaring - Care Manager

I love working at Keychange and helping to provide safe and caring communities that put the wellbeing of those who live with us at the forefront of everything we do. I love that, whilst we do need to break even, the people in our communities come first.

We have so many different characters and personalities who live in our homes and it makes everyday different. I enjoy the team I work with, and we're all there for those we care for.

Jenny Harber - Housing Manager

I love the authenticity of Keychange. What we say in our mission and marketing statements is true to what happens. I also love the togetherness that exists between staff and residents.

Everyone has a part to play in making the house safe and welcoming which is a common desire of all who live and work here. This means that people enjoy being here, feel secure, make progress and achieve personal goals.

Image above: Jenny pictured receiving an award for Outstanding Team Achievement, presented by Trustee Stefan Cantore in 2021.

Building caring communities

Building caring communities

Keychange voices - from the residents we care for

Ilana - resident at Wayside

Ilana joined Wayside in December 2023, after leaving the foster care system. Following a period which involved moving back in with her birth family, and then sofa surfing, she was directed to Wayside by her care leaver worker.

"I love how kind and welcoming everyone is at Wayside, and the staff really respect you as individuals. Whilst the goal is for us all to be independent, we all move forwards at different rates, and they respect that. I feel a sense of peace whilst being at Wayside, something which I'd lost before, and I'm excited for my future."

Keychange voices - from the residents we care for

Mary - resident at Fair Havens

Before Mary joined Fair Havens, she enjoyed a very active lifestyle which involved long walks in the countryside. Her love of exercise and having a healthy lifestyle is what inspired her to join Chairobics each week...

"My family do not have to worry about me. They know and I know that I am very well looked after, and encouraged to do things for myself. I frequently say Grace before meals, as it is a time to thank God for our friends, relatives and the carers who support us."

Keychange voices - from the families of the residents we support in care

"We brought my brother to Rose Lawn from another care home where he was very unhappy. When he arrived at Rose Lawn in October 2023 he looked ashen grey and was weak and depressed. The excellent care that he has received at Rose Lawn has given him a new lease of life. He has put on weight, has much more healthy colour, he is stronger and walking better. He is very content. He has received excellent medical care and attention to personal comfort. He finds the staff all cheerful, helpful and kind. I can't thank Rose Lawn enough."
- Rose Lawn, Jan 2024

"Mum has been a resident for over 3 years and it has given her a new lease of life since going there. The staff are like an extended family always giving time to chat and showing interest in her. Their level of care is excellent and I have complete trust in them. The regular activities and events such as quiz afternoons, baking and crafts provide both social opportunities and important mental engagement. Going to visit her feels like seeing her at her home and I feel very fortunate that she is in such a wonderful environment with Christian values at its heart."
- Romans, Jan 2024

Keychange Charity
Trustees' Report
For the year ended 31 March 2024

The Trustees, being the company's directors, present their annual report on the affairs of the charity, together with the Accounts and Auditor's Report for the year ended 31st March 2024. The information included on Page 2 forms part of the Trustees' Report. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in January 2015 in preparing the annual report and financial statements of the charity. The financial statements comply with all statutory requirements and the requirements of the charity's governing document.

What we do
Our objects, as stated in our Memorandum of Association, are:

- The advancement of the Christian religion
- The relief of persons who are in need by reasons of their age, infirmity or financial circumstances: and
- The promotion by such means as are consistent with the new life in Christ Jesus our Lord of such other charitable purposes in accordance with the doctrinal basis of the Charity.

Keychange is a Christian Charity, creating caring communities. We fulfil our objective by providing care and support for older people and young homeless people. Our values and behaviours are based on Christian principles and linked to the Bible. We try to follow Jesus Christ's example of giving practical love and compassion in our residential care communities for the elderly and residential supported accommodation for young adults. We firmly believe that creating a caring community for all people to live and work alongside one another improves their physical, emotional, mental and spiritual well-being. We provide care and support in seven care homes and two homeless housing settings for a maximum of 203 vulnerable adults.

Governing Documents
Keychange is a registered charity and a registered company limited by guarantee. It is governed by its memorandum and articles of association dated 23 November 1996. Keychange Charity is affiliated to the Evangelical Alliance.

Trustees and Leadership Team
Trustees are appointed by the Board of Trustees in general meeting. One third of Trustees retire by rotation at each Annual General Meeting and may offer themselves for re-election. Our individual Trustees share a broad mix of skills appropriate to the governance responsibilities of the Board and the objectives and activities of Keychange. We complete a regular audit of these skills to ensure ongoing effective governance, leadership and working with the Senior Leadership Team.

Potential new Trustees are invited to attend a Trustees meeting as an observer, visit one of our communities, and be interviewed by the Chair. On acceptance of a formal invitation there is an induction program led by the CEO, and if relevant referral to the Charity Commission's relevant guidance.

Selina Lau, who served as a Trustee since 2018, resigned on 19 February 2024. Benjamin Downing who was appointed as the new CEO from 1 December 2022, continued in post. The Senior Leadership Team included Peter Clark (Facilities Business Manager), Graeme Gentry (Director of Operations), Jeremy Simpson (Director of Finance), and Rebecca Chaplin (Director of Strategic Partnerships).

Keychange Charity Trustees' Report For the year ended 31 March 2024

Organisational Structure
The Board of Trustees meets four times a year. The Trustees determine the strategy and policy of the charity and get more involved in specific areas by being part of a Trustee Working Group. Working groups (details below) review progress against existing plans and formulate potential new recommendations to the Board. Each group comprises Trustees and Senior Leadership Team (SLT) members with the appropriate skill sets. At present the four Working Groups and the Trustees involved in each are as follows:

Quality and Safety
To monitor, review care and support operations, care policy, quality improvement and inspection reports.
Nicholas Johnson (Chair); Rosemary Milner; Nicholas Leggett and Stefan Cantore (SLT lead: Rebecca Chaplin then Graeme Gentry).

People and Organisational Development
To focus on development of people and culture within the organisation including policy, retention etc.
Stefan Cantore (Chair); Selina Lau; Rosemary Milner and Nicholas Johnson (SLT lead: Sharon Jackman then Rebecca Chaplin).

Finance & Facilities
To monitor, review and report on financial performance and risk, and the state of property, facilities, IT, Health and Safety.
Timothy Roberts (Chair); Timothy Cotterall; Ayub Khan and Ian Bird (SLT lead: Sharon Jackman then Jeremy Simpson).

Strategy
To develop and focus organisational vision, strategy, functions and governance and develop our future direction.
Timothy Cotterall (Chair); Madeline Thomson; Ayub Khan; Rebecca Stockman and Timothy Roberts (SLT lead: Benjamin Downing).

Day to day management is delegated to the Senior Leadership Team with regular contact to the Chair. The Senior Leadership Team oversee the strategic plan delivery, developments, as well as the operational day to day leadership and management of our mission, policies and performance. The wider Keychange Leadership group includes SLT along with our community managers and key leaders.

This leadership delivers the core mission and work of creating caring communities for high quality care and support. Registered Managers lead their team of staff in each location. Our Central Office Team seeks to support, enable, empower and equip our communities' leaders in terms of Quality Improvement, Leadership, HR, Facilities, Finance, Health & Safety, Recruitment, Administration, Communications, amongst many other areas.

There are role descriptions and person specification and pay scales for all staff, which are reviewed annually as part of the budget process. Where appropriate these take account of London based salaries in the charity sector for similar positions.

Related Parties and Connected Charities
Under various uniting directives issued by the Charity Commission, the following communities are seen as linked charities and their financial activities have been amalgamated into Keychange Charity in the following financial statements:

- Alexander House, Wimbledon
- Cressingham House, Wallasey
- Erith House, Torquay
- Stumpwell Housing Association: Legal work was completed this year to become a registered charity, and subsidiary of Keychange Charity.

Keychange Charity
Trustees' Report
For the year ended 31 March 2024

Objectives and Activities
The objects of the Charity are as stated in its Memorandum of Association and are listed under 'What we do' on page 11. The mission of Keychange Charity is to create caring communities by providing care, support, acceptance, and Christian community to people in need. This forms the basis of our vision and the strategy that supports it.

The Board and the Working Groups regularly review our vision, strategy, achievements, and update details and targets for the future, across the strategic themes:

- Continually improve quality of care and support to those living in our communities, and their families
- Ensure our property portfolio and infrastructure are fit for purpose and equip the premises to operate at the highest level
- Have a coordinated financial strategy to achieve financial sustainability that generates surpluses to re-invest in our vision
- Be proactive in establishing new partnerships to enhance the work of Keychange
- Devise a long term Communications plan that helps Keychange to better express who we are
- Ensure that the organisation works together and the leadership delivers a high performing culture. This supports our mission of creating caring communities, by providing the best quality care and support in line with our Christian values
- To strengthen governance and the Board to equip them to lead the organisation well.

Public Benefit
The Trustees have taken account of the Charity Commission's guidance and demonstrate public benefit has been provided to beneficiaries through the following activities:

•Our community vision recognises that we support strong connections with the local communities and encourage volunteers to support us

•Housing young people who would otherwise be homeless, and supporting them into education and employment

•Accepting socially funded elderly residents at fee levels below the cost of providing good care and accommodation

•Providing support and guidance for young people in our housing communities which benefits society as well as enabling residents to gain independence

•Providing a wide range of care and support including activities for our residents

•Offering work experience opportunities for young people

Keychange Charity Trustees' Report For the year ended 31 March 2024

Organisational Update

Across the Keychange communities we continue to deliver safe care, create processes and equip staff to support community members as well as develop their own self-care.

Care Communities

We have worked locally and across the organisation to increase occupancy through increased partnerships, networking, word of mouth recommendations and marketing. We are better utilising the feedback and experience of community members, so our reputation, our mission, and our positive regulatory standing achieve our desired goal of impacting more vulnerable adults with quality care.

Housing Communities

We operate housing communities where we provide support, hope and opportunity to homeless young men and women from 16 years old.Our goal is to offer a safe place to live, grow, develop and help them restore, and to them find ongoing purpose for their lives. We have two housing communities and our teams in Surrey and Devon maintained and expanded links with the community and churches. We are appreciative of our whole staff team that invests and advocates for the residents in each Housing community site.Their work and service allow Keychange to achieve our mission and goals to impact the lives of vulnerable adults.

Partnerships

We're investing in partnerships for the organisation to be better connected. With this in mind our membership of the National Care Forum is key to being connected and understanding best practice in the sector.

We are also investing time and capacity in being in relationship with local authorities so we can better deliver the impact we want alongside their needs. We are working actively with Faith in Later Life to foster collaboration with other like minded organisations.
We also continue to grow our knowledge and partners in the supported housing sector.

Leadership

The leadership team continued to review the organisation and each community in terms of impact, quality of care and financial viability. We made the difficult decision to close two communities in FY23/24. The first to close was Overdale community, Sheffield and the second was Walmer House, Torquay. After a huge investment to increase the number of residents, and following discussions with Trustees, it became apparent that we were unable to continue to operate these care communities sustainably.

All residents were relocated successfully, and we give thanks that the process was completed well and for the leaders that were present and guided the staff and communities.

Cross organisational working

We have strengthened connections between the Central Office and Registered Managers in a group called the Leadership Cohort. Our cross-organisational engagement approach allowed leaders to share and learn regularly which gave opportunity for leaders to speak about their current reality and the challenges that they face.

Keychange Charity Trustees' Report For the year ended 31 March 2024

Our regular gathering called Praise, Prayer and Togetherness has been a great time together and will continue as we go forward.

During the financial year FY23/24 there was a large amount of change in our leadership team. This included the recruitment of Graeme Gentry as the Director of Operations, and Jeremy Simpson as the Director of Finance.

In order to support staff and managers in each community, we have continued to invest in People and Culture, and Communication capacity. This has helped us in the recruitment of good staff and developing healthy partnerships.

This year we have strengthened the governance of the organisation and the Board of Trustees. Trustees continue to complete an evaluation at the end of year to review their own performance. These evaluations are collated and reviewed to ensure continuous improvement of governance functions and performance. This year we have provided Governance training to our Board on Safeguarding.

Our People
Keychange is committed to diversity within recruitment processes and assesses all candidates on their merits and abilities. We work hard with employees to provide training and development opportunities.

November saw the introduction of the Keychange Cares Award; an Award that acknowledges the work of staff who have gone above and beyond in their roles. This Award is presented monthly and ensures that staff receive recognition for their contributions.

Keychange seeks to engage all staff through increased internal communications.

Marketing and Communications
In order to ensure consistency across its future communications, and clarity throughout the organisation of our core identity, Keychange began working to clarify its messaging. This process helped to emphasise some of the values already inherent within Keychange, but brought them to light in a new and exciting way.

The messaging for the Keychange umbrella organisation is as follows:

- Community is at the heart of everything Keychange does
- We believe in the power of community to transform lives
- Everyone deserves to feel safe, secure and valued
- We don't just provide homes, we build caring communities

Fundraising Standards Information
We adhere to the UK Fundraising Regulator and its Fundraising Code. We have not had any breaches of these during 2023-24.

We are mindful of how we engage with vulnerable people, ensure we work within the Data Protection Laws and Fundraising Code of Practice, and seek advice from the Safeguarding Leads when needed. The charity does not employ outside or commercial fund-raisers.

We ensure that our supporters are kept up to date with our work and that they can give to support it. No complaints have been received in the year about our fundraising.

Risk Management
The Board and Senior Leadership Team (SLT) conducted risk assessments and identified the priority risks to which the Charity is exposed, due to our areas of work they are focussed in operations and finances.

Keychange Charity Trustees' Report For the year ended 31 March 2024

Current organisational risks are assessed by the Senior Leadership Team (SLT) and within the Board Working Groups on a cyclical basis. Immediate operational risks are considered at the SLT meeting with relevant strategies put in place. The Trustees are satisfied that systems are in place to mitigate the charity's exposure to the major risks.

Future

We are developing a strategic organisational plan to better achieve our vision and mission.

Due to the various years of transition the initial focus of this plan was the coming year. Going forward a longer-term strategy will be developed as better business information is researched.

Our Vision is to Create Christian Caring Communities. Our new strategy plan focuses on increasing the number of people we impact, financial health & sustainability, and strengthen organisational systems. Our priority for the future is that Keychange increases the reach and number of vulnerable adults supported.

Financial Review

Total turnover from our care homes and housing communities for the year ending March 31, 2024, was £9.1 million (up 1.8% from £8.9 million). Despite significant cost pressures from energy, food, and staffing, we managed expenditures well and reduced total costs by 0.8%. The closure of the Overdale site in Sheffield helped cut overall losses, bringing this year's operating loss to £453k compared to last year's loss of £698k. We've taken further steps to achieve a balanced budget in the following operating year (2024-25).

Finally, a revaluation of properties scheduled for sale resulted in a £1.4m increase in asset values, credited where applicable to the appropriate reserves.

Keychange Charity
Trustees' Report
For the year ended 31 March 2024

Going Concern
The Charity's Trustees confirm that, after recognising the deterioration in net current assets position as of 31 March 2024 and after reviewing the 2024-25 budget and cash flow estimates, they remain confident in the achievability of the outcome and that the organisation is financially viable in short to medium term. They reaffirm the Charity's compliance with the CQC and Ofsted operating frameworks and find no other financial or regulatory issues that could lead to the charity ceasing operations. Therefore, the Trustees have decided to continue preparing the financial statements on a Going Concern basis. Please take a look at the Accounting Policies section (see 1) for more information about this basis.

Reserves
The Trustees of Keychange have adopted the following policies regarding unrestricted reserves (free reserves) to accomplish the following goals:

- Provide working capital to fund everyday operations
- Provide stability where income fluctuates unexpectedly so that service operations can continue and are not affected in the short term
- Set aside amounts as designated funds to fulfil strategic plans in the medium to long term alongside campaign donations
- In the event of unforeseen circumstances, provide for an organised cessation of operations and closure costs.

When considering the nature of care/refuge operations, the Trustees consider a range equivalent to six to twelve months of operating costs, a reasonable value.

For 2023-24, this value is in the range of £4.9m to £9.8m. The actual value for the year ended March 2024 is £1.5m, representing just under two month's of operating cost.

The Trustees are committed to rebuilding the unrestricted reserves to the minimum level. This is a priority.

The existing Estates & Capital fund is renamed the Capital Reserve Fund. This fund represents the net book value of Tangible Fixed Assets employed by the Charitable group, excluding those held in Restricted Funds. A further £620k is a contingency designation to cover the losses currently suffered on the linked charities, should it not be possible to apply property proceeds against the Restricted Fund income losses. Discussions continue with the Charity Commission.

Restricted reserves are those for which a specific charitable purpose has been attached to the gift. We recognise that they cannot be used in the charity's general operations without the donor's explicit permission.

Keychange Charity
Trustees' Report
For the year ended 31 March 2024

Statement of Trustees' Responsibilities
The Trustees (who are also directors of Keychange Charity for the purposes of company law) are responsible for preparing the Trustees' annual report including the strategic 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period.

In preparing these financial statements, the Trustees are required to:

•Select suitable accounting policies and then apply them consistently

•Observe the methods and principles in the Charities SORP

•Make judgements and estimates that are reasonable and prudent

•State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the Trustees are aware:

•There is no relevant audit information of which the charitable company's auditor is unaware

•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 auditor is aware of that information

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

Both the Trustees' Report and the Strategic Report were approved by the Trustees and signed on 25th July 2024 on their behalf by

.....
Timothy Roberts, Trustee

Independent Auditor's Report to the members Keychange Charity For the year ended 31 March 2024

Opinion
We have audited the financial statements of Keychange Charity (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended

•Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice

•Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the Trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Keychange Charity'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.

Independent Auditor's Report to the members Keychange Charity For the year ended 31 March 2024

Other Information
The other information comprises the information included in the Trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the group 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The Trustees' annual report, including the strategic report, 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent 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

Responsibilities of Trustees
As explained more fully in the statement of Trustees responsibilities set out in the Trustees' annual report, the Trustees (who are also the directors of the parent 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.

Independent Auditor's Report to the members Keychange Charity For the year ended 31 March 2024

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

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

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

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

We enquired of management and the finance committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations
- We inspected the minutes of meetings of those charged with governance
- We inspected the minutes of meetings of those charged with governance
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit...

Independent Auditor's Report to the members Keychange Charity For the year ended 31 March 2024

- We reviewed any reports made to regulators
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Use of our report
This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Judith Miller (Senior statutory auditor)

Date: 21 August 2024

for and on behalf of Sayer Vincent LLP, Statutory
110 Golden Lane, London, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Keychange Charity
Consolidated Statement of Financial Activities (incorporating an income and expenditure account)
For the year ended 31 March 2024

	Note	Unrestricted £	Restricted £	Endowment £	**2024 Total £**	Unrestricted £	Restricted £	Endowment £	2023 Total £
Income from:									
Donations and government support	2	99,408	-	-	**99,408**	30,744	5,818	-	36,562
Charitable activities									
Care for the Elderly	3	5,436,130	2,777,739	-	**8,213,869**	5,648,150	2,502,042	-	8,150,192
Support for the Homeless	3	742,037	-	-	**742,037**	692,155	-	-	692,155
Grants		-	-	-	**-**	-	16,186	-	16,186
Investments	4	49,024	1,904	-	**50,928**	39,813	4,636	-	44,449
Total income		6,326,600	2,779,643	-	**9,106,243**	6,410,862	2,528,682	-	8,939,544
Expenditure on:									
Charitable activities									
Care for the Elderly	5	6,187,146	2,621,265	-	**8,808,411**	6,198,961	2,717,736	-	8,916,697
Support for the Homeless	5	736,166	14,055	-	**750,221**	720,840	-	-	720,840
Total expenditure		6,923,312	2,635,320	-	**9,558,632**	6,919,801	2,717,736	-	9,637,537
Net income / (expenditure) before net gains / (losses) on investments and revaluation of fixed assets		(596,713)	144,323	-	**(452,390)**	(508,939)	(189,054)	-	(697,993)
Net gains / (losses) on investments and revaluation of fixed		1,135,855	259,466	-	**1,395,320**	2	-	-	2
Net income / (expenditure) for the year	6	539,142	403,789	-	**942,931**	(508,937)	(189,054)	-	(697,991)
Transfers between funds		93,386	(93,386)	-	-	166,320	(166,320)	-	-
Net movement in funds		632,528	310,403	-	**942,931**	(342,617)	(355,374)	-	(697,991)
Reconciliation of funds:									
Total funds brought forward		**9,533,148**	**(930,122)**	**360,778**	**8,963,804**	9,875,765	(574,748)	360,778	9,661,795
Total funds carried forward		**10,165,676**	**(619,719)**	**360,778**	**9,906,735**	9,533,148	(930,122)	360,778	8,963,804

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

Keychange Charity
Balance Sheet
For the year ended 31 March 2024

Registered Charity No: 1061344
Registered Company No: 3317563

	Note	The group 2024 £	The group 2023 £	The charity 2024 £	The charity 2023 £
Fixed assets:					
Tangible assets	11	**10,511,506**	9,066,870	**10,316,654**	8,864,376
		10,511,506	9,066,870	**10,316,654**	8,864,376
Current assets:					
Debtors	13	**304,456**	399,168	**323,808**	411,699
Current assets investments	12	**1,107**	1,107	**1,107**	1,107
Cash at bank and in hand		**498,815**	482,139	**423,716**	469,339
Short-term deposits		**-**	550,000	**-**	550,000
		804,378	1,432,414	**748,631**	1,432,145
Liabilities:					
Creditors: amounts falling due within one year	14	**(1,012,496)**	(1,036,847)	**(921,408)**	(985,118)
Net current assets		**(208,118)**	395,567	**(172,777)**	447,027
Total assets less current liabilities		**10,303,388**	9,462,438	**10,143,877**	9,311,404
Creditors: amounts falling due after one year	15	**(396,653)**	(498,634)	**(377,543)**	(469,376)
Total net assets		**9,906,735**	8,963,804	**9,766,334**	8,842,028
The funds of the charity:	16a				
Endowment funds		**360,778**	360,778	**360,778**	360,778
Restricted funds		**(619,719)**	(930,122)	**(652,995)**	(981,314)
Unrestricted income funds:					
Designated funds		**8,665,968**	1,465,000	**8,665,968**	1,465,000
General funds		**1,499,708**	8,068,148	**1,392,583**	7,997,564
Total unrestricted funds		**10,165,676**	9,533,148	**10,058,551**	9,462,564
Total charity funds		**9,906,735**	8,963,804	**9,766,334**	8,842,028

Approved by the Trustees on 25 July 2024 and signed on their behalf by:

.....

Madeline Thomson
Chair of Trustees

.....

Timothy Roberts
Treasurer

Keychange Charity
Consolidated Statement of Cash Flows
For the year ended 31 March 2024

	Note	2024		2023	
		£	£	£	£
Cash flows from operating activities					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		**(452,390)**		(697,993)	
(Gains)/losses on investments		**-**		-	
Depreciation charges		**380,375**		392,507	
(Profit) / Loss on the disposal and revaluation of fixed assets		**73,970**		13,295	
Impairment of fixed assets		**-**		-	
Transfer of fixed assets from mergers and new subsidiary		**-**		-	
Interest from investments		**(50,928)**		(44,449)	
Interest paid		**35,901**		23,066	
(Increase)/decrease in stock		**-**		-	
(Increase)/decrease in debtors		**94,712**		(83,113)	
Increase/(decrease) in creditors		**(38,534)**		(159,140)	
Net cash provided by / (used in) operating activities			**43,107**		(555,828)
Cash flows from investing activities:					
Interest from investments		**50,928**		44,449	
Interest paid		**(35,901)**		(23,066)	
Proceeds from the sale of fixed assets		**-**		-	
Proceeds from the sale of current asset investments		**-**		10,356	
Purchase of fixed assets		**(503,661)**		(423,826)	
Proceeds from sale of investments		**-**		-	
Purchase of investments		**-**		-	
Net cash (used in) investing activities			**(488,634)**		(392,087)
Cash flows from financing activities:					
Repayments of borrowing		**(87,798)**		(117,130)	
Cash inflows from new borrowing		**-**		-	
Receipt of endowment		**-**		-	
Net cash (used in) financing activities			**(87,798)**		(117,130)
Change in cash and cash equivalents in the year			**(533,325)**		(1,065,045)
Cash and cash equivalents at the beginning of the year			**1,032,139**		2,097,184
Change in cash and cash equivalents due to exchange rate			**-**		-
Cash and cash equivalents at the end of the year			**498,815**		1,032,139

Analysis of cash and cash equivalents and of net debt	At 1 April 2023	Cash flows	**At 31 March 2024**
	£	£	**£**
Cash at bank and in hand	1,032,139	(533,324)	**498,815**
Total cash and cash equivalents	1,032,139	(533,324)	**498,815**
Loans falling due within one year	(107,589)	(14,183)	**(121,772)**
Loans falling due after more than one year	(498,634)	101,981	**(396,653)**
Total	425,916	(445,526)	**(19,610)**

Keychange Charity
Notes to the financial statements

1. Accounting policies

a) Statutory information
Keychange Charity is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address (and principal place of business) is 5 St George's Mews, 43 Westminster Bridge Road, London, SE1 7JB.

b) Basis of preparation
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Stumpwell Housing Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. The charity is also the sole Trustees and owner of Christian Alliance Trust Limited which is a dormant company. Balances between the entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 as a summary of the result for the year is disclosed in the notes to the accounts.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

These financial statements of the company are the accounts of Keychange Charity amalgamating a number of charities where uniting directions have been obtained from the Charity Commission - see note 19.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Public benefit entity
The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern
The Charity's Trustees confirm that, after recognising the deterioration in net current assets position as of 31 March 2024...

and after reviewing the 2024-25 budget and cash flow estimates, they remain confident in the achievability of the outcome and that the organisation is financially viable in short to medium term. They reaffirm the Charity's compliance with the CQC and Ofsted operating frameworks and find no other financial or regulatory issues that could lead to the charity ceasing operations. Therefore, the Trustees have decided to continue preparing the financial statements on a Going Concern basis. Please take a look at the Accounting Policies section (see 1) for more information about this basis.

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

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

f) Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting
Endowment funds are funds to be used for specific purposes as laid down by the donor and where there is no power to convert the capital donated into income.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Included within restricted funds are details of the income and expenditure of each of the linked charities - see note 1b) and note 17.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

h) Expenditure and irrecoverable VAT
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:
'Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
'Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs...

Keychange Charity
Notes to the financial statements

'Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs
Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases
Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets
Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

The depreciation rates in use are as follows:

Freehold property
Land - not
Buildings - 50 years
Building Installations - 10 years

Furniture, fittings and equipment
Fixtures and fittings - 8 years
Computers - 4 years

l) 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.

m) Current asset investments
Includes balances that are invested in a mixture of accounts and investment holdings.

n) Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

o) 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.

Keychange Charity
Notes to the financial statements

p) Financial instruments

The charity only has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Non-basic financial instruments (which comprise derivatives) are measured at fair value with any gain or loss going to the statement of financial activities.

q) Pensions

The company operated pension schemes for the benefit of its employees. The funds of the schemes are administered by Trustees and are separate from the company. The schemes are defined contribution schemes and the contributions are charged to the Statement of Financial Activities. when incurred.

		Unrestricted £	Restricted £	**2024 Total £**	Unrestricted £	Restricted £	2023 T otal £
2	**Donations, legacies and government support**	99,408	-	**99,408**	30,744	5,818	36,562
		99,408	-	**99,408**	30,744	5,818	36,562

3 Income from charitable activities

	Unrestricted £	Restricted £	**2024 Total £**	Unrestricted £	Restricted £	2023 T otal £
Local authority	1,107,375	963,294	**2,070,669**	1,163,948	511,520	1,675,468
Private care fees	4,325,389	1,814,445	**6,139,834**	4,437,882	1,984,860	6,422,742
Other income	2,260	-	**2,260**	46,320	5,663	51,983
Sub-total for care for the elderly	5,435,023	2,777,739	**8,212,763**	5,648,150	2,502,042	8,150,192
Local authority	719,584	-	**719,584**	638,116	-	638,116
Private care fees	22,453	-	**22,453**	54,038	-	54,038
Sub-total for support for homelessness	742,037	-	**742,037**	692,155	-	692,155
Total income from charitable activities	6,177,060	2,777,739	**8,954,800**	6,340,305	2,502,042	8,842,347

4 Income from investments

	Unrestricted £	Restricted £	**2024 Total £**	Unrestricted £	Restricted £	2023 T otal £
Dividends on listed Stock Exchange investments and bank interest	11,826	9	**11,835**	3,301	-	3,301
Rent receivable	37,198	-	**37,198**	36,512	-	-
Feed in Tariff	-	1,895	**1,895**	-	4,636	36,512
	49,024	1,904	**50,928**	39,813	4,636	44,449

Keychange Charity
Notes to the financial statements

5a Analysis of expenditure (current year)

	Charitable activities					
	Care for the Elderly £	Support for the Homeless £	Governance costs £	Support costs £	**2024 Total £**	2023 Total £
Staff costs (Note 7)	5,245,473	429,148	-	645,842	**6,320,464**	6,037,256
Other staff costs	59,887	4,558	-	114,884	**179,329**	196,987
Agency and consultancy	574,791	772	-	-	**575,563**	992,084
Repairs and maintenance	485,413	55,636	-	32,760	**573,809**	612,609
Utilities Depreciation	473,063	51,002	-	4,923	**528,988**	559,104
Office costs	290,532	78,392	-	11,451	**380,375**	392,507
Audit and accountancy	157,646	27,719	-	102,399	**287,764**	139,577
Legal and professional	52,168	-	-	85,319	**137,487**	79,504
Food costs	47,749	7,212	-	44,950	**99,911**	96,398
Care home direct costs	235,726	4,638	-	66	**240,429**	242,909
Other costs	147,195	7,475	-	2,650	**157,320**	149,123
	78,056	129	-	(991)	**77,193**	139,480
	7,847,700	666,681	-	1,044,251	**9,558,632**	9,637,537
Support costs	960,711	83,540	-	(1,044,251)	**-**	-
Governance costs	-	-	-	-	-	-
Total expenditure 2024	**8,808,411**	**750,221**	-	-	**9,558,632**	

5b Analysis of expenditure (prior year)

	Charitable activities				
	Care for the Elderly £	Support for the Homeless £	Governance costs £	Support costs £	**2023 Total £**
Staff costs (Note 7)	5,156,627	418,014	35,232	427,384	**6,037,256**
Other staff costs	88,784	6,816	-	101,387	**196,987**
Agency and Consultancy	868,405	19,688	-	103,991	**992,084**
Repairs and Maintenance	445,116	52,223	-	115,270	**612,609**
Utilities	491,816	47,153	-	20,135	**559,104**
Depreciation	322,536	61,469	1,700	6,801	**392,507**
Office costs	79,701	11,948	-	47,927	**139,577**
Audit and Accountancy	12,712	-	960	65,831	**79,504**
Legal and Professional	53,215	1,531	-	41,653	**96,398**
Food Costs	237,941	4,113	-	854	**242,909**
Care Home Direct Costs	122,020	11,033	-	16,069	**149,123**
Other costs	59,822	1,807	5,988	71,863	**139,480**
	7,938,696	635,796	43,880	1,019,165	**9,637,537**
Support costs	937,632	81,533	-	(1,019,165)	**-**
Governance costs	40,370	3,510	(43,880)	-	-
Total expenditure 2023	**8,916,697**	**720,840**	-	-	**9,637,537**

Keychange Charity
Notes to the financial statements

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2024 £	2023 £
Depreciation	**380,375**	392,507
Profit on disposal of fixed assets	**-**	-
Interest payable	**35,901**	23,066
Auditor's remuneration (excluding VAT):		
Audit	**26,800**	24,900
Other services	**6,400**	4,000

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	**5,539,521**	5,440,479
Redundancy and termination costs	**137,142**	22,879
Social security costs	**395,819**	395,146
Employer's contribution to defined contribution pension schemes	**247,982**	178,753
	6,320,464	6,037,256
Agency costs	**575,563**	992,084
Other staff expenses	**179,329**	196,987
	7,075,356	7,226,328

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024 No.	2023 No.
£60,000 - £69,999	**1**	1
£70,000 - £79,999	**-**	-
£80,000 - £ 89,000	**1**	-

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £346,942 (2023: £284,875)

The charity Trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil).

No charity Trustee received payment for professional or other services supplied to the charity (2023: £nil). Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £4,880 (2023: £5,988) incurred by 11 (2023: 11) members relating to attendance at meetings of the Trustees. The charity also purchased directors indemnity insurance for a premium of £866 (2023: £795).

Keychange Charity
Notes to the financial statements

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 268 (2023: 274). Staff are split across the activities of the charity as follows (head count basis):

	2024 No.	2023 No.
Charitable activities	**255**	262
Administration	**13**	12
	268	274

9 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

The Christian Alliance Trust Corporation Limited

Christian Alliance Trust Corporation Limited (CATC), which is a company limited by guarantee, is the custodian Trustee for all properties owned by Keychange. It also secures through the directors of Keychange that the work of Keychange shall be carried on in strict compliance with the objects and aims of the constitution.

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets for the group

Cost or valuation	Freehold property £	Furniture, fittings and equipment £	**Total £**
At the start of the year	11,968,371	1,232,963	**13,201,334**
Additions in year	446,438	57,223	**503,661**
Disposals in year	-	(197,811)	**(197,811)**
Revaluations	1,469,290	(73,970)	**1,395,320**
At the end of the year	13,884,099	1,018,584	**14,902,504**
Depreciation			
At the start of the year	3,245,982	888,482	**4,134,464**
Charge for the year	332,173	48,202	**380,375**
Eliminated on disposal	-	(123,841)	**(123,841)**
At the end of the year	3,578,155	812,843	**4,390,998**
Net book value			
At the end of the year	**10,305,944**	**205,561**	**10,511,506**
At the start of the year	8,722,389	344,481	9,066,870

Land with a value of £1,108,750 (2023: £1,108,750) is included within freehold property and not depreciated. Professional valuations for freehold and leasehold property and improvements were undertaken at 31 March 1997. The valuations undertaken in 1997 represent the deemed cost of the asset.

Keychange Charity
Notes to the financial statements

11 Tangible fixed assets (continued)

The charity	Freehold property £	Fixtures and fittings £	**Total £**
Cost			
At the start of the year	11,766,065	1,214,503	**12,980,568**
Additions in year	446,438	57,223	**503,661**
Disposals in year	-	(197,811)	**(197,811)**
Revaluations	1,469,290	(73,970)	**1,395,320**
At the end of the year	13,681,793	999,944	**14,681,738**
Depreciation			
At the start of the year	3,235,318	880,874	**4,116,192**
Charge for the year	332,173	40,560	**372,733**
Eliminated on disposal	-	(123,841)	**(123,841)**
At the end of the year	3,567,491	797,593	**4,365,084**
Net book value			
At the end of the year	**10,114,302**	**202,531**	**10,316,654**
At the start of the year	8,530,747	333,629	8,864,376

All of the above assets are used for charitable purposes.

12 Current asset investments

	The group		**The charity**	
	2024 £	2023 £	**2024 £**	2023 £
Fair value at the start of the year	**1,107**	11,461	**1,107**	11,461
Disposal proceeds	**-**	(10,356)	**-**	(10,356)
Net gain / (loss) on change in fair value	**-**	2	**-**	2
Fair value at the end of the year	**1,107**	1,107	**1,107**	1,107

13 Debtors

	The group		**The charity**	
	2024 £	2023 £	**2024 £**	2023 £
Trade debtors	**213,906**	258,156	**86,470**	185,249
Other debtors	**-**	22,408	**155,634**	114,411
Prepayments and accrued income	**90,550**	118,604	**81,704**	112,039
	304,456	399,168	**323,808**	411,699

Keychange Charity
Notes to the financial statements

14 Creditors: amounts falling due within one year

	The group		The charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Bank loans	**121,772**	107,589	**113,359**	102,247
Trade creditors	**167,765**	145,651	**162,515**	142,560
Taxation and social security	**139,838**	164,737	**119,970**	156,566
Other creditors	**465,481**	465,485	**432,959**	465,485
Accruals	**117,640**	153,385	**92,605**	118,260
	1,012,496	1,036,847	**921,408**	985,118

15 Creditors: amounts falling due after one year

	The group		The charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Repayable in 1-2 years	**110,660**	107,589	**102,247**	102,247
Repayable in 2-5 years	**285,993**	322,766	**275,296**	306,740
Repayable after 5 years	**-**	68,279	**-**	60,389
	396,653	498,634	**377,543**	469,376

Total group bank loans of £518,425 (2023: £606,223) include the following bank loans. All charity loans are also secured by debentures on the assets of the Christian Alliance Trust Corporation and Keychange Charity, with interest being charged at the bank's lending rate:

- £490,902 secured on the freehold property at Wimbledon, repayable in 2031/32
- £27,523 subsidiary Stumpwell Housing Association Loan with NatWest

16a Analysis of group net assets between funds (current year)

	Unrestricted	Restricted	Endowment	**Total funds**
	£	£	£	**£**
Tangible fixed assets	8,046,249	2,104,479	360,778	**10,511,506**
Net current assets	2,119,427	(2,327,545)	-	**(209,118)**
Long term liabilities	-	(396,653)	-	**(396,653)**
Net assets at 31 March 2024	**10,165,676**	**(619,719)**	**360,778**	**9,906,735**

16b Analysis of group net assets between funds (prior year)

	Unrestricted	Restricted	Endowment	**Total funds**
	£	£	£	**£**
Tangible fixed assets	7,119,023	1,947,847	360,778	**9,066,870**
Net current assets	2,414,125	(2,018,558)	-	**395,567**
Long term liabilities		(498,634)	-	**(498,634)**
Net assets at 31 March 2023	**9,533,148**	**(930,122)**	**360,778**	**8,963,804**

Keychange Charity
Notes to the financial statements

17a Movements in funds (current year)

	At 1 April 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2024 £
Permanent endowment funds:					
Keychange funds:					
Reigate	150,230	-	-	-	**150,230**
Linked charities' funds:					
Alexander House	20,413	-	-	-	**20,413**
Erith House	190,135	-	-	-	**190,135**
Total endowment funds	360,778	-	-	-	**360,778**
Restricted funds:					
Keychange capital funds:					
Reigate	53,249	-	(14,055)	-	**39,194**
Linked charities' capital funds					
Alexander House	1,283,342	-	(50,276)	-	**1,233,066**
Cressingham House	173,001	259,466	-	-	**432,467**
Erith House	77,477	-	(38,503)	-	**38,974**
Other restricted funds:					
Stumpwell Housing	51,192	895,244	(819,774)	(93,386)	**33,276**
Linked charities' income funds					
Alexander House	(1,258,646)	900,026	(975,258)	-	**(1,333,878)**
Cressingham House	(953,575)	2,182	(19,518)	-	**(970,911)**
Erith House	(356,162)	982,191	(717,936)	-	**(91,906)**
Total restricted funds	(930,122)	3,039,109	(2,635,320)	(93,386)	**(619,719)**
Unrestricted funds:					
Unrestricted - general	8,068,148	7,462,455	(6,923,312)	(7,107,582)	**1,499,708**
Designated funds:					
Linked charities support	1,000,000	-	-	(380,281)	**619,719**
Capital reserve	465,000	-	-	7,581,249	**8,046,249**
Total designated funds	1,465,000	-	-	7,200,968	**8,665,968**
Total unrestricted funds	9,533,148	7,462,455	(6,923,312)	93,386	**10,165,676**
Total funds	8,963,804	10,501,564	(9,558,632)		**9,906,735**

The narrative to explain the purpose of each fund is given at the foot of the note below.

Keychange Charity
Notes to the financial statements

17b Movements in funds (prior year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	**At 31 March 2023 £**
Permanent endowment funds:					
Keychange funds:					
Reigate	150,230	-	-	-	**150,230**
Linked charities' funds:					
Alexander House	20,413	-	-	-	**20,413**
Erith House	190,135	-	-	-	**190,135**
Total endowment funds	360,778	-	-	-	**360,778**
Restricted funds:					
Keychange capital funds:					
Reigate	67,067	-	(13,818)	-	**53,249**
Linked charities' capital funds					
Alexander House	1,334,259	-	(50,917)	-	**1,283,342**
Cressingham House	184,437	1,784	(13,220)	-	**173,001**
Erith House	100,841	-	(23,364)	-	**77,477**
Other restricted funds:					**-**
Reigate	58,327	-	-	(58,327)	**-**
Exeter	98,770	-	-	(98,770)	**-**
Stumpwell Housing	97,373	827,751	(842,529)	(31,403)	**51,192**
Linked charities' income funds					
Alexander House	(1,297,341)	875,311	(836,616)	-	**(1,258,646)**
Cressingham House	(866,330)	29,242	(116,487)	-	**(953,575)**
Erith House	(329,972)	794,594	(820,784)	-	**(356,162)**
Inter-fund loan	(22,180)	-	-	22,180	**-**
Total restricted funds	(574,748)	2,528,682	(2,717,736)	(166,320)	**(930,122)**
Unrestricted funds:					
Unrestricted - general	9,527,698	6,410,864	(6,826,751)	(1,043,663)	**8,068,148**
Designated funds:					
Linked charities support	-	-	-	1,000,000	**1,000,000**
Estates renewal fund	132,396	-	(88,139)	(44,257)	**-**
Capital maintenance fund	215,671	-	(4,911)	(210,760)	**-**
Estates and capital fund	-	-	-	465,000	**465,000**
Total designated funds	348,067	-	(93,050)	1,209,983	**1,465,000**
Total unrestricted funds	9,875,765	6,410,864	(6,919,801)	166,320	**9,533,148**
Total funds	9,661,795	8,939,546	(9,637,537)	-	**8,963,804**

Keychange Charity
Notes to the financial statements

17. Movements in funds continued

Purposes of endowment funds

Reigate Fund
This fund represents the residual value of the Reigate building donated to the charity.

Alexander House
This fund represents the residual value of the original endowment of Alexander House, Wimbledon.

Erith House
This fund represents the residual value of the original endowment of Erith House, Torquay.

Purposes of restricted funds

Stumpwell Housing Association
This fund represents the reserves (aggregate of assets and liabilities) at the end of the operating period.

Reigate Fund
This money was spent on an extension to the hostel at Reigate and will be expended in line with the depreciation of the extension.

Linked charities' restricted funds

Further details of linked charities' funds are disclosed in notes 18 and 19.

Purposes of designated funds

1 - Linked Charities Support - The Trustees have designated a fund in order to facilitate operational support to the linked charities. The value may change dependant on operational outcomes.

2 - Capital Reserve - The Trustees have identified functional assets (at net book value less restricted funds) employed by the Charitable
Group to deliver its operational outcomes.

Purposes of transfers

Transfers have been made from restricted funds to unrestricted funds in the year. These transfers are in order to represent the management charge from the parent charity to the trading subsidiary which is removed on consolidation. The transfer ensures that the restricted fund carried forward matches the individual entity reserves.

18. Linked charities
These financial statements of the company are the accounts of Keychange Charity amalgamating the following charities where uniting directions have been obtained from the Charity Commission.

1061344-1 Alexander House as amended by special resolutions dated 29 June 1999 and 4 December 2001.

1061344-2 Cressingham House Wallasey a uniting direction made under s.96 of the charities act 1993 and dated 27 November 2006. This home was closed in may 2022.

1061344-6 Erith House indenture dated 22 October 1862, as amended by a fully regulating scheme dated 16 December 1996 and amended by a scheme dated 16 July 2009.

In line with the Charities Statement of Recommended Practice the results and balances of the linked charities are included in these financial statements as restricted funds.

Keychange Charity
Notes to the financial statements

19a Analysis of net assets between funds for linked charities (current year)

Alexander House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	1,233,066	20,413	**1,253,479**
Net current assets	-	(956,335)	-	**(956,335)**
Long term liabilities	-	(377,543)	-	**(377,543)**
Net assets at 31 March 2024	-	(100,812)	20,413	**(80,399)**

Cressingham House, Wallasey

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	432,467	-	**432,467**
Net current assets	-	(970,911)	-	**(970,911)**
Net assets at 31 March 2024	-	(538,444)	-	**(538,444)**

Erith House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	38,974	190,135	**229,109**
Net current assets	-	(91,906)	-	**(91,906)**
Net assets at 31 March 2024	-	(52,933)	190,135	**137,202**

Going concern of linked charities with net liabilities

Alexander House
This fund represents the net assets of the Free Church Federal Council's Alexander House. The capital and income of this fund is to be used for the upkeep and general management of Alexander House. The Trustees are satisfied with the going concern status of this linked charity based on the fact that selling the fixed assets will cover any liabilities.

Cressingham House, Wallasey
This fund represents the net liabilities of Cressingham House, Wallasey which was acquired by Keychange Charity on 27th November 2006. The assets were amalgamated with those of Keychange Charity from that date under a uniting directive.

The capital and income of this fund is to be used for the upkeep and general management of Cressingham House. The Trustees made the decision to close Cressingham House which occurred in May 2022.

Erith House
This fund represents the net liabilities of Erith House, Torquay which was acquired by Keychange Charity on 24th July 2009. The assets were amalgamated with those of Keychange Charity from that date under a uniting directive. The capital and income of this fund is to be used for the upkeep and general management of Erith House.

19b Analysis of net assets between funds for linked charities (prior year)

Alexander House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	1,283,342	20,413	**1,303,755**
Net current (liabilities)	-	(760,012)	-	**(760,012)**
Long term liabilities	-	(498,634)	-	**(498,634)**
Net assets at 31 March 2023	-	24,696	20,413	**45,109**

Cressingham House, Wallasey

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	173,001	-	**173,001**
Net current (liabilities)	-	(953,575)	-	**(953,575)**
Net assets at 31 March 2023	-	(780,574)	-	**(780,574)**

Erith House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	77,477	190,135	**267,612**
Net current (liabilities)	-	(356,162)	-	**(356,162)**
Net assets at 31 March 2023	-	(278,685)	190,135	**(88,550)**

Keychange Charity
Notes to the financial statements

20. Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Stumpwell Housing Association Limited, a charitable company registered in England. The company number is 14614011 and charity number 1205894. The registered office address is the same as the parent charity. Stumpwell Housing Association owns Alde House, a care home in Buckinghamshire, which is managed by Keychange.

During 2023/24 the legal form of Stumpwell Housing Association was changed. The old Industrial and Provident Society registration was closed with final accounts prepared for the 15 months to 31 March 2023. A new charitable company was established from 24 January 2023 with results for the 14 month period to 31 March 2024 also reported below.

The new charity's gross income and the results for the period are disclosed as follows:	**14 months to 31 March 2024**
	£
Gross income	**895,245**
Result for the year	**(17,916)**
Funds brought forward from previous entity	**51,192**
Funds carried forward	**33,276**

	15 months to 31 March 2023
	£
Turnover	971,083
Cost of sales	(389,481)
Gross profit/(loss)	581,602
Administrative expenses	
	(661,821)
Profit/(loss) on ordinary activities before interest and taxation	(80,219)
Other operating income	
	4,637
Operating loss	(75,582)
Interest receivable and similar income	
Interest payable	21
Profit / (loss) on ordinary activities before taxation	(1,297)
Taxation on profit on ordinary activities	(76,858)
Profit / (loss) for the financial year	
	-
	(76,858)

Retained earnings	
Total retained earnings brought forward	128,050
Profit / (loss) for the financial year	(76,858)
Total retained earnings carried forward	51,192

The aggregate of the assets, liabilities and reserves was:	
Assets	272,126
Liabilities	(220,934)
Reserves	51,192

Keychange Charity
Notes to the financial statements

21 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2024	2023
	£	£
Gross income	**8,116,083**	8,119,586
Result for the year	**(575,583)**	(745,146)

22 Operating lease commitments payable as a lessee

The charity's does not hold any operating lease payment commitments.

23 Legal status of the charity

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

5 St Georges Mews,
43 Westminster Bridge Rd,
London,
SE1 7JB
keychange.org.uk
Charity No: 10061344

Keychange

A Christian Charity, Creating Caring Communities

KEYCHANGE CHARITY

England & Wales - Charity number 1061344

Accounts

Registered Charity No: 1061344
Registered Company No: 3317563

KEYCHANGE CHARITY

ANNUAL REPORT &

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2023

FRIDAY
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COMPANIES HOUSE

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(page- numbering may be subject to change)

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2023

Trustees: The Trustees who served during the financial year and to the date the Report of the Trustees was signed were as follows:

Maddy Thomson (Chair from 1st April 2021)
Rosemary Milner
Tim Cotterall (Vice Chair)
Ayub Khan
Selina Lau
Tim Roberts (Hon. Treasurer)
Nicholas Johnson
Nicholas Leggett
Rebecca Stockman
Stefan Cantore
Ian Bird
Joan Henshaw (Resigned 28th September 2022)

Trustees are appointed by the Board of Trustees in a general meeting. The number nearest to one third of Trustees shall retire by rotation at each Annual General Meeting and they may offer themselves for re-election.

Senior Leadership Team

Chief Executive	Benjamin Downing (from 1 December 2022)
Interim Chief Executive	Martin Farrow (from November 2021)
	Paul Kelly (from 30 June 2022)
Head of Finance	Sharon Jackman
Operations Manager	Brian James (Until March 2022)
Quality Improvement and Safeguarding Lead	Rebecca Chaplin
Facilities Business Manager	Peter Clark

Address and registered Office	5 St George's Mews 43 Westminster Bridge Road London SE1 7JB
Auditors	Sayer Vincent LLP Invicta House, 108-114 Golden Lane London EC1Y 0TL
Bankers	Barclays Bank plc 29 Borough High Street, London SE1 1LY NatWest Bank plc 1 Penn Road, Beaconsfield, Buckinghamshire HP9 2PU
Solicitors	Lodders Solicitors LLP Number Ten Elm Court, Arden Street Stratford Upon Avon, Warwickshire CV37 6PA Russell-Cooke LLP 2 Putney Hill London SW15 6AB
Company No:	3317563

Charity No:	10061344
Company Secretary	Sharon Jackman

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

Keychange is a Christian Charity, Creating Caring Communities. In all we do, we seek to serve those who live in our communities with love.

This annual report deals with the formal and legal reporting requirements of the Charity and Company in terms of Governance, Finances, Policies, Activities, Audit, Risks and Reserves and we hope you find all the information clear, accessible, and positive.

With a legacy stretching back over 100 years, Keychange was formed with a clear mission of Creating Caring Communities for those who live in our communities, as well as their families, our colleagues, our volunteers, and our friends. Today, Keychange operates residential care communities for older people and residential communities for homeless young people across England based on that very ethos. Through creating the right environment and atmosphere throughout our communities, we share a common unity together and become a community. Our Values, Behaviours and Standards are linked to our Christian ethos and heritage. We build on a foundation of belief that God is good, that his love endures and that he is and will be faithful to all those that live or play a part in our communities (*Psalm 100 v 5)*. In that context, our aspiration remains to provide the best quality care and support we can.

The last 12-months has proved to be one of transition and challenges for Keychange and the care sector as a whole as we have continued to serve our communities as we slowly emerge from the impact of Covid. The Trustees and I remain eternally grateful for all the hard work our colleagues, and volunteers have done as they focus on the needs of others during this most difficult time.

Alongside the challenges, there have been many joyous moments shared in and across our communities. Our fortnightly 'Praise Prayer and Togetherness' sessions is one example how we have continued to connect people and communities across the organisation and country. We thank God for the ability to connect, praise, and share in this way.

As chair of trustees, I am pleased of the work of the interim CEOs, Martin Farrow and Paul Kelly during the year. I am also thankful for the permanent recruitment of the CEO Benjamin Downing who began his role in December 2022. I am proud of this strength and aspiration within the organisation but also of the strong and cohesive trustee group who are enthusiastically committed to directing the next stage of the journey for Keychange.

The organisation is excited about what the future holds for our communities, and we have a desire to grow our impact and see transformation. Whilst we face operating challenges and continue to work in the aftermath of Covid, we are focussing on a stronger sense of purpose for our mission, and a solution focussed mindset that will drive positive change across Keychange and wherever we are working.

Maddy Thomson
Chair of Trustees

The Trustees, being the company's directors, present their annual report on the affairs of the charity, together with the Accounts and Auditor's Report for the year ended 31st March 2023. The information included on Page 2 forms part of the Trustees' Report. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in January 2015 in preparing the annual report and financial statements of the charity. The financial statements comply with all statutory requirements and the requirements of the charity's governing document.

What we do

Our objects, as stated in our Memorandum of Association, are:

a. The advancement of the Christian religion
b. The relief of persons who are in need by reasons of their age, infirmity or financial circumstances: and
c. The promotion by such means as are consistent with the new life in Christ Jesus our Lord of such other charitable purposes in accordance with the doctrinal basis of the Charity

Keychange is a Christian Charity, Creating Caring Communities. We fulfil our object by providing care and support for older people and young homeless people. Our values and behaviours are based on Christian principles and linked to the bible. We try to follow Jesus Christ's example of giving practical love and compassion in our residential care communities for the elderly and residential supported accommodation for young adults. We firmly believe that creating a caring community for all people to live and work alongside one another improves their physical, emotional, mental and spiritual well-being. Presently we provide care and support in eleven care homes and two homeless housing settings totalling 284 beds.

Governing Documents

Keychange is a registered charity and a registered company limited by guarantee. It is governed by its memorandum and articles of association dated 23 November 1996. Keychange Charity is affiliated to the Evangelical Alliance.

Trustees and Leadership Team

Trustees are appointed by the Board of Trustees in general meeting. One third of Trustees retire by rotation at each Annual General Meeting and may offer themselves for re-election. Our individual Trustees share a broad mix of skills appropriate to the governance responsibilities of the Board and the objectives and activities of Keychange. We complete a regular audit of these skills to ensure ongoing effective governance, leadership and working with the Senior Leadership Team.

Potential new Trustees are invited to attend a Trustees' meeting as an observer, visit one of our communities, and be interviewed by the Chair. On acceptance of a formal invitation there is an induction program led by the CEO, and if relevant referral to the Charity Commission's relevant guidance.

Joan Henshaw, who had served as a trustee for several years resigned on 28 September 2022. The remaining trustees bring significant skills and experience in Social Care, Strategy, Governance, Faith and Communities.

Martin Farrow was interim Chief Executive from November 2021 until June 2022. Paul Kelly took over the interim CEO role until Benjamin Downing was appointed as the new CEO from 1 December 2022.

The Senior Leadership Team included Peter Clark (Facilities Business Manager), Sharon Jackman (Head of Finance), and Rebecca Chaplin as interim Operations Manager, (the previous Operations Manager, Brian James left the organisation at the end of March 2022).

Organisational Structure

The Trustees determine the strategy and policy of the charity and get more involved in specific areas by being part of a Working Group. These Groups (shown below) review progress against existing plans and formulate potential new recommendations to the Board, which meets four times per year. Each group comprises Trustees and Senior Leadership Team members with the appropriate skill sets. At present the four Working Groups and the Trustees involved in each are as follows:

- Quality and Safety – to monitor, review and report on care and support operations, care policy, quality improvement and inspection reports. Nicholas Johnson (Chair); Rosh Milner; Nicholas Leggett and Stefan Cantore. (SLT lead – Rebecca Chaplin).
- People and Organisational Development – to focus on HR and organisation development of the organisation including retention etc. Stefan Cantore (Chair), Selina Lau, Rosh Milner, and Nick Johnson. (SLT lead – Sharon Jackman)
- Finance & Facilities – to monitor, review and report on the financial performance and risks, along with the state of property, facilities, IT and Health and Safety. Tim Roberts (Chair) Tim Cotterall; Ayub Khan; and Ian Bird. (SLT lead – Sharon Jackman).
- Strategy - to develop and improve our organisational vision, strategy, functions and governance and develop our future direction. Tim Cotterall (Chair) Maddy Thomson; Ayub Khan; Rebecca Stockman and Tim Roberts. (SLT lead – Benjamin Downing)

Day to day management is delegated to the Senior Leadership Team with regular contact to the Chair. The Senior Leadership Team oversee the strategic plan delivery, developments, as well as the operational day to day leadership and management of our mission, policies and performance. The wider Keychange Leadership group includes SLT along with our communities Managers and Deputy Managers. This leadership delivers the core mission and work of creating caring communities for high quality care and support. They lead their teams of staff in each location. Our Central Office Team seeks to support, enable, empower and equip our communities' leaders in terms of Quality Improvement, Leadership, HR, Facilities, Finance, Health & Safety, Recruitment, Administration, Publicity, Social Media, amongst many others.

There are role descriptions, person specification and pay scales for all staff, which are reviewed annually as part of the budget process. Where appropriate these take account of London based salaries in the charity sector for similar positions.

Related Parties and Connected Charities

Under various uniting directives issued by the Charity Commission the following communities are seen as linked charities and their financial activities have been amalgamated into Keychange Charity in the attached financial statements:

Alexander House, Wimbledon: This is a subsidiary charity to Keychange Charity.

Cressingham House, Wallasey: This is a subsidiary charity to Keychange Charity.

Erith House, Torquay: This is a subsidiary charity to Keychange Charity

Plymouth and District Free Church Women's Council, The Mount Eventide Home, Plymouth: This was a subsidiary charity to Keychange Charity, operations ceased in 2019 and the property at the Mount was finally sold in June 2021. As there is no longer any substance to this former subsidiary it has been removed as a linked charity on 18 April 2023 by the Charity Commission.

During the year to 31 March 2021 Keychange absorbed the financial affairs of **Overdale** operating a care home in Sheffield. It also acquired **Stumpwell Housing Association** operating a care home in Penn, Buckinghamshire. It was not registered as a charity so this is shown in the financial statements as a subsidiary and group accounts are therefore prepared to include these in the Keychange group. Further legal work is underway, having registered it as a company limited by guarantee, to have it registered as a charity.

Objectives and Activities

The objects of the charity are as stated in its Memorandum of Association and are listed under 'What we do' on an earlier page. The mission of Keychange Charity is to Create Caring Communities by providing care, support, acceptance, and Christian community to people in need. This forms the basis of our vision and the strategy that supports it.

The Board and the Working Groups referred to previously, regularly review our vision, strategy, achievements, and update details and targets for the future, across the strategy themes and these broad long-term goals:

- Continually improve the quality of care and support to all those living in our communities, and their families.
- Ensure the quality of our property portfolio and infrastructure, are fit for purpose and to equip the premises and staff capability to perform at the highest level.
- Access opportunities for new social action projects and to continue to be open and responsive to operating new residential care homes for the elderly where this enables, or does not run contrary to the statement above.
- Have a coordinated financial strategy to maximise financial viability to generate surpluses to re-invest in our mission and strategy. As well as to minimise financial dependence on government funding and to make charges at appropriate levels in the context of the general economic conditions, prevailing local market and the levels of care provided.
- Be proactive in establishing new partnerships that will enhance the work of Keychange.
- Ensure that all communities are managed and lead at a senior level by professional, competent leaders and managers so that our mission of Creating Caring Communities by providing the best quality care and support in line with our Christian values and behaviours can be maintained, developed, improved and expanded.
- To increase the number of Trustees and maintain their involvement with staff and projects throughout the country through practical interest, prayer and support.
- Have a coordinated strategy of marketing activity across our website, literature and social media to increase awareness to as many people as possible.

Public Benefit

The Trustees have taken account of the Charity Commission's guidance and demonstrate that public benefit has been provided to our residents and beneficiaries through the following work and activities:

- Accepting socially funded elderly residents at fee levels below the cost of providing good care and accommodation;
- Housing young people who would otherwise be homeless, and supporting them into education and / or employment;
- Providing a wide range of care and support and secular and spiritual activities for all our residents; whether older or younger people who live with us.
- Offering work experience opportunities for young people,
- Our Keychange Community vision recognizes that we support strong connections with the neighbourhood and encourage volunteers to support what we do locally.
- We provide support and guidance for young people resident in our housing communities which benefits society and aids local authorities in their goals and statutory duties as well as enabling residents to gain independence.

Strategic Report

Activities over the last year

The last year has been one of adaptation and renewal as the organisation has worked through both external and internal changes. Across the Keychange communities we have been required to continue to deliver safe care, and we as an organisation have built systems and supported colleagues to achieve that as well as their own self-care. Our alignment with Government advice for the sector continued throughout the year as their focus shifted.

During these changing sector environmental conditions, we have been continually amazed by both our community staff and the feedback that we receive from community members and their families about the hard work and priorities of the communities' staff.

Care Community Feedback

At Rosemary Mount, we heard from a community specialist nurse in Worthing about the community:

Amy, the nurse, said she had a very positive experience of being at Rosemary Mount. She visits many care homes but said this one was "strikingly different" and "really lovely". Amy said the staff were "incredibly helpful", especially Mia. Amy also spoke with someone living at Rosemary Mount who said they knew as soon as they arrived at the front door that this was their "new home."

From Romans Care Home community, a family member said:

I just wanted to say that as a family we can't thank the staff enough for the wonderful care and attention she received throughout her stay there, especially with all the difficulties Covid brought.

Every single member of staff is cheerful, welcoming and kind. As a team we always found them to be professional and respectful towards each other and the residents but also that mum greatly enjoyed their friendship and company, as did we.

At a very difficult time they were there for us. Mum's death was made easier because they went out of their way to make her as comfortable as possible. keep us informed and support us in every way they could think of.

In her last few days, we could visit freely regardless of time, were given endless cups of tea with the staff popping in for little chats whenever they could, and we saw their genuine concern that mum died peacefully and with dignity.

Lovely people who deserve the recognition of a big THANK YOU.

From a family member at Erith House:

Thanks to Louis I was able to FaceTime Mum and my brother Face Timed her from New Zealand. All in all, it was as Rosemarie would have wished. She was not in any pain, and she was only a day in the hospital.

As you know she was her usual busy self, up through Christmas Day. One of the Carers must have helped Mum to send out an email to family on Boxing Day morning. There were 2 photos (with the email) ...one of her Christmas Tree and one of the sunbeams shining in through her window.

I will treasure that email forever, her last email.

Thank you for taking the extra time out of your busy day to do that for Mum.

These encouraging words and feedback help remind us of the focus of our work and mission as well as being an incredible testimony to the care of our community colleagues and the diligence with which daily work is carried out across our organisation.

National Care Forum
Our membership of the National Care Forum proved vital in keeping updated on the changes of the sector and government priorities. Going forward we would also like to create more capacity to be a part of, the debates and discussions around key areas such as recruitment, financial realities of care and Governmental plans for social care and housing.

Cross organisational working
We have continued to draw the organisation together this year and build connections between the leaders and members of the communities. Our partnership with Vibrant Communities helped us to improve this way of working. Our cross-organisational engagement approach allowed leaders to share and learn regularly. This gave opportunity for staff to speak about their current reality and the challenges that they are facing. We were pleased that the weekly praise, prayer and togetherness times have been a great success and will continue as we go forward.

We continue to face the challenge of reduced occupancy levels of the previous years. We are working hard locally and across the organisation to increase occupancy through increased networking, word of mouth recommendations and marketing. We want to better utilise the wonderful feedback and experience of community members as our reputation, our mission, and our strong regulatory standing position us well to overcome these issues and achieve a desire of delivering quality and sustainable care.

Housing Communities
An important part of Keychange is our housing communities where we provide support, hope and opportunity to homeless young men and women from age 16 upwards, to offer a safe place to live, grow, develop and restore their dignity, and to them find ongoing purpose for their lives. We have two housing communities and our teams in Surrey and Devon continue to work hard to support young men and women including maintained and expanding links with the community and churches.

Our relationships with Local Authorities have gone from strength to strength this year. In one case this has been exemplified by the renewing and expansion of a housing provision contract with one of our closest local authority partners, Devon council.

Two pieces of the encouraging feedback we have received this year from our Housing Community residents were:

> *"Wayside is what you make it. It is a blank canvas with so many possibilities. On a good day I have so many ideas and staff give me reign to express those ideas. So much can be done and I get disappointed when I fail in my own goals due to health and mental health. I feel very valued especially by staff and people I have befriended. It is the staff I find most comfort in."*

and

> *'The community has exceeded my expectations due to the support offered. I like the sense of community and living with others who are going through the same things.*

We are appreciative of our staff teams that invest and advocate for the residents in each Housing community site. Their work and service allow Keychange to achieve our mission and goals to impact the lives of vulnerable adults.

Leadership
As a leadership team we continually reviewed the whole of our organisation and each community in terms of quality of care and viability. Mid-way through FY22/23 we took the difficult decision to close the Sceats community based in Gloucester. Following a review with Trustees, the emerging reality was at that time it would be impossible to continue to operate the care community sustainably. All residents were relocated successfully, and we give thanks that the process was completed well.

As part of the leadership community analysis, the trustees took the decision to sell the Cressingham House, in Wallasey site, this community had closed in 2022.

During the financial year FY22/23 we had a large amount of change in our leadership. This included having two interim CEOs, Martin Farrow and Paul Kelly as well as our Operations Manager leaving. The two interim CEOs were both able to guide the organisation well during this time. Benjamin Downing was recruited to the role of CEO in December 2022. During this time, we have continued to work across the 11 sites. The sites of Overdale, Sheffield and Alde House, Penn which joined the organisation in the last 2-3 years continued to be strengthened in their management capacity as well as be integrated into our organisational systems and processes.

Human resources, staff engagement and marketing capacity continued to be strengthened in order to support staff and managers in each community. This is to help us attract both great people to work with us as well as let people know about Keychange for those wishing to make Keychange their new home.

We have strengthened the Board of Trustees and trustees continue to complete an evaluation at the end of each meeting to review their own performance. These evaluations are collated and reviewed regularly to ensure continuous improvement of governance functions and performance. This year we have provided Governance training to our Board on Safeguarding.

Keychange Fundraising approach and activities

Keychange as a corporate organisation undertakes very little targeted fundraising. Our twice-yearly newsletters entitled 'Contact' include the opportunity for supporters to send in a donation if they feel so inclined. We provide leaflets and information for residents and their families to consider providing a legacy to Keychange in their will, but these are not targeted to individuals and are simply available upon enquiry or in a leaflet stand at each of our communities. At a local Keychange care or housing community some fundraising takes place on an informal basis for small local events or activities. This may be through raffles, sponsorship and fetes for example.

These activities are co-ordinated by the Manager and their staff team and seek to develop our mission of Creating Caring Communities in line with our values. Keychange does not work with any external Fundraising support company or consultancy. These fundraising activities to our supporters via direct mail, legacy leaflets or community-based activity or event fundraising is in line with the Fundraising Code of Practice set by Fundraising Regulator. No complaints were received by Keychange in relation to our fundraising activities in the year.

Our fundraising promise is:
When anyone supports Keychange they you can be sure of the following:

- *We will never sell your contact details to anyone.*
- *We will only contact you if you have expressed an interest in our work.*
- *If we phone you, we will always check you are happy to take the call.*
- *If you ask us to change how we communicate with you, or stop, we will respect that.*
- *We do not engage in cold-calling, door to door or street fundraising.*
- *We try hard to ensure no one ever feels pressurised to support our work.*
- *All our activities are open, fair, honest, and legal.*

Our employees

Keychange communicates information, provides updates and consults with its employees in a number of ways to ensure they know what is happening, how we are achieving and developing our mission and providing opportunities for their feedback and input. Every week we provide a Management Bulletin

communication, senior staff regularly visit our communities to meet with staff, we provide monthly financial performance reporting and inputs to our managers. Our annual staff survey provides the opportunity for all staff to respond to questions and give their input to a variety of topics. We have worked especially hard through the pandemic to increase communication and staff engagement, support, well-being and encouragement.

Keychange is committed to full and fair consideration of all employment applications and considers them all upon the aptitudes and abilities of each applicant. We work hard with all employees of all abilities to ensure we provide training, development and opportunities for staff to remain with Keychange for as long as possible within their role or other more adaptable functions.

All our staff have worked very hard throughout this period of uncertainty and difficulty to continue to Create Caring Communities. We are still in this pandemic and the future uncertainty needs careful planning and adapting too. We are very thankful and blessed to have the quality of Leadership and staff teams in their roles and communities at Keychange.

Financial Review

The total income from operating our care homes and housing communities in the year to 31 March 2023 was £8.939million compared to £8.995million in the previous year (after excluding the benefit of £0.120million gain on property sales in that year). This is a small fall of £71,256 or 0.8% in income from operations between the two years. Whilst expenditure of £9,654million was a fall of £0.110million from £9.764million in the previous year but the operating deficit of £0.698million compares with £0.764 in the previous year after excluding the gain of £0.120million from the sale of properties mentioned above.

The deficit has been impacted by the planned and necessary closure of Cressingham House and Sceats communities. The recurring impact of these will therefore be removed from future results.

The overall deficit appears to be a stand-still low point in the charity's operations but with new strategic objectives and a budget looking to half the deficit for the current year there is much to work for to improve the charity's fortunes and retained reserves. In particular, the board are conscious that some communities are performing better than others. So, the individual communities need to be kept under review, and in some cases make more significant steps to improve financial performance.

Reserves Policy and Going Concern

The Trustees have reviewed the charity's reserves and considered the designations that should be made within the unrestricted reserves, given this year's results and the closure of a couple of communities.

The Trustees have determined that the following reserves policy should be applied:

> The level of free reserves, after adjusting for long term liabilities, should be sufficient to leave the Charity with working capital equivalent to at least two month's operating expenditure, after deducting any designated funds. The long-term liabilities should however be within a level that the Trustees consider comfortable in respect of the ability of the Charity to service these liabilities as they fall due from its operating income.

Two months of operating expenditure based on 2022/23 financial year is £1.6million.

The trustees have established two fresh funds, one that combines the previous renewal and maintenance fund into one. The new fund of £465k represents intended estate work in the coming year. A further £1million is a contingency designation to cover the losses suffered on the linked charities, should it not be possible to apply property proceeds against the income losses. Discussion continues with the Charity Commission to progress this.

Free Reserves have been affected greatly by the results of the last two years, including the need to establish the above contingency fund for linked charity losses. Free reserves are defined as the unrestricted reserves that are not represented by fixed assets, and after designations.

Free reserves are therefore £949,125 at 31 March 2023 (£2,730,162 at 31 March 2022). Whilst free reserves are below target the £1million designation will not immediately need to be drawn on and the board are confident it can manage cashflow, given property receipts to come and the strategic action on the overall financial operating model mentioned above.

The board and management team have undertaken financial planning including cashflow forecasts, and are confident that the charity remains a going concern for the purposes of preparing and approving these statutory accounts. The board is satisfied that there is a reasonable expectation that Keychange will be able to pay its debts as a they fall due for a period of at least 12 months from the date of signing and that there are no material uncertainties that would call this into question.

Risk Management

The Board has conducted regular risk assessments and reviews and identified the major risks to which the Charity is exposed, particularly those related to its operations and finances. Against this framework, current risks to the organisation are formally assessed by the Senior Leadership Team (SLT) and within the Working Groups on a cyclical basis. Immediate operational risks are considered at the SLT meeting with relevant strategies put in place. Documents (minutes etc.) are available as required. The Trustees are satisfied that systems are in place to mitigate the charity's exposure to the major risks. An update of the risk register review strategy was undertaken in Board Meeting in November 2022. Our major risks are listed below.

- The loss of key Leadership Team staff.
- Insufficient occupancy and income to sustain operations.
- Changes to Government Policy for funding older people's residential care.
- A sustained level of staff shortages.
- Future maintenance and suitability of our buildings for ever increasing complex care needs.
- Continued aftermath of Covid19.

We reduce the risk of losing key leadership staff by developing leaders, ensuring our remuneration levels are appropriate and that we offer support, and training to retain them within Keychange. To mitigate against these risks Keychange continually reviews central and local government policy for older people's care. In addition, we continue to wait for the Government to publish its Green Paper on the future funding and provision of older people's care. To mitigate against sustained level of staff shortages we are establishing contracts for flexible working to cover absences and reviewing effective use of our outsourced recruitment.

Uncertainties

Looking after 245 residents in 11 caring communities will always generate unexpected situations, but we are confident that our staff are trained and resilient to deal with them competently as they arise. The global pandemic of Covid19 demonstrated Keychange has been able and must continue to adapt to address the ongoing challenges through developing strong leadership, flexible working methods, effective support and communication, good risk assessment procedures and strong line management.

Future Plans

We continue to follow and implement our strategic vision and plan until 2030, with an initial focus on the next few years to 2025. Our Vision is to Create Caring Communities which are Safe, Vibrant, Inclusive

and Sustainable. Our new strategy plan focuses on two themes of Financial viability & sustainability, as well as making an impact with quality care.

Our priority for future plans is increasing and sustaining a higher level of occupancy. We have new brochures and a series of virtual online tour videos across all our older care communities. These enable people to hear of and view our communities as part of clear publicity. In addition, we have invested in marketing capacity to help develop enquiries and increase occupancy.

Our membership of the National Care Forum has been a beneficial method of learning, lobbying and sharing ideas, inputs and policy development. We will also continue to progress with our collaborative partnerships with other Christian care home charities and seek to develop those into more formal arrangements.

Statement of Trustees' Responsibilities

The trustees (who are also directors of Keychange Charity for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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 auditor is aware of that information

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

Both the Trustees Report and the Strategic Report were approved by the Trustees and signed on 21 September 2023 on their behalf by

Tim Roberts

Tim Roberts

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Timothy Roberts, Trustee

Opinion

We have audited the financial statements of Keychange Charity (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Keychange Charity'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 other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

- We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:
- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent 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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted

in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Capability of the audit in detecting irregularities

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

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

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

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Judith Miller (Senior statutory auditor)

22 November 2023
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Keychange Charity

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted £	Restricted £	Endowment £	2023 Total £	Unrestricted £	Restricted £	Endowment £	2022 (restated) Total £
Income from:									
Donations and government support	2	30,744	5,818	-	**36,562**	70,671	4,492	-	75,163
Charitable activities									
Care for the Elderly	3	5,648,150	2,502,042	-	**8,150,192**	5,383,141	2,842,924	-	8,226,065
Support for the Homeless	3	692,155	-	-	**692,155**	641,390	-	-	641,390
Grants		-	16,186	-	**16,186**	-	1,500	-	1,500
Investments	4	39,813	4,636	-	**44,449**	46,232	4,557	-	50,789
Other income - gain/(loss) on sale of property		-	-	-	-	133,916	(13,776)	-	120,140
Total income		6,410,862	2,528,682	-	**8,939,544**	6,275,350	2,839,697	-	9,115,047
Expenditure on:									
Charitable activities									
Care for the Elderly	5	6,198,961	2,717,736	-	**8,916,697**	5,523,002	3,535,982	-	9,058,984
Support for the Homeless	5	720,840	-	-	**720,840**	704,530	-	-	704,530
Total expenditure		6,919,801	2,717,736	-	**9,637,537**	6,227,532	3,535,982	-	9,763,514
Net income / (expenditure) before net gains / (losses) on investments		(508,939)	(189,054)	-	**(697,993)**	47,818	(696,285)	-	(648,467)
Net gains / (losses) on investments		2	-	-	**2**	-	-	-	-
Net income / (expenditure) for the year	6	(508,937)	(189,054)	-	**(697,991)**	47,818	(696,285)	-	(648,467)
Transfers between funds		166,320	(166,320)	-	-	(641,390)	641,390	-	-
Net movement in funds		(342,617)	(355,374)	-	**(697,991)**	(593,572)	(54,895)	-	(648,467)
Reconciliation of funds:									
Total funds brought forward		**9,875,765**	**(574,748)**	**360,778**	**9,661,795**	10,469,337	(519,853)	360,778	10,310,262
Total funds carried forward		**9,533,148**	**(930,122)**	**360,778**	**8,963,804**	9,875,765	(574,748)	360,778	9,661,795

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

Keychange Charity

Balance sheet

Company no. 3317563

As at 31 March 2023

	Note	The group 2023 £	The group 2022 £	The charity 2023 £	The charity 2022 £
Fixed assets:					
Tangible assets	11	**9,066,870**	9,048,846	**8,864,376**	8,844,918
		9,066,870	9,048,846	**8,864,376**	8,844,918
Current assets:					
Debtors	13	**399,168**	316,055	**411,699**	357,717
Current assets investments	12	**1,107**	11,461	**1,107**	11,461
Cash at bank and in hand		**482,139**	2,097,184	**469,339**	2,069,660
Short-term deposits		**550,000**	-	**550,000**	-
		1,432,414	2,424,700	**1,432,145**	2,438,838
Liabilities:					
Creditors: amounts falling due within one year	14	**(1,036,847)**	(1,195,987)	**(985,118)**	(1,139,936)
Net current assets		**395,567**	1,228,713	**447,027**	1,298,902
Total assets less current liabilities		**9,462,438**	10,277,559	**9,311,404**	10,143,820
Creditors: amounts falling due after one year	15	**(498,634)**	(615,764)	**(469,376)**	(579,398)
Total net assets		**8,963,804**	9,661,795	**8,842,028**	9,564,422
The funds of the charity:	16a				
Endowment funds		**360,778**	360,778	**360,778**	360,778
Restricted funds		**(930,122)**	(574,748)	**(981,314)**	(672,121)
Unrestricted income funds:					
Designated funds		**1,465,000**	348,067	**1,465,000**	348,067
General funds		**8,068,148**	9,527,698	**7,997,564**	9,527,698
Total unrestricted funds		**9,533,148**	9,875,765	**9,462,564**	9,875,765
Total charity funds		**8,963,804**	9,661,795	**8,842,028**	9,564,422

Approved by the trustees on 21 September 2023 and signed on their behalf by

Madeline Thomson
Madeline Thomson

Maddy Thomson
Chair

Tim Roberts
Tim Roberts

Timothy Roberts
Treasurer

Keychange Charity

Consolidated statement of cash flows

For the year ended 31 March 2022

	Note	2023 £	£	2022 £	£
Cash flows from operating activities					
Net income/(expenditure) for the reporting period		**(697,993)**		(648,467)	
Depreciation charges		**392,507**		349,714	
(Profit) / Loss on the disposal of fixed assets		**13,295**		(120,140)	
Interest from investments		**(44,449)**		(50,788)	
Interest paid		**23,066**		25,487	
(Increase)/decrease in debtors		**(83,113)**		151,678	
Increase/(decrease) in creditors		**(159,140)**		(199,878)	
Net cash provided by / (used in) operating activities			**(555,828)**		(492,394)
Cash flows from investing activities:					
Interest from investments		**44,449**		50,788	
Interest paid		**(23,066)**		(25,487)	
Proceeds from the sale of fixed assets		**-**		1,139,964	
Proceeds from the sale of current asset investments		**10,356**		-	
Purchase of fixed assets		**(423,826)**		(221,919)	
Net cash (used in) investing activities			**(392,087)**		943,346
Cash flows from financing activities:					
Repayments of borrowing		**(117,130)**		(72,936)	
Net cash (used in) financing activities			**(117,130)**		(72,936)
Change in cash and cash equivalents in the year			**(1,065,045)**		378,016
Cash and cash equivalents at the beginning of the year			**2,097,184**		1,719,168
Cash and cash equivalents at the end of the year			**1,032,139**		2,097,184

Analysis of cash and cash equivalents and of net debt

	At 1 April 2022 £	Cash flows £	**At 31 March 2023 £**
Cash at bank and in hand	2,097,184	(1,065,045)	**1,032,139**
Total cash and cash equivalents	2,097,184	(1,065,045)	**1,032,139**
Loans falling due within one year	(107,589)	-	**(107,589)**
Loans falling due after more than one year	(615,764)	117,130	**(498,634)**
Total	1,373,831	(947,915)	**425,916**

1 Accounting policies

a) Statutory information

Keychange Charity is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address (and principal place of business) is 5 St George's Mews, 43 Westminster Bridge Road, London, SE1 7JB.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Stumpwell Housing Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. The charity is also the sole trustees and owner of Christian Alliance Trust Limited which is a dormant company. Balances between the entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 as a summary of the result for the year is disclosed in the notes to the accounts.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

These financial statements of the company are the accounts of Keychange Charity amalgamating a number of charities where uniting directions have been obtained from the Charity Commission - see note 19.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The Trustees are satisfied that Keychange group is a going concern due to the nature of the operations. There are no areas of concern to doubt that Keychange will continue to operate in the foreseeable future. See note 19 of the financial statement for further details of the position of the linked charities.

e) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

Coronavirus job retention scheme income and other coronavirus support income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1 **Accounting policies (continued)**

g) **Fund accounting**

Endowment funds are funds to be used for specific purposes as laid down by the donor and where there is no power to convert the capital donated into income.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Included within restricted funds are details of the income and expenditure of each of the linked charities - see note 1b) and note 17.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

h) **Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) **Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) **Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

k) **Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property	
- Land	not
- Buildings	50 years
- Building installations	10 years
Furniture, fittings and equipment	
- Fixtures and fittings	8 years
- Computers	4 years

l) **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.

m) **Current asset investments**

Includes balances that are invested in a mixture of accounts and investment holdings.

1 **Accounting policies (continued)**

n) **Cash at bank and in hand**
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

o) **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.

p) **Financial instruments**
The charity only has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Non-basic financial instruments (which comprise derivatives) are measured at fair value with any gain or loss going to the statement of financial activities.

q) **Pensions**
The company operated pension schemes for the benefit of its employees. The funds of the schemes are administered by Trustees and are separate from the company. The schemes are defined contribution schemes and the contributions are charged to the Statement of Financial Activities. when incurred.

2 **Income from donations and government support**

	Unrestricted	Restricted	**2023 Total**	Unrestricted	Restricted	2022 Total
	£	£	**£**	£	£	£
Donations	30,744	5,818	**36,562**	45,488	3,318	48,806
Coronavirus job retention scheme	-	-	**-**	25,183	1,174	26,357
	30,744	5,818	**36,562**	70,671	4,492	75,163

3 **Income from charitable activities**

	Unrestricted	Restricted	**2023 Total**	Unrestricted	Restricted	2022 Total
	£	£	**£**	£	£	£
Local authority	1,163,948	511,520	**1,675,467**	1,636,197	690,944	2,327,141
Private care fees	4,437,882	1,984,860	**6,422,742**	3,741,640	2,118,619	5,860,259
Other income	46,320	5,663	**51,983**	5,304	33,361	38,665
Sub-total for care for the elderly	5,648,150	2,502,042	**8,150,192**	5,383,141	2,842,924	8,226,065
Local authority	638,116	-	**638,116**	613,384	-	613,384
Private care fees	54,038	-	**54,038**	28,006	-	28,006
Sub-total for support for homelessness	692,155	-	**692,155**	641,390	-	641,390
Total income from charitable activities	6,340,305	2,502,042	**8,842,347**	6,024,531	2,842,924	8,867,455

4 **Income from investments**

	Unrestricted	Restricted	**2023 Total**	Unrestricted	Restricted	2022 Total
	£	£	**£**	£	£	£
Dividends on listed Stock Exchange investments and bank interest	3,301	-	**3,301**	297	-	297
Rent receivable	36,512	-	**36,512**	45,935	2,363	48,298
Feed in Tariff	-	4,636	**4,636**	-	2,194	2,194
	39,813	4,636	**44,449**	46,232	4,557	50,789

5a Analysis of expenditure (current year)

	Charitable activities					
	Care for the Elderly £	Support for the Homeless £	Governance costs £	Support costs £	**2023 Total £**	2022 Total £
Staff costs (Note 7)	5,156,627	418,014	35,232	427,384	**6,037,256**	6,548,089
Other staff costs	88,784	6,816	-	101,387	**196,987**	133,065
Agency and Consultancy	868,405	19,688	-	103,991	**992,084**	779,612
Repairs and Maintenance	445,116	52,223	-	115,270	**612,609**	478,976
Utilities	491,816	47,153	-	20,135	**559,104**	386,480
Depreciation	322,536	61,469	1,700	6,801	**392,507**	349,714
Office costs	79,701	11,948	-	47,927	**139,577**	60,551
Audit and Accountancy	12,712	-	960	65,831	**79,504**	21,000
Legal and Professional	53,215	1,531	-	41,653	**96,398**	134,792
Food Costs	237,941	4,113	-	854	**242,909**	247,569
Care Home Direct Costs	122,020	11,033	-	16,069	**149,123**	294,137
Other costs	59,822	1,807	5,988	71,863	**139,480**	329,529
	7,938,696	635,796	43,880	1,019,165	**9,637,537**	9,763,514
Support costs	937,632	81,533	-	(1,019,165)	-	-
Governance costs	40,370	3,510	(43,880)	-	-	-
Total expenditure 2023	**8,916,697**	**720,840**	-	-	**9,637,537**	
Total expenditure 2022	9,058,984	704,530	-	-		9,763,514

5b Analysis of expenditure (prior year)

		Charitable activities				
	Raising funds	Care for the Elderly	Support for the Homeless	Governance costs	Support costs	**2022 Total**
	£	£	£	£	£	**£**
Staff costs (Note 7)	-	5,513,870	371,253	17,737	645,229	**6,548,089**
Other staff costs	-	112,048	7,544	360	13,112	**133,065**
Agency and Consultancy	-	656,478	44,201	2,111	76,821	**779,612**
Repairs and Maintenance	-	403,326	27,156	1,297	47,197	**478,976**
Utilities	-	325,439	21,912	1,047	38,083	**386,480**
Depreciation	-	294,479	19,828	947	34,460	**349,714**
Office costs	-	50,987	3,433	164	5,967	**60,551**
Audit and Accountancy	-	17,683	1,191	57	2,069	**21,000**
Legal and Professional	-	113,503	7,642	365	13,282	**134,792**
Food Costs	-	208,467	14,036	671	24,395	**247,569**
Care Home Direct Costs	-	247,680	16,677	797	28,983	**294,137**
Other costs	-	277,482	18,683	893	32,471	**329,529**
	-	8,221,444	553,557	26,447	962,066	**9,763,514**
Support costs	-	815,132	146,934	-	(962,066)	-
Governance costs	-	22,408	4,039	(26,447)	-	-
Total expenditure 2022	-	**9,058,984**	**704,530**	-	-	**9,763,514**

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2023	2022
	£	£
Depreciation	**392,507**	349,714
Profit on disposal of fixed assets	**-**	120,140
Interest payable	**23,066**	11,831
Auditor's remuneration (excluding VAT):		
Audit	**24,900**	21,000
Other services	**4,000**	-

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023	2022
	£	£
Salaries and wages	**5,440,479**	5,907,706
Redundancy and termination costs	**22,879**	50,375
Social security costs	**395,146**	379,612
Employer's contribution to defined contribution pension schemes	**178,753**	210,396
	6,037,256	6,548,089
Agency costs	**992,084**	779,612
Other staff expenses	**196,987**	133,065
	7,226,328	7,460,767

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022	2021
	No.	No.
£60,000 - £69,999	**1**	1
£70,000 - £79,999	**-**	-

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £284,875 (2022: £369,819).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £5,988 (2021: £5,447) incurred by 11 (2022: 11) members relating to attendance at meetings of the trustees. The charity also purchased directors indemnity insurance for a premium of £795 (2022: £998).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 274 (2021: 322).

Staff are split across the activities of the charity as follows (head count basis):

	2023 No.	2022 No.
Charitable activities	**262**	310
Administration	**12**	12
	274	322

9 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

The Christian Alliance Trust Corporation Limited

Christian Alliance Trust Corporation Limited (CATC), which is a company limited by guarantee, is the custodian Trustee for all properties owned by Keychange. It also secures through the directors of Keychange that the work of Keychange shall be carried on in strict compliance with the objects and aims of the constitution.

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets for the group

	Freehold property £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At the start of the year	11,730,169	1,093,007	**12,823,176**
Additions in year	238,202	185,624	**423,826**
Disposals in year	-	(45,668)	**(45,668)**
At the end of the year	11,968,371	1,232,963	**13,201,334**
Depreciation			
At the start of the year	3,047,223	727,107	**3,774,330**
Charge for the year	198,759	193,748	**392,507**
Eliminated on disposal	-	(32,373)	**(32,373)**
At the end of the year	3,245,982	888,482	**4,134,464**
Net book value			
At the end of the year	**8,722,389**	**344,481**	**9,066,870**
At the start of the year	8,682,946	365,900	9,048,846

Land with a value of £1,108,750 (2022: £1,380,524) is included within freehold property and not depreciated. Professional valuations for freehold and leasehold property and improvements were undertaken at 31 March 1997. The valuations undertaken in 1997 represent the deemed cost of the asset.

11 Tangible fixed assets (continued)

The charity	Freehold property	Fixtures and fittings	Total
Cost	£	£	£
At the start of the year	11,527,863	1,082,340	**12,610,203**
Additions in year	238,202	177,831	**416,033**
Disposals in year	-	(45,668)	**(45,668)**
At the end of the year	11,766,065	1,214,503	**12,980,568**
Depreciation			
At the start of the year	3,040,038	725,247	**3,765,285**
Charge for the year	195,280	188,000	**383,280**
Eliminated on disposal	-	(32,373)	**(32,373)**
At the end of the year	3,235,318	880,874	**4,116,192**
Net book value			
At the end of the year	**8,530,747**	**333,629**	**8,864,376**
At the start of the year	8,487,825	357,093	8,844,918

All of the above assets are used for charitable purposes.

12 Current asset investments

	The group		The charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Fair value at the start of the year	**11,461**	11,461	**11,461**	11,461
Disposal proceeds	**(10,356)**	-	**(10,356)**	-
Net gain / (loss) on change in fair value	**2**	-	**2**	-
Fair value at the end of the year	**1,107**	11,461	**1,107**	11,461

13 Debtors

	The group		The charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Trade debtors	**258,156**	144,231	**185,249**	123,586
Other debtors	**22,408**	29,913	**114,411**	62,825
Prepayments and accrued income	**118,604**	141,911	**112,039**	171,306
	399,168	316,055	**411,699**	357,717

14 Creditors: amounts falling due within one year

	The group		The charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Bank loans	**107,589**	107,589	**102,247**	102,247
Trade creditors	**145,651**	81,790	**142,560**	40,999
Taxation and social security	**164,737**	198,671	**156,566**	193,482
Pension fund loan payable	**-**	49,657	**-**	49,732
Other creditors	**465,485**	474,064	**465,485**	478,228
Deferred income - fees for services in advance	**-**	2,885	**-**	2,885
Accruals	**153,385**	281,331	**118,260**	272,363
	1,036,847	1,195,987	**985,118**	1,139,936

All deferred income in 2021 was released to income during the 2022 financial year.

15 Creditors: amounts falling due after one year

	The group		The charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Repayable in 1-2 years	**107,589**	107,589	**102,247**	102,247
Repayable in 2-5 years	**322,766**	322,766	**306,740**	306,740
Repayable after 5 years	**68,279**	185,409	**60,389**	170,411
	498,634	615,764	**469,376**	579,398

Total group bank loans of £606,223 (2021: £723,353) include the following bank loans. All charity loans are also secured by debentures on the assets of the Christian Alliance Trust Corporation and Keychange Charity, with interest being charged at the bank's lending rate:

- £571,623 secured on the freehold property at Wimbledon, repayable in 2031/32
- £34,600 subsidiary Stumpwell Housing Association Loan with NatWest

16a Analysis of group net assets between funds (current year)

	Unrestricted	Restricted	Endowment	**Total funds**
	£	£	£	**£**
Tangible fixed assets	7,119,023	1,587,069	360,778	**9,066,870**
Net current assets	2,414,125	(2,018,558)	-	**395,567**
Long term liabilities	-	(498,634)	-	**(498,634)**
Net assets at 31 March 2023	**9,533,148**	**(930,122)**	**360,778**	**8,963,804**

16b Analysis of group net assets between funds (prior year - restated)

	Unrestricted	Restricted	Endowment	**Total funds**
	£	£	£	**£**
Tangible fixed assets	6,797,536	1,890,532	360,778	**9,048,846**
Net current assets	3,078,229	(1,849,516)	-	**1,228,713**
Long term liabilities		(615,764)	-	**(615,764)**
Net assets at 31 March 2022	**9,875,765**	**(574,748)**	**360,778**	**9,661,795**

17a Movements in funds (current year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Permanent endowment funds:					
Keychange funds:					
Reigate	150,230	-	-	-	**150,230**
Linked charities' funds:					
Alexander House	20,413	-	-	-	**20,413**
Erith House	190,135	-	-	-	**190,135**
Total endowment funds	360,778	-	-	-	**360,778**
Restricted funds:					
Keychange capital funds:					
Reigate	67,067	-	(13,818)	-	**53,249**
Linked charities' capital funds	-	-	-	-	-
Alexander House	1,334,259	-	(50,917)	-	**1,283,342**
Cressingham House	184,437	1,784	(13,220)	-	**173,001**
Erith House	100,841	-	(23,364)	-	**77,477**
Other restricted funds:					
Reigate	58,327	-	-	(58,327)	-
Exeter	98,770	-	-	(98,770)	-
Stumpwell Housing	97,373	827,751	(842,529)	(31,403)	**51,192**
Linked charities' income funds					
Alexander House	(1,297,341)	875,311	(836,616)	-	**(1,258,646)**
Cressingham House	(866,330)	29,242	(116,487)	-	**(953,575)**
Erith House	(329,972)	794,594	(820,784)	-	**(356,162)**
Inter-fund loan	(22,180)	-	-	22,180	-
Total restricted funds	(574,748)	2,528,682	(2,717,736)	(166,320)	**(930,122)**
Unrestricted funds:					
Unrestricted - general	9,527,698	6,410,864	(6,826,751)	(1,043,663)	**8,068,148**
Designated funds:					
Linked charities support	-	-	-	1,000,000	**1,000,000**
Estates renewal fund	132,396	-	(88,139)	(44,257)	-
Capital maintenance fund	215,671	-	(4,911)	(210,760)	-
Estates and capital fund	-	-	-	465,000	**465,000**
Total designated funds	348,067	-	(93,050)	1,209,983	**1,465,000**
Total unrestricted funds	9,875,765	6,410,864	(6,919,801)	166,320	**9,533,148**
Total funds	9,661,795	8,939,546	(9,637,537)	-	**8,963,804**

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year - restated)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Permanent endowment funds:					
Keychange funds:					
Reigate	150,230	-	-	-	**150,230**
Linked charities' funds:					
Alexander House	20,413	-	-	-	**20,413**
Erith House	190,135	-	-	-	**190,135**
Total endowment funds	360,778	-	-	-	**360,778**
Restricted funds:					
Keychange capital funds:					
Reigate	80,187	-	(13,120)	-	**67,067**
Linked charities' capital funds					
Alexander House	1,380,891	-	(46,632)	-	**1,334,259**
Cressingham House	197,995	-	(13,558)	-	**184,437**
Erith House	110,758	-	(9,917)	-	**100,841**
Plymouth	1,111,432	-	-	(1,111,432)	-
Other restricted funds:					-
Reigate	-	-	(214,982)	273,309	**58,327**
Exeter	24,653	31,491	(325,455)	368,081	**98,770**
Stumpwell Housing	185,133	704,792	(792,552)	-	**97,373**
Linked charities' income funds					
Jubilee Cottage Trust	-	19,765	(13,975)	(5,790)	-
Alexander House	(1,392,545)	881,430	(786,226)	-	**(1,297,341)**
Cressingham House	(714,040)	387,563	(539,853)	-	**(866,330)**
Erith House	(392,885)	828,432	(765,519)	-	**(329,972)**
Plymouth	(1,111,432)	(13,776)	(14,193)	1,139,401	-
Inter-fund loan	-	-	-	(22,180)	**(22,180)**
Total restricted funds	(519,853)	2,839,697	(3,535,982)	641,390	**(574,748)**
Unrestricted funds:					
Unrestricted - general	10,019,337	6,275,350	(6,125,599)	(641,390)	**9,527,698**
Designated funds:					
Estates renewal fund	225,000	-	(92,604)	-	**132,396**
Capital maintenance fund	225,000	-	(9,329)	-	**215,671**
Total designated funds	450,000	-	(101,933)	-	**348,067**
Total unrestricted funds	10,469,337	6,275,350	(6,227,532)	(641,390)	**9,875,765**
Total funds	10,310,262	9,115,047	(9,763,514)	-	**9,661,795**

17 **Movements in funds (continued)**

Purposes of endowment funds

Reigate Fund
This fund represents the residual value of the Reigate building donated to the charity.

Alexander House
This fund represents the residual value of the original endowment of Alexander House, Wimbledon.

Erith House
This fund represents the residual value of the original endowment of Erith House, Torquay.

Purposes of restricted funds

Keychange restricted funds

Reigate Fund

This money was spent on an extension to the hostel at Reigate and will be expended in line with the depreciation of the extension.

Exeter fund
The fund mainly represents donations spent on the improvement of the Exeter hostel and will be expended in line with depreciation on the building. Also included within this fund are grants received for and expended on the staff and running costs of the hostel during the year.

Linked charities' restricted funds

Further details of linked charities' funds are disclosed in notes 18 and 19.

Purposes of designated funds
The trustees have designated a fund in order to provide operational support to restricted linked charities.
The trustees have also combined two further designated funds, the estates renewal fund and the capital maintenance fund. This fund is established to cover future planned capital and maintenance works on the charity's properties.

Purposes of transfers
Transfers have been made from restricted funds to unrestricted funds in the year. These transfers have removed restricted income funds for Reigate and Exeter as these are not required and adjusted the position of Stumpwell Housing to reflect the net assets of the subsidiary at year end now that year ends are in alignment. The historic inter fund loan has also been removed as no further activity will be generated to this fund.

18 **Linked charities**
These financial statements of the company are the accounts of Keychange Charity amalgamating the following charities where uniting directions have been obtained from the Charity Commission.

1061344-1 ALEXANDER HOUSE

AS AMENDED BY SPECIAL RESOLUTIONS DATED 29 JUNE 1999 AND 4 DECEMBER 2001.

1061344-2 CRESSINGHAM HOUSE WALLASEY

A UNITING DIRECTION MADE UNDER S.96 OF THE CHARITIES ACT 1993 AND DATED 27 NOVEMBER 2006. This home was closed in May 2022.

1061344-3 PLYMOUTH AND DISTRICT FREE CHURCH WOMEN'S COUNCIL - EVENTIDE HOME.

A UNITING DIRECTION MADE UNDER S.96 OF THE CHARITIES ACT 1993 AND DATED 21 JULY 2008. This home was sold during the year.

1061344-6 ERITH HOUSE

INDENTURE DATED 22 OCTOBER 1862, AS AMENDED BY A FULLY REGULATING SCHEME DATED 16 DECEMBER 1996 AND AMENDED BY A SCHEME DATED 16 JULY 2009.

In line with the Charities Statement of Recommended Practice the results and balances of the linked charities are included in these financial statements as restricted funds.

19a Analysis of net assets between funds for linked charities (current year)

Alexander House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	1,283,342	20,413	**1,303,755**
Net current assets	-	(760,012)	-	**(760,012)**
Long term liabilities	-	(498,634)	-	**(498,634)**
Net assets at 31 March 2023	-	24,696	20,413	**45,109**

Cressingham House, Wallasey

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	173,001	-	**173,001**
Net current assets	-	(953,575)	-	**(953,575)**
Net assets at 31 March 2023	-	(780,574)	-	**(780,574)**

Erith House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	77,477	190,135	**267,612**
Net current assets	-	(356,162)	-	**(356,162)**
Net assets at 31 March 2023	-	(278,685)	190,135	**(88,550)**

Going concern of linked charities with net liabilities

Alexander House
This fund represents the net assets of the Free Church Federal Council's Alexander House. The capital and income of this fund is to be used for the upkeep and general management of Alexander House. The trustees are satisfied with the going concern status of this linked charity based on the fact that selling the fixed assets will cover any liabilities.

Cressingham House, Wallasey
This fund represents the net liabilities of Cressingham House, Wallasey which was acquired by Keychange Charity on 27th November 2006. The assets were amalgamated with those of Keychange Charity from that date under a uniting directive. The capital and income of this fund is to be used for the upkeep and general management of Cressingham House. The trustees made the decision to close Cressingham House which occurred in May 2022.

Erith House
This fund represents the net liabilities of Erith House, Torquay which was acquired by Keychange Charity on 24th July 2009. The assets were amalgamated with those of Keychange Charity from that date under a uniting directive. The capital and income of this fund is to be used for the upkeep and general management of Erith House.

19b Analysis of net assets between funds for linked charities (prior year)

Alexander House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	1,334,259	20,413	**1,354,672**
Net current (liabilities)	-	(681,577)	-	**(681,577)**
Long term liabilities	-	(615,764)	-	**(615,764)**
Net assets at 31 March 2022	-	36,918	20,413	**57,331**

Cressingham House, Wallasey

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	184,437	-	**184,437**
Net current (liabilities)	-	(866,330)	-	**(866,330)**
Net assets at 31 March 2022	-	(681,893)	-	**(681,893)**

Erith House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	100,841	190,135	**290,976**
Net current (liabilities)	-	(329,972)	-	**(329,972)**
Net assets at 31 March 2022	-	(229,131)	190,135	**(38,996)**

20 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Stumpwell Housing Association Limited, a company registered in England. The company number is IP19539R. The registered office address is Alde House, Church Road, Penn, High Wycombe, Buckinghamshire, HP10 8NX. Stumpwell Housing Association owns Alde House, a care home in Buckinghamshire, which is managed by Keychange.

	15 months to 31 March 2023	31 December 2021
	£	£
Turnover	**971,083**	719,309
Cost of sales	**(389,481)**	(265,160)
Gross profit/(loss)	**581,602**	454,149
Administrative expenses	**(661,821)**	(490,316)
Profit/(loss) on ordinary activities before interest and taxation	**(80,219)**	(36,167)
Other operating income	**4,637**	2,326
Operating loss	**(75,582)**	(33,841)
Interest receivable and similar income	**21**	1
Interest payable	**(1,297)**	(525)
Profit / (loss) on ordinary activities before taxation	**(76,858)**	(34,365)
Taxation on profit on ordinary activities	**-**	-
Profit / (loss) for the financial year	**(76,858)**	(34,365)
Retained earnings		
Total retained earnings brought forward	**128,050**	162,415
Profit / (loss) for the financial year	**(76,858)**	(34,365)
Total retained earnings carried forward	**51,192**	128,050
The aggregate of the assets, liabilities and reserves was:		
Assets	**272,126**	277,566
Liabilities	**(220,934)**	(149,516)
Reserves	**51,192**	128,050

21 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2023	2022
	£	£
Gross income	**8,119,586**	8,410,255
Result for the year	**(745,146)**	(560,707)

22 Operating lease commitments payable as a lessee

The charity's does not hold any lease payments commitments.

23 Legal status of the charity

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

KEYCHANGE CHARITY

England & Wales - Charity number 1061344

Accounts

Registered Charity No: 1061344
Registered Company No: 3317563

KEYCHANGE CHARITY

ANNUAL REPORT &

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2022

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KEYCHANGE CHARITY
REFERENCE AND ADMINISTRATIVE DETAILS FOR
THE YEAR ENDED 31 MARCH 2022

Trustees: The Trustees who served during the financial year and to the date the Report of the Trustees was signed were as follows:

Maddy Thomson (Chair from 1st April 2021)
Tim Cotterall (Vice Chair)
Rosemary Milner
Ayub Khan
Selina Lau
Tim Roberts (Hon. Treasurer)
Nicholas Johnson
Nicholas Leggett
Rebecca Stockman
Stefan Cantore
Ian Bird (Appointed 21st September 2021)
Joan Henshaw (Resigned 28th September 2022)

Senior Leadership Team

Chief Executive	Phil Martin (until November 2021
Interim Chief Executive	Martin Farrow (from November 2021)
	Paul Kelly (from 30 June 2022)
Head of Finance	Sharon Jackman
Operations Manager	Brian James (Until March 2022)
Quality Improvement and Safeguarding Lead	Rebecca Chaplin
Facilities Business Manager	Peter Clark

Address and registered Office	5 St George's Mews 43 Westminster Bridge Road London SE1 7JB
Auditors	Sayer Vincent LLP Invicta House, 108-114 Golden Lane London EC1Y 0TL
Bankers	Barclays Bank plc 29 Borough High Street, London SE1 1LY NatWest Bank plc 1 Penn Road, Beaconsfield, Buckinghamshire HP9 2PU
Solicitors	Lodders Solicitors LLP Number Ten Elm Court, Arden Street Stratford Upon Avon, Warwickshire CV37 6PA
Solicitors (employment law advice)	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
Company No:	3317563
Charity No:	1061344
Company Secretary	Sharon Jackman

KEYCHANGE CHARITY
CHAIR`S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

Keychange is a Christian Charity, Creating Caring Communities. In all we do, we seek to serve those who live in our communities with love.

This annual report deals with the formal and legal reporting requirements of the Charity and Company in terms of Governance, Finances, Policies, Activities, Audit, Risks and Reserves and we hope you find all the information clear, accessible, and positive.

With a legacy stretching back over 100 years, Keychange was formed with a clear mission of Creating Caring Communities for those who live in our communities, as well as their families, our colleagues, our volunteers, and our friends. Today, Keychange operates residential care communities for older people in addition to residential communities for homeless young people across England based on that very ethos. Through creating the right environment and atmosphere throughout our communities, we share a common unity together and become a Community. Our Values, Behaviours and Standards are linked to our Christian ethos and heritage. We build on a foundation of belief that God is good, that his love endures and that he is and will be faithful to all those that live or play a part in our communities (*Psalm 100 v 5)*. In that context, our aspiration remains to provide the best quality care and support we can.

The last 12 months has proved to be yet another challenging year for Keychange and the care sector as a whole as we have continued to serve our communities throughout a second year of Covid. Myself and the Trustees remain eternally grateful for all the hard work our colleagues, and volunteers have done as they focus on the needs of others during this most difficult time.

Alongside the challenges, there have been many joyous moments shared in and across our communities. Our fortnightly 'Praise Prayer and Togetherness' sessions, which began online during Covid, have been one expression of this. We thank God for the ability to connect, praise, celebrate and share in this way.

As chair of trustees, I am proud of this strength and aspiration within the organisation but also of the strong and cohesive trustee group who are enthusiastically committed to directing the next stage of the journey for Keychange.

Whilst it is difficult to predict the part Covid will play going forward, we are emerging from the last two years with a stronger sense of purpose for our mission, and a mindset that will drive positive change across Keychange.

Maddy Thomson
Chair of Trustees

The Trustees, being the company's directors, present their annual report on the affairs of the charity, together with the Accounts and Auditor's Report for the year ended 31st March 2022. The information included on Page 2 forms part of the Trustees' Report. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in January 2015 in preparing the annual report and financial statements of the charity. The financial statements comply with all statutory requirements and the requirements of the charity's governing document.

What we do

Our objects, as stated in our Memorandum of Association, are:

a. The advancement of the Christian religion

b. The relief of persons who are in need by reasons of their age, infirmity or financial circumstances: and

c. The promotion by such means as are consistent with the new life in Christ Jesus our Lord of such other charitable purposes in accordance with the doctrinal basis of the Charity

Keychange is a Christian Charity, Creating Caring Communities. We fulfil our object by providing care and support for older people and young homeless people. Our values and behaviours are based on Christian principles and linked to the bible. We try to follow Jesus Christ's example of giving practical love and compassion in our residential care communities for the elderly and residential supported accommodation for young adults. We firmly believe that creating a caring community for all people to live and work alongside one another improves their physical, emotional, mental and spiritual well-being. Presently we provide care and support in eleven care homes and two homeless housing settings totalling 284 beds.

Governing Documents

Keychange is a registered charity and a limited company registered by guarantee. It is governed by its memorandum and articles of association dated 23 November 1996. Keychange Charity is affiliated to the Evangelical Alliance.

Trustees and Leadership Team

Trustees are appointed by the Board of Trustees in general meeting. The number nearest to one third of Trustees shall retire by rotation at each Annual General Meeting and may offer themselves for re-election. Our individual Trustees share a broad mix of skills appropriate to the governance responsibilities of the Board and the objectives and activities of Keychange. We complete a regular audit of these skills to ensure ongoing effective governance, leadership and working with the Senior Leadership Team.

Potential new Trustees are invited to attend a Trustees' meeting as an observer, visit one of our communities, and be interviewed by the Chair. On acceptance of a formal invitation there is an induction program led by the CEO, and if relevant referral to the Charity Commission's relevant guidance.

In the previous year we welcomed two new trustees, Maddy Thomson and Stefan Cantore, and Maddy Thomson became chair on 1 April 2021, then Ian Bird was appointed a trustee in September 2021. Joan Henshaw resigned as a Trustee on 28th September 2022. The new trustees bring significant skills and experience in Social Care, Strategy, Governance, Faith and Communities. Trustees are appointed by the Board of Trustees in a general meeting.

The Chief Executive, Phil Martin, moved on to a similar role with another charity and left Keychange on 12 November 2021. An Interim Chief Executive, Martin Farrow, took over from that date. Following an unsuccessful process to appoint a new permanent Chief Executive, Paul Kelly was appointed on 30 June 2022 in an interim capacity.

On 1 April 2020 Rebecca Chaplin joined the Senior Leadership Team as Quality Improvement and Safeguarding Lead, having been involved in the operational management for several years. When the

Operations Manager, Brian James left the charity at the end of March 2022, Rebecca stepped up into this role pending the recruitment of a new Operations Manager.

Organisational Structure

The Trustees determine the strategy and policy of the charity and get more involved in specific areas by being part of a Working Group. These Groups (shown below) review progress against existing plans and formulate potential new recommendations to the Board, which meets four times per year. At present the three Working Groups and the Trustees involved in each are:

Quality and Safety – to monitor, review and report on care and support operations, care policy, quality improvement and inspection reports. Nicholas Johnson (Chair); Rosh Milner; Nicholas Leggett and Stefan Cantore.

Finance & Facilities – to monitor, review and report on the financial performance and risks, along with the state of property, facilities, IT and Health and Safety. Tim Roberts (Chair) Tim Cotterall; Ayub Khan, Selina Lau and Ian Bird.

Strategy (formerly Operational Performance) - to develop and improve our organisational vision, strategy, functions and governance and develop our future direction. Tim Cotterall (Chair) Maddy Thomson; Ayub Khan; Rebecca Stockman and Tim Roberts

Each group comprises of Trustees with the appropriate skill sets and supported as required by members of the Senior Leadership Team members.

Day to day management is delegated to the Senior Leadership Team with regular contact to the Chair.

The Senior Leadership Team oversee the strategic plan delivery, developments, as well as the operational day to day leadership and management of our mission, policies and performance. The wider Keychange Leadership Team, includes SLT along with our communities Managers and Deputy Managers. This leadership delivers the core mission and work of creating caring communities for high quality care and support. They lead their teams of staff in each location. Our Central Office Team seeks to support, enable, empower and equip our communities' leaders in terms of Quality Improvement, Leadership, HR, Facilities, Finance, Health & Safety, Recruitment, Administration, Publicity, Social Media, amongst many others.

There are role descriptions, person specification and pay scales for all staff, which are reviewed annually as part of the budget process. Where appropriate these take account of London based salaries in the charity sector for similar positions.

Related Parties and Connected Charities

Under various uniting directives issued by the Charity Commission the following communities are seen as linked charities and their financial activities have been amalgamated into Keychange Charity in the attached financial statements:

Alexander House, Wimbledon: This is a subsidiary charity of Keychange Charity

Cressingham House, Wallasey: This is a subsidiary charity to Keychange Charity

Erith House, Torquay: This is a subsidiary charity to Keychange Charity

Plymouth and District Free Church Women's Council, The Mount Eventide Home, Plymouth: This is still seen as a subsidiary charity to Keychange Charity although operations ceased in 2019 and the property at the Mount was finally sold in June 2021.

During the previous year Keychange Charity absorbed the financial affairs of **Overdale** operating a care home in Sheffield as at the 1 October 2020. It also acquired **Stumpwell Housing Association** from 1 February 2021 and as it is not presently registered as a Charity this is shown in the financial statements as a Subsidiary and group accounts are there prepared to include this addition to the Keychange family.

OBJECTIVES AND ACTIVITIES

The objects of the charity are set out in the Memorandum of Association and listed under 'What we do' on the earlier page. The mission of Keychange Charity is to Create Caring Communities by providing care, support, acceptance, and Christian community to people in need. This forms the basis of our vision and the strategy that supports it.

The Board and the Working Groups referred to previously, regularly review our vision and strategy, achievements, and update details and targets for the future, across the strategy themes and these broad long-term goals:

- Continually improve the quality of care and support to all those living in our communities, and their families.
- Ensure the quality of our property portfolio and infrastructure, are fit for purpose and to equip the premises and staff capability to perform at the highest level.
- Access opportunities for new social action projects and to continue to be open and responsive to operating new residential care homes for the elderly where this enables or does not run contrary to the statement above.
- Have a coordinated financial strategy in order to maximise financial viability to generate surpluses to re-invest in our mission and strategy. As well as to minimise financial dependence on government funding and to make charges at appropriate levels in the context of the general economic conditions, prevailing local market and the levels of care provided.
- Be proactive in establishing new partnerships that will enhance the work of Keychange.
- Ensure that all communities are managed and lead at a senior level by professional, competent leaders and managers so that our mission of Creating Caring Communities by providing the best quality care and support in line with our Christian values and behaviours can be maintained, developed, improved and expanded.
- To increase the number of Trustees and maintain their involvement with staff and projects throughout the country through practical interest, prayer and support.
- Have a coordinated strategy of marketing activity across our website, literature and social media to increase awareness to as many people as possible.

Public Benefit

The Trustees have taken account of the Charity Commission's guidance and demonstrate that public benefit has been provided to our residents and beneficiaries through the following work and activities:

- Accepting socially funded elderly residents at fee levels below the cost of providing good care and accommodation.
- Housing young people who would otherwise be homeless, and supporting them into education and / or employment.
- Providing a wide range of care and support and secular and spiritual activities for all our residents; whether older or younger people who live with us.
- Offering work experience opportunities for young people,
- Our Keychange Community vision recognizes that we support strong connections with the neighbourhood and encourage volunteers to support what we do locally.

STRATEGIC REPORT

Activities over the last year

The Covid19 pandemic continues to weigh heavily across the world, as it did from March 2020. This last year has required a continuation of the vigilance of all colleagues in pursuit of the safe delivery of care

and support and also our colleague's own safety as well. Our alignment with Government guidelines continued throughout the year as we have from the beginning of the pandemic.

Even with this as the backdrop, those we support and those around them have shared their thoughts and experiences which reflect the hard work and priorities of our colleagues from across our communities.

At Erith House, we heard from those family members about their loved ones:

"I write to express my sincere gratitude for the kindness and friendship you have shown myself and Dad during the past few years. We truly felt your consistent support during each new challenge, and it was very much appreciated … I honestly was so touched by your care. I cannot thank you all enough for all your selfless hard work, effort and love".

"Knowing he belonged to such a special family setting allowed me to attend to my own life. I cannot put a price on the relief his safety brought to me …"

From Romans to Rose Lawn, Rosemary Mount, and beyond, the messages of gratitude and acknowledgement of hard work and the standard of care and support resonated:

"Words cannot express our gratitude for the love and care that you give to (x) every day. You continue to amaze us. You are cheerful, full of energy, full of love every day even in the face of adversity … "Thank you" is too small to express our we feel. Thank you so, so much."

"I would like to say a huge thank you for the care and love you gave my Dad over the last 18 months. I know Dad appreciated all your help and you made his time with you as happy and comfortable as possible, even during a world pandemic!"

"Thank you so much for all your wonderful care and compassion for our Mother. Rose Lawn is a truly unique Care Home that we were so lucky to find … The staff are outstanding."

These words are testament to the dedication of our colleagues and the values which are held so dear across our organisation.

Our work with the National Care Forum continued throughout the year and proved invaluable in keeping us updated on the changing landscape of the pandemic, but also in helping us understand, and be part of, the debates and discussions around critical ideas such as recruitment, budgets and Governmental policies and plans, particularly around the proposed and evolved social care reform.

The Quality Improvement Team undertake quality reviews across all Keychange Communities. Recommendations are made to the Community Leadership Team to drive improvement and enhance the experience for all people living in a Keychange Community. Support to all leaders comprises training including Leadership Coaching, line management and wellbeing support as well a schedule of unannounced visits and quality tracker meetings to monitor progress. We actively work in partnership with our local authorities and CQC to ensure our standards of care are of the highest quality across all our homes. This is reflected in our ratings with 9% of our Key Lines of Enquiry (KLoEs) (the areas which CQC will assess and rate a care home) judged as "outstanding", 82% "good" and 9% currently "requiring improvement". As a reference the national picture in England for CQC rated residential care homes of 3% Outstanding, 82% Good, 14% Requiring Improvement and 1% as Inadequate.

Our partnership with Vibrant Communities continues at pace and with purpose as we work together to connect those in our communities and enable virtual days out and prayer. Our weekly praise, prayer and togetherness has been a great success and will continue and expand as we go forward.

The effects of Covid on occupancy levels mirrored those of the previous year, exacerbated by the perception of safety in care homes through some media channels. As the quotes above lay bare, our reputation, our mission, and our strong regulatory standing position us well in our quest to emerge from the pandemic stronger as we look to recover and look ahead.

However, like all organisations, we continue to look at our viability both as a whole and in its component parts. Sadly, in this regard, we took the decision to close Cressingham House, our care community based on the Wirral. Following an extensive review and options appraisal it became apparent that it would be impossible to continue to operate this care community effectively due to increased local competition, local authority policy, and ongoing deficits. All residents have been relocated successfully and we are very thankful that the whole process went so smoothly.

Our long standing CEO left our organisation in November 2021 and was replaced on a temporary basis whilst work began to search for their successor. During this time, we have continued to work with Overdale in Sheffield and Alde House in Buckinghamshire - two homes that joined Keychange in the previous year to integrate the systems and processes we use, as well as our values and our mission.

We have made human resources and marketing a priority focus for Keychange and have looked to strengthen our presence in these two areas, to support our colleagues to be the best they can be, and to attract like- minded people to enable us to complete our mission. Likewise, we need to raise awareness of Keychange to those wishing to make Keychange their new home and our focus on marketing will help to do that, as we begin to emerge from the pandemic.

An important part of Keychange is our housing communities where we provide support, hope and opportunity to homeless young men and women from age 16 upwards, to offer a safe place to live, grow, develop and restore their dignity, and to them find ongoing purpose for their lives. Our teams in Surrey and Devon continue to work hard to support young men and women including maintained and expanding links with the community and the Church. Here too, we have seen our partnership with Vibrant Communities play its part in opening up opportunities for inclusion.

We have continued to strengthen the Board of Trustees by appointing two new members. Each new trustee brings significant governance experience, as well as social care backgrounds and a commitment to our mission and Christian heritage and ethos. Furthermore, we appointed a new Chair - Maddy Thomson - who joined the Keychange Board in June 2020 and became Chair from April 2021. Rosh Milner, our previous Chair has stayed on the Board and has taken on the role of Lead Trustee for Safeguarding. The Trustees continue to complete an evaluation at the end of each meeting to review their own performance. These evaluations are collated and reviewed regularly to ensure continuous improvement of governance functions and performance. This year we have provided Governance training to our Board on Safeguarding, effective questioning, strategic planning and performance appraisals.

Keychange Fundraising approach and activities

Keychange as a corporate organisation undertakes very little targeted fundraising. Our twice-yearly newsletters entitled ‘Contact’ include the opportunity for supporters to send in a donation if they feel so inclined. We provide leaflets and information for residents and their families to consider providing a legacy to Keychange in their will, but these are not targeted to individuals and are simply available upon enquiry or in a leaflet stand at each of our communities. At a local Keychange care or housing community some fundraising takes place on an informal basis for small local events or activities. This may be through raffles, sponsorship and fetes for example.

These activities are co-ordinated by the Manager and their staff team and seek to develop our mission of Creating Caring Communities in line with our values. Keychange does not work with any external Fundraising support company or consultancy. These fundraising activities to our supporters via direct mail, legacy leaflets or community-based activity or event fundraising is in line with the Fundraising Code of Practice set by Fundraising Regulator. No complaints were received by Keychange in relation to our fundraising activities in the year.

Our fundraising promise is:

When anyone supports Keychange they you can be sure of the following:

- *We will never sell your contact details to anyone*
- *We will only contact you if you have expressed an interest in our work*
- *If we phone you, we will always check you are happy to take the call*
- *If you ask us to change how we communicate with you, or stop, we will respect that*
- *We do not engage in cold-calling, door to door or street fundraising*
- *We try to ensure no one ever feels pressurised to support our work*
- *All our activities are open, fair, honest and legal*

Our employees

Keychange communicates information, provides updates and consults with its employees in a number of ways to ensure they know what is happening, how we are achieving and developing our mission and providing opportunities for their feedback and input. Every week we provide a Management Bulletin communication, senior staff regularly visit our communities to meet with staff, we provide monthly financial performance reporting and inputs to our managers. Our annual staff survey provides the opportunity for all staff to respond to questions and give their input to a variety of topics. We have worked especially hard through the pandemic to increase communication and staff engagement, support, well-being and encouragement.

Keychange is committed to full and fair consideration of all employment applications and considers them all upon the aptitudes and abilities of each applicant. We work hard with all employees of all abilities to ensure we provide training, development and opportunities for staff to remain with Keychange for as long as possible within their role or other more adaptable functions.

All our staff have worked very hard throughout this period of uncertainty and difficulty to continue to Create Caring Communities. We are still in this pandemic and the future uncertainty needs careful planning and adapting too. We are very thankful and blessed to have the quality of Leadership and staff teams in their roles and communities at Keychange.

Financial Review

Our financial results for this very difficult year were greatly down on the previous year, where the overall result shows a deficit of £648,468 (2021 - surplus £1,433,536), but this was after one off major adjustment in the previous year amounting to £1,786,557 all in connection with changes in the units included, transfers of funds from mergers and acquisitions and sales of properties.

Income fell from £11.06m to £9.11m while expenditure also increased from £9.16m to £9.76m, which led to the deficit from normal operations of £768,608 before adjustment for property sales. The comparative figure for the previous year excluding the one-off adjustment mentioned would be a deficit of £353,021

Reserves Policy

In view of the nature of the charitable activities, all of which require a significant investment in fixed assets, the Trustees have determined that the following reserves policy should be applied:

> The level of free reserves, after adjusting for long term liabilities, should be sufficient to leave the Charity with working capital equivalent to at least two month's operating expenditure, after deducting any designated funds. The long-term liabilities should however be within a level that the Trustees consider comfortable in respect of the ability of the Charity to service these liabilities as they fall due from its operating income.

Total funds as at year end totalled £9,661,794 made up of Endowments of £360,778, Restricted Funds are negative at £672,122 and Unrestricted Funds of £9,550,358. The adjusted level of free reserves amounts to £4,492,873 which equates to thirty-seven weeks operating expenditure. However, after adjusting for restricted operations in deficit and designated funds of £348,067 for the Estates Renewal Fund & the Capital Maintenance Fund the figure is reduced to £3,233,782. This is equivalent to twenty-seven weeks operating expenditure, which is in excess of the policy target level. The restricted funds in deficit are Cressingham House (£681,893) and Erith House (£229,131), these have arisen due to low occupancy in the former and lower fees in the latter. Whilst Cressingham House was closed early in the new financial year awaiting decisions regarding the future use of the property, work continues at Erith House to improve occupancy and raise fees following the completion of major external works.

The reserves policy of the Charity is reviewed on an annual basis by the Trustees.

Risk Management

The Board has conducted regular risk assessments and reviews and identified the major risks to which the Charity is exposed, particularly those related to its operations and finances. Against this framework, current risks to the organisation are formally assessed by the Senior Leadership Team (SLT) on a monthly basis and immediate operational risks are considered at the SLT meeting with relevant strategies put in place. Documents (minutes etc.) are available as required. The Trustees are satisfied that systems are in place to mitigate the charity's exposure to the major risks. An update of the risk review strategy was undertaken for 2021/22 and was ratified at the Board Meeting on 25th May 2022. Our major risks are contained in our risk register, which is reviewed at each Board meeting. Risks are rated according to severity with some of the main risks including Continual Impact and uncertainty of Covid19 and the Global Pandemic;

- Changes to Government Policy for funding older people's residential care;
- The loss of key Leadership Team staff;
- A sustained level of staff shortages;
- Future maintenance and suitability of our buildings for ever increasing complex care needs.
- Financial viability in the light of Covid related market conditions, exacerbated by the national recruitment crisis across the sector

To mitigate against these risks Keychange continually reviews central and local government policy for Older people's care. In addition, we continue to wait for the Government to publish its Green Paper on the future funding and provision of Older people's care. We reduce the risk of losing key Leadership staff by ensuring our remuneration levels are appropriate and that we offer support, training and leadership development to retain them within Keychange. To mitigate against s sustained level of staff shortages we are establishing contracts for flexible working to cover absences and reviewing effective use of our outsourced recruitment.

Uncertainties

Looking after 280 residents in 13 caring communities will always generate unexpected situations, but we are confident that our staff are trained and resilient to deal with them competently as they arise. The global pandemic of Covid19 demonstrates the ongoing need for strong leadership, flexible working methods, effective support and communication, good risk assessment procedures and strong line management. Our strong balance sheet, asset base and cash reserves all ensure that we are secure and can be flexible to adapt to future uncertainties.

Investment Powers, Policy and Performance

The Trustees have adopted a prudent approach and all investments are held on deposit, or in either Government Stocks or Charities Funds. Investments have performed roughly in line with the relevant indices.

In July 2022 the very difficult decision was made to cease providing care and support at the Sceats unit in Gloucester. A programme of finding other suitable provision for our residents has been commenced and will continue until they are all settled elsewhere.

FUTURE PLANS

We continue to follow and implement our strategic vision and plan until 2030, with an initial focus on the next few years to 2025. Our Vision is to Create Caring Communities which are Safe, Vibrant, Inclusive and Sustainable. Our new strategy plan focuses on two themes of Financial Viability & Sustainability, as well as Quality and Reputation.

Our priority for future plans is increasing and sustaining a higher level of occupancy. We have recently completed filming and photography for a complete series of virtual online tour videos across all our older care communities. These will be available on our Website to enable people to view our communities as part of our marketing. In addition, we have invested in a marketing lead to help develop our marketing and sales strategy to increase enquiries and occupancy for the future.

We will play a pro-active role in the ongoing discussion about the future provision and costing of social and elderly care, especially as we still await the publication of the Governments Green Paper regarding these issues. Our membership of the National Care Forum has been a very beneficial method of lobbying and sharing ideas, inputs and policy development.

We will continue to progress with our collaborative partnerships with other Christian care home charities and seek to develop those into more formal arrangements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Keychange Charity for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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 auditor is aware of that information

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

Both the Trustees Report and the Strategic Report were approved by the Trustees and signed on

9 November 2022 on their behalf by

…….
Timothy Roberts, Trustee

Opinion

We have audited the financial statements of Keychange Charity (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Keychange Charity'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 other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

- We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:
- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent 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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted

in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Capability of the audit in detecting irregularities

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

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

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

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Judith Miller (Senior statutory auditor)
14 December 2022
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Keychange Charity

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Unrestricted £	Restricted £	Endowment £	**2022 Total £**	Unrestricted £	Restricted £	Endowment £	2021 Total £
Income from:									
Donations and government support	2	70,671	4,492	-	**75,163**	137,738	27,581	-	165,319
Charitable activities									
Care for the Elderly	3	5,383,141	2,842,924	-	**8,226,065**	5,778,374	2,209,562	-	7,987,936
Support for the Homeless	3	-	641,390	-	**641,390**	618,892	-	-	618,892
Grants		-	1,500	-	**1,500**	-	-	-	-
Investments	4	46,232	4,557	-	**50,789**	38,370	-	-	38,370
Other income - gain/(loss) on sale of property		133,916	(13,776)	-	**120,140**	1,128,740	-	-	1,128,740
Other - Transfer of funds from merger and acquisition	22	-	-	-	**-**	945,299	177,141	-	1,122,440
Total income		5,633,960	3,481,087	-	**9,115,047**	8,647,413	2,414,284	-	11,061,697
Expenditure on:									
Raising funds	5	-	-	-	**-**	13,548	2,967	-	16,515
Charitable activities									
Care for the Elderly	5	5,523,002	3,535,982	-	**9,058,984**	6,035,744	2,319,692	-	8,355,436
Support for the Homeless	5	704,530	-	-	**704,530**	791,587	-	-	791,587
Total expenditure		6,227,532	3,535,982	-	**9,763,514**	6,840,879	2,322,659	-	9,163,538
Net income / (expenditure) for the year	6	(593,572)	(54,895)	-	**(648,467)**	1,806,534	91,625	-	1,898,159
Transfers between funds		-	-	-	**-**	(9,014)	9,014	-	-
Net income / (expenditure) before other recognised gains and losses		(593,572)	(54,895)	-	**(648,467)**	1,797,520	100,639	-	1,898,159
Losses on impairment of fixed assets	11	-	-	-	**-**	(464,623)	-	-	(464,623)
Net movement in funds		(593,572)	(54,895)	-	**(648,467)**	1,332,897	100,639	-	1,433,536
Reconciliation of funds:									
Total funds brought forward		**10,469,337**	**(519,853)**	**360,778**	**10,310,262**	9,136,440	(620,492)	360,778	8,876,726
Total funds carried forward		**9,875,765**	**(574,748)**	**360,778**	**9,661,795**	10,469,337	(519,853)	360,778	10,310,262

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

Keychange Charity

Balance sheet

Company no. 3317563

As at 31 March 2022

	Note	The group		The charity	
		2022	2021	**2022**	2021
		£	£	**£**	£
Fixed assets:					
Tangible assets	11	**9,048,846**	9,546,465	**8,844,918**	9,333,492
		9,048,846	9,546,465	**8,844,918**	9,333,492
Current assets:					
Asset Held for Sale	11	**-**	650,000	**-**	650,000
Debtors	13	**316,055**	467,733	**357,717**	393,726
Current assets investments	12	**11,461**	11,461	**11,461**	11,461
Cash at bank and in hand		**2,097,184**	1,719,168	**2,069,660**	1,688,063
		2,424,700	2,848,362	**2,438,838**	2,743,250
Liabilities:					
Creditors: amounts falling due within one year	14	**(1,195,987)**	(1,398,523)	**(1,139,936)**	(1,307,011)
Net current assets		**1,228,713**	1,449,839	**1,298,902**	1,436,239
Total assets less current liabilities		**10,277,559**	10,996,304	**10,143,820**	10,769,731
Creditors: amounts falling due after one year	15	**(615,764)**	(686,042)	**(579,398)**	(644,602)
Total net assets		**9,661,795**	10,310,262	**9,564,422**	10,125,129
The funds of the charity:	16a				
Endowment funds		**360,778**	360,778	**360,778**	360,778
Restricted funds		**(574,748)**	(519,853)	**(672,121)**	(704,986)
Unrestricted income funds:					
Designated funds		**348,067**	450,000	**348,067**	450,000
General funds		**9,527,698**	10,019,337	**9,527,698**	10,019,337
Total unrestricted funds		9,875,765	10,469,337	**9,875,765**	10,469,337
Total charity funds		**9,661,795**	10,310,262	**9,564,422**	10,125,129

Approved by the trustees on 9 November 2022 and signed on their behalf by

Maddy Thomson
Chair

Timothy Roberts
Treasurer

Keychange Charity

Consolidated statement of cash flows

For the year ended 31 March 2022

	Note	**2022**		2021	
		£	**£**	£	£
Cash flows from operating activities					
Net income/(expenditure) for the reporting period		**(648,467)**		1,433,536	
Depreciation charges		**349,714**		353,862	
(Profit) / Loss on the disposal of fixed assets		**(120,140)**		(1,102,736)	
Transfer of fixed assets from mergers and new subsidiary		**-**		(1,178,780)	
Interest from investments		**(50,788)**		(38,370)	
Interest paid		**25,487**		19,253	
(Increase)/decrease in stock		**-**		5,500	
(Increase)/decrease in debtors		**151,678**		(82,406)	
Increase/(decrease) in creditors		**(199,878)**		182,689	
Net cash provided by / (used in) operating activities			**(492,394)**		57,171
Cash flows from investing activities:					
Interest from investments		**50,788**		38,370	
Interest paid		**(25,487)**		(19,253)	
Proceeds from the sale of fixed assets		**1,139,964**		1,550,000	
Purchase of fixed assets		**(221,919)**		(155,376)	
Net cash (used in) investing activities			**943,346**		1,413,741
Cash flows from financing activities:					
Repayments of borrowing		**(72,936)**		(128,523)	
Net cash (used in) financing activities			**(72,936)**		(128,523)
Change in cash and cash equivalents in the year			**378,016**		1,342,389
Cash and cash equivalents at the beginning of the year			**1,719,168**		376,779
movements			**-**		-
Cash and cash equivalents at the end of the year			**2,097,184**		1,719,168

Analysis of cash and cash equivalents and of net debt

		At 1 April 2021	Cash flows	**At 31 March 2022**
		£	£	**£**
	Cash at bank and in hand	1,719,168	378,016	**2,097,184**
a	**Total cash and cash equivalents**	1,719,168	378,016	**2,097,184**
	Loans falling due within one year	(110,247)	2,658	**(107,589)**
	Loans falling due after more than one year	(686,042)	70,278	**(615,764)**
	Total	922,879	450,952	**1,373,831**

1 Accounting policies

a) Statutory information

Keychange Charity is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address (and principal place of business) is 5 St George's Mews, 43 Westminster Bridge Road, London, SE1 7JB.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Stumpwell Housing Limited on a line by line basis from the date of acquisition, 1 February 2021. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. The charity is also the sole trustees and owner of Christian Alliance Trust Limited which is a dormant company. Balances between the entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 as a summary of the result for the year is disclosed in the notes to the accounts.

On 30 September 2020 the assets and liabilities of Overdale were transferred into Keychange Charity. This has been treated in the financial statements as an acquisition in the year for accounting purposes and the income and expenditure has been incorporated into Keychange Charity's activities from the date of the merger.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

These financial statements of the company are the accounts of Keychange Charity amalgamating a number of charities where uniting directions have been obtained from the Charity Commission - see note 19.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The Trustees are satisfied that Keychange group is a going concern due to the nature of the operations. There are no areas of concern to doubt that Keychange will continue to operate in the foreseeable future. See note 19 of the financial statement for further details of the position of the linked charities.

e) Income

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

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

Coronavirus job retention scheme income and other coronavirus support income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1 Accounting policies (continued)

g) Fund accounting

Endowment funds are funds to be used for specific purposes as laid down by the donor and where there is no power to convert the capital donated into income.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Included within restricted funds are details of the income and expenditure of each of the linked charities - see note 1b) and note 17.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property	
- Land	not depreciated
- Buildings	50 years
- Building installations	10 years
Furniture, fittings and equipment	
- Fixtures and fittings	8 years
- Computers	4 years

l) 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.

m) Current asset investments

Includes balances that are invested in a mixture of accounts and investment holdings.

1 Accounting policies (continued)

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

o) 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.

p) Financial instruments

The charity only has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Non-basic financial instruments (which comprise derivatives) are measured at fair value with any gain or loss going to the statement of financial activities.

q) Pensions

The company operated pension schemes for the benefit of its employees. The funds of the schemes are administered by Trustees and are separate from the company. The schemes are defined contribution schemes and the contributions are charged to the Statement of Financial Activities. when incurred.

2 Income from donations and government support

			2022			2021
	Unrestricted	Restricted	**Total**	Unrestricted	Restricted	Total
	£	£	**£**	£	£	£
Donations	45,488	3,318	**48,806**	31,543	11,998	43,541
Legacies	-	-	**-**	8,888	-	8,888
Coronavirus job retention scheme	25,183	1,174	**26,357**	97,307	15,583	112,890
	70,671	4,492	**75,163**	137,738	27,581	165,319

3 Income from charitable activities

			2022			2021
	Unrestricted	Restricted	**Total**	Unrestricted	Restricted	Total
	£	£	**£**	£	£	£
Local authority	1,636,197	690,944	**2,327,141**	1,535,688	438,755	1,974,443
Private care fees	3,741,640	2,118,619	**5,860,259**	4,224,521	1,756,690	5,981,211
Other income	5,304	33,361	**38,665**	18,165	14,117	32,282
Sub-total for care for the elderly	5,383,141	2,842,924	**8,226,065**	5,778,374	2,209,562	7,987,936
Local authority	-	613,384	**613,384**	595,149	-	595,149
Private care fees	-	28,006	**28,006**	23,409	-	23,409
Other income	-	-	**-**	334	-	334
Sub-total for support for homelessness	-	641,390	**641,390**	618,892	-	618,892
Total income from charitable activities	5,383,141	3,484,314	**8,867,455**	6,397,266	2,209,562	8,606,828

4 Income from investments

			2022			2021
	Unrestricted	Restricted	**Total**	Unrestricted	Restricted	Total
	£	£	**£**	£	£	£
Dividends on listed Stock Exchange investments	297	-	**297**	345	-	345
Rent receivable	45,935	2,363	**48,298**	38,025	-	38,025
Feed in Tariff	-	2,194	**2,194**	-	-	-
	46,232	4,557	**50,789**	38,370	-	38,370

5a Analysis of expenditure (current year)

		Charitable activities					
	Raising funds £	Care for the Elderly £	Support for the Homeless £	Governance costs £	Support costs £	**2022 Total £**	2021 Total £
Staff costs (Note 7)	-	5,513,870	371,253	17,737	645,229	**6,548,089**	6,349,330
Other staff costs	-	112,049	7,544	360	13,112	**133,065**	115,505
Agency and Consultancy	-	656,479	44,201	2,111	76,821	**779,612**	342,892
Repairs and Maintenance	-	403,325	27,156	1,297	47,197	**478,976**	417,519
Utilities	-	325,438	21,912	1,047	38,083	**386,480**	446,706
Depreciation	-	294,479	19,828	947	34,460	**349,714**	353,862
Office costs	-	50,987	3,433	164	5,967	**60,551**	71,672
Audit and Accountancy	-	17,683	1,191	57	2,069	**21,000**	35,993
Legal and Professional	-	113,502	7,642	365	13,282	**134,792**	144,151
Food Costs	-	208,467	14,036	671	24,395	**247,569**	250,381
Care Home Direct Costs	-	247,681	16,677	797	28,983	**294,137**	412,844
Other costs	-	277,482	18,683	893	32,471	**329,529**	222,683
	-	8,221,444	553,557	26,447	962,066	**9,763,514**	9,163,538
Support costs	-	815,132	146,934	-	(962,066)	-	-
Governance costs	-	22,408	4,039	(26,447)	-	-	-
Total expenditure 2022	**-**	**9,058,984**	**704,530**	**-**	**-**	**9,763,514**	
Total expenditure 2021	16,515	8,355,436	791,587	-	-		9,163,538

5b Analysis of expenditure (prior year)

		Charitable activities				
	Raising funds £	Care for the Elderly £	Support for the Homeless £	Governance costs £	Support costs £	**2021 Total £**
Staff costs (Note 7)	11,443	5,196,827	436,118	25,122	679,820	**6,349,330**
Other staff costs	208	94,539	7,934	457	12,367	**115,505**
Agency and Consultancy	618	280,652	23,552	1,357	36,713	**342,892**
Repairs and Maintenance	752	341,733	28,678	1,652	44,704	**417,519**
Utilities	805	365,622	30,683	1,767	47,829	**446,706**
Depreciation	638	289,630	24,306	1,400	37,888	**353,862**
Office costs	129	58,662	4,923	284	7,674	**71,672**
Audit and Accountancy	65	29,460	2,472	142	3,854	**35,993**
Legal and Professional	261	117,985	9,901	570	15,434	**144,151**
Food Costs	451	204,933	17,198	991	26,808	**250,381**
Transfer of Jubilee Cottage	-	-	-	-	-	**-**
Care Home Direct Costs	744	337,906	28,358	1,634	44,202	**412,844**
Other costs	401	182,263	15,295	881	23,843	**222,683**
	16,515	7,500,212	629,418	36,257	981,136	**9,163,538**
Support costs	-	821,774	159,362	-	(981,136)	**-**
Governance costs	-	33,450	2,807	(36,257)	-	**-**
Total expenditure 2021	**16,515**	**8,355,436**	**791,587**	**-**	**-**	**9,163,538**

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022	2021
	£	£
Depreciation	**349,714**	353,862
Profit on disposal of fixed assets	**120,140**	1,102,736
Interest payable	**11,831**	19,253
Operating lease rentals payable:		
Other	**3,105**	11,033
Auditor's remuneration (excluding VAT):		
Audit	**21,000**	19,500

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	**5,907,706**	5,789,793
Redundancy and termination costs	**50,375**	-
Social security costs	**379,612**	365,643
Employer’s contribution to defined contribution pension schemes	**210,396**	193,894
	6,548,089	6,349,330
Agency costs	**779,612**	342,892
Other staff expenses	**133,065**	115,505
	7,460,767	6,807,727

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022	2021
	No.	No.
£60,000 - £69,999	**1**	1
£70,000 - £79,999	**-**	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £369,819 (2021: £335,622).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £5,447 (2021: £264) incurred by 11 (2021: 1) members relating to attendance at meetings of the trustees. The charity also purchased directors indemnity insurance for a premium of £998 (2021: £998).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 322 (2021: 319).

Staff are split across the activities of the charity as follows (head count basis):

	2022	2021
	No.	No.
Charitable activities	**310.0**	307.0
Administration	**12.0**	12.0
	322.0	319.0

9 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

The Christian Alliance Trust Corporation Limited

Christian Alliance Trust Corporation Limited (CATC), which is a company limited by guarantee, is the custodian Trustee for all properties owned by Keychange. It also secures through the directors of Keychange that the work of Keychange shall be carried on in strict compliance with the objects and aims of the constitution.

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets for the group

	Freehold property	Furniture, fittings and equipment	**Total**
Cost or valuation	£	£	**£**
At the start of the year	11,991,698	1,042,415	**13,034,113**
Additions in year	169,581	52,338	**221,919**
Disposals in year	(431,110)	(1,746)	**(432,856)**
Transfers of assets from mergers and new subsidiary	-	-	-
At the end of the year	11,730,169	1,093,007	**12,823,176**
Depreciation			
At the start of the year	2,852,334	635,314	**3,487,648**
Charge for the year	257,550	92,164	**349,714**
Eliminated on disposal	(62,661)	(371)	**(63,032)**
At the end of the year	3,047,223	727,107	**3,774,330**
Net book value			
At the end of the year	**8,682,946**	**365,900**	**9,048,846**
At the start of the year	9,139,364	407,101	9,546,465

Land with a value of £1,380,524 (2021: £1,380,524) is included within freehold property and not depreciated. Professional valuations for freehold and leasehold property and improvements were undertaken at 31 March 1997. The valuations undertaken in 1997 represent the deemed cost of the asset. The Mount was sold for £650,000 on 15th September 2021 and was held as an asset held for sale.

In July 2022 the Trustees commissioned a professional valuation of the Overdale Land & Property in Sheffield. The fair value of the property was deemed to be £1,750,000, and split as follows;

Care Home Buildings	£1,025,000
Care Home Land	£125,000
Remaining Land & Bungalows	£600,000

All of the above assets are used for charitable purposes.

11 Tangible fixed assets (continued)

The charity	Freehold property	Fixtures and fittings	**Total**
Cost	£	£	**£**
At the start of the year	11,789,392	1,031,748	**12,821,140**
Additions in year	169,581	52,338	**221,919**
Disposals in year	(431,110)	(1,746)	**(432,856)**
Transfers of assets from mergers	-	-	-
At the end of the year	11,527,863	1,082,340	**12,610,203**
Depreciation			
At the start of the year	2,852,334	635,314	**3,487,648**
Charge for the year	250,365	90,304	**340,669**
Eliminated on disposal	(62,661)	(371)	**(63,032)**
At the end of the year	3,040,038	725,247	**3,765,285**
Net book value			
At the end of the year	**8,487,825**	**357,093**	**8,844,918**
At the start of the year	8,937,058	396,434	9,333,492

All of the above assets are used for charitable purposes.

12 Current asset investments

	The group		**The charity**	
	2022	2021	**2022**	2021
	£	£	**£**	£
Fair value at the start of the year	**11,461**	11,461	**11,461**	11,461
Net gain / (loss) on change in fair value	**-**	-	**-**	-
Fair value at the end of the year	**11,461**	11,461	**11,461**	11,461

13 Debtors

	The group		**The charity**	
	2022	2021	**2022**	2021
	£	£	**£**	£
Trade debtors	**144,231**	305,230	**123,586**	247,050
Other debtors	**29,913**	17,621	**62,825**	4,851
Prepayments and accrued income	**141,911**	144,882	**171,306**	141,825
	316,055	467,733	**357,717**	393,726

14 Creditors: amounts falling due within one year

	The group		The charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
Bank overdrafts	**-**	370	**-**	370
Bank loans	**107,589**	110,247	**102,247**	103,247
Trade creditors	**81,790**	246,530	**40,999**	177,167
Taxation and social security	**198,671**	137,873	**193,482**	133,103
Pension fund loan payable	**49,657**	17,468	**49,732**	17,468
Other creditors	**474,064**	577,611	**478,228**	577,611
Deferred income - fees for services in advance	**2,885**	139,977	**2,885**	139,977
Accruals	**281,331**	168,447	**272,363**	158,068
	1,195,987	1,398,523	**1,139,936**	1,307,011

All deferred income in 2021 was released to income during the 2022 financial year.

15 Creditors: amounts falling due after one year

	The group		The charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
Repayable in 1-2 years	**107,589**	109,247	**102,247**	102,247
Repayable in 2-5 years	**322,766**	327,740	**306,740**	306,740
Repayable after 5 years	**185,409**	249,055	**170,411**	235,615
	615,764	686,042	**579,398**	644,602

Total group bank loans of £723,353 (2021: £796,289) include the following bank loans. All charity loans are also secured by debentures on the assets of the Christian Alliance Trust Corporation and Keychange Charity, with interest being charged at the bank's lending rate:

- £681,645 secured on the freehold property at Wimbledon, repayable in 2031/32
- £41,708 subsidiary Stumpwell Housing Association Loan with NatWest

16a Analysis of group net assets between funds (current year)

	Unrestricted	Restricted	Endowment	**Total funds**
	£	£	£	**£**
Tangible fixed assets	5,382,892	3,305,176	360,778	**9,048,846**
Net current assets	4,492,873	(3,187,761)	-	**1,228,713**
Long term liabilities	-	(615,764)	-	**(615,764)**
Net assets at 31 March 2022	**9,875,765**	**(574,748)**	**360,778**	**9,661,795**

16b Analysis of group net assets between funds (prior year)

	Unrestricted	Restricted	Endowment	**Total funds**
	£	£	£	**£**
Tangible fixed assets	6,091,451	3,094,236	360,778	**9,546,465**
Net current assets	4,377,885	(2,928,046)	-	**1,449,839**
Long term liabilities	-	(686,042)	-	**(686,042)**
Net assets at 31 March 2021	**10,469,336**	**(519,852)**	**360,778**	**10,310,262**

17a Movements in funds (current year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	**At 31 March 2022 £**
Permanent endowment funds:					
Keychange funds:					
Reigate	150,230	-	-	-	**150,230**
Linked charities' funds:					
Alexander House	20,413	-	-	-	**20,413**
Erith House	190,135	-	-	-	**190,135**
Total endowment funds	360,778	-	-	-	**360,778**
Restricted funds:					
Keychange capital funds:					
Reigate	80,187	-	(13,120)	-	**67,067**
Stumpwell Housing	212,973	-	(9,045)	-	**203,928**
Linked charities' capital funds	-	-	-	-	**-**
Alexander House	1,380,891	-	(46,632)	-	**1,334,259**
Cressingham House	197,995	-	(13,558)	-	**184,437**
Erith House	110,758	-	(9,917)	-	**100,841**
Plymouth	1,111,432	-	-	(1,111,432)	**-**
Keychange income funds:					
Reigate	-	273,309	(214,982)	-	**58,327**
Exeter	24,653	399,572	(325,455)	-	**98,770**
Stumpwell Housing	(27,840)	704,792	(783,507)	-	**(106,555)**
Other	-	-	-	-	**-**
Linked charities' income funds					
Jubilee Cottage Trust	-	19,765	(13,975)	(5,790)	**-**
Alexander House	(1,392,545)	881,430	(786,226)	-	**(1,297,341)**
Cressingham House	(714,040)	387,563	(539,853)	-	**(866,330)**
Erith House	(392,885)	828,432	(765,519)	-	**(329,972)**
Plymouth	(1,111,432)	(13,776)	(14,193)	1,139,401	**-**
Inter-fund loan	-	-	-	(22,180)	**(22,180)**
Total restricted funds	(519,853)	3,481,087	(3,535,982)	-	**(574,748)**
Unrestricted funds:					
Unrestricted - general	10,019,337	5,633,960	(6,125,599)	-	**9,527,698**
Designated funds:					
Estates renewal fund	225,000	-	(92,604)	-	**132,396**
Capital maintenance fund	225,000	-	(9,329)	-	**215,671**
Total designated funds	450,000	-	(101,933)	-	**348,067**
Total unrestricted funds	10,469,337	5,633,960	(6,227,532)	-	**9,875,765**
Total funds	10,310,262	9,115,047	(9,763,514)	-	**9,661,795**

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	**At 31 March 2021 £**
Permanent endowment funds:					
Keychange funds:					
Reigate	150,230	-	-	-	**150,230**
Linked charities' funds:					
Alexander House	20,413	-	-	-	**20,413**
Erith House	190,135	-	-	-	**190,135**
Total endowment funds	360,778	-	-	-	**360,778**
Restricted funds:					
Keychange capital funds:					
Reigate	83,154	-	(2,967)	-	**80,187**
Stumpwell Housing	-	212,973	-	-	**212,973**
Linked charities' capital funds	-	-	-	-	-
Alexander House	1,431,525	-	(50,634)	-	**1,380,891**
Cressingham House	214,881	-	(16,886)	-	**197,995**
Erith House	126,000	-	(15,242)	-	**110,758**
Plymouth	1,111,432	-	-	-	**1,111,432**
Keychange income funds:					
Exeter	24,653	-	-	-	**24,653**
Stumpwell Housing	-	89,207	(117,047)	-	**(27,840)**
Other	-	11,998	(11,998)	-	-
Linked charities' income funds					
Jubilee Cottage Trust	-	3,366	(12,380)	9,014	-
Alexander House	(1,384,869)	814,576	(822,252)	-	**(1,392,545)**
Cressingham House	(653,966)	457,788	(517,862)	-	**(714,040)**
Erith House	(461,870)	824,376	(755,391)	-	**(392,885)**
Plymouth	(1,111,432)	-	-	-	**(1,111,432)**
Total restricted funds	(620,492)	2,414,284	(2,322,659)	9,014	**(519,853)**
Unrestricted funds:					
Unrestricted - general	8,986,440	8,647,413	(7,305,502)	(309,014)	**10,019,337**
Designated funds:					
Estates renewal fund	75,000	-	-	150,000	**225,000**
Capital maintenance fund	75,000	-	-	150,000	**225,000**
Total designated funds	150,000	-	-	300,000	**450,000**
Total unrestricted funds	9,136,440	8,647,413	(7,305,502)	(9,014)	**10,469,337**
Total funds	8,876,726	11,061,697	(9,628,161)	-	**10,310,262**

17 Movements in funds (continued)

Purposes of endowment funds

Reigate Fund
This fund represents the residual value of the Reigate building donated to the charity.

Alexander House
This fund represents the residual value of the original endowment of Alexander House, Wimbledon.

Erith House
This fund represents the residual value of the original endowment of Erith House, Torquay.

Purposes of restricted funds

Keychange restricted funds

Reigate Fund

This money was spent on an extension to the hostel at Reigate and will be expended in line with the depreciation of the extension.

Exeter fund

The fund mainly represents donations spent on the improvement of the Exeter hostel and will be expended in line with depreciation on the building. Also included within this fund are grants received for and expended on the staff and running costs of the hostel during the year.

Linked charities' restricted funds

Further details of linked charities' funds are disclosed in notes 18 and 19.

Purposes of designated funds

Trustees designated two new funds, the estates renewal fund and the capital maintenance fund. These funds are established to cover future planned capital and maintenance works on the charity's properties.

18 Linked charities

These financial statements of the company are the accounts of Keychange Charity amalgamating the following charities where uniting directions have been obtained from the Charity Commission.

1061344-1 ALEXANDER HOUSE

AS AMENDED BY SPECIAL RESOLUTIONS DATED 29 JUNE 1999 AND 4 DECEMBER 2001.

1061344-2 CRESSINGHAM HOUSE WALLASEY

A UNITING DIRECTION MADE UNDER S.96 OF THE CHARITIES ACT 1993 AND DATED 27 NOVEMBER 2006. This home was closed in May 2022.

1061344-3 PLYMOUTH AND DISTRICT FREE CHURCH WOMEN'S COUNCIL - EVENTIDE HOME.

A UNITING DIRECTION MADE UNDER S.96 OF THE CHARITIES ACT 1993 AND DATED 21 JULY 2008. This home was sold during the year.

1061344-6 ERITH HOUSE

INDENTURE DATED 22 OCTOBER 1862, AS AMENDED BY A FULLY REGULATING SCHEME DATED 16 DECEMBER 1996 AND AMENDED BY A SCHEME DATED 16 JULY 2009.

In line with the Charities Statement of Recommended Practice the results and balances of the linked charities are included in these financial statements as restricted funds.

19a Analysis of net assets between funds for linked charities (current year)

Alexander House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	1,334,259	20,413	**1,354,672**
Net current assets	-	(681,577)	-	**(681,577)**
Long term liabilities	-	(615,764)	-	**(615,764)**
Net assets at 31 March 2022	**-**	**36,918**	**20,413**	**57,331**

Cressingham House, Wallasey

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	184,437	-	**184,437**
Net current assets	-	(866,330)	-	**(866,330)**
Net assets at 31 March 2022	**-**	**(681,893)**	**-**	**(681,893)**

Plymouth

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	-	-	-
Net current assets	-	-	-	-
Net assets at 31 March 2022	**-**	**-**	**-**	**-**

Erith House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	100,841	190,135	**290,976**
Net current assets	-	(329,972)	-	**(329,972)**
Net assets at 31 March 2022	**-**	**(38,996)**	**190,135**	**(38,996)**

Going concern of linked charities with net liabilities

Alexander House
This fund represents the net assets of the Free Church Federal Council's Alexander House. The capital and income of this fund is to be used for the upkeep and general management of Alexander House. The trustees are satisfied with the going concern status of this linked charity based on the fact that selling the fixed assets will cover any liabilities.

Cressingham House, Wallasey
This fund represents the net liabilities of Cressingham House, Wallasey which was acquired by Keychange Charity on 27th November 2006. The assets were amalgamated with those of Keychange Charity from that date under a uniting directive. The capital and income of this fund is to be used for the upkeep and general management of Cressingham House. The trustees made the decision to close Cressingham House which occurred post year end in May 2022.

Plymouth
This fund previously represented the net assets of the Plymouth & District Free Church Women's The Mount Eventide Home. The assets were amalgamated with those of Keychange Charity from July 2008 under a uniting directive. The property was sold in August 2021.

Erith House
This fund represents the net liabilities of Erith House, Torquay which was acquired by Keychange Charity on 24th July 2009. The assets were amalgamated with those of Keychange Charity from that date under a uniting directive. The capital and income of this fund is to be used for the upkeep and general management of Erith House.

19b Analysis of net assets between funds for linked charities (prior year)

Alexander House

	Unrestricted	Restricted	Endowment	**Total funds**
	£	£	£	**£**
Tangible fixed assets	-	1,380,891	20,413	**1,401,304**
Net current (liabilities)	-	(706,503)	-	**(706,503)**
Long term liabilities	-	(686,042)	-	**(686,042)**
Net assets at 31 March 2021	**-**	**(11,654)**	**20,413**	**8,759**

Cressingham House, Wallasey

	Unrestricted	Restricted	Endowment	**Total funds**
	£	£	£	**£**
Tangible fixed assets	-	197,995	-	**197,995**
Net current (liabilities)	-	(714,040)	-	**(714,040)**
Net assets at 31 March 2021	**-**	**(516,045)**	**-**	**(516,045)**

Plymouth

	Unrestricted	Restricted	Endowment	**Total funds**
	£	£	£	**£**
Tangible fixed assets	-	1,111,432	-	**1,111,432**
Net current (liabilities)	-	(1,111,432)	-	**(1,111,432)**
Net assets at 31 March 2021	**-**	**-**	**-**	**-**

Erith House

	Unrestricted	Restricted	Endowment	**Total funds**
	£	£	£	**£**
Tangible fixed assets	-	110,758	190,135	**300,893**
Net current (liabilities)	-	(392,885)	-	**(392,885)**
Net assets at 31 March 2021	**-**	**(282,127)**	**190,135**	**(91,992)**

20 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Stumpwell Housing Association Limited, a company registered in England. The company number is IP19539R. The registered office address is Alde House, Church Road, Penn, High Wycombe, Buckinghamshire, HP10 8NX. Stumpwell Housing Association owns Alde House, a care home in Buckinghamshire, which is managed by Keychange.

	Year to 31 March 2022	2 months to 31 March 2021
	£	£
Turnover	**704,792**	125,039
Cost of sales	**(587,937)**	(55,663)
Gross profit/(loss)	**116,855**	69,376
Administrative expenses	**(204,090)**	(61,296)
Profit/(loss) on ordinary activities before interest and taxation	**(87,235)**	8,080
Interest payable	**(525)**	(88)
Profit / (loss) on ordinary activities before taxation	**(87,760)**	7,992
Taxation on profit on ordinary activities	**-**	-
Profit / (loss) for the financial year	**(87,760)**	7,992
Retained earnings		
Total retained earnings brought forward	**185,133**	177,141
Profit / (loss) for the financial year	**(87,760)**	7,992
Total retained earnings carried forward	**97,373**	185,133
The aggregate of the assets, liabilities and reserves was:		
Assets	**189,790**	318,085
Liabilities	**(92,417)**	(132,952)
Reserves	**97,373**	185,133

21 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2022	2021
	£	£
Gross income	**8,410,255**	10,759,519
Result for the year	**(560,707)**	1,713,028

22 Mergers and acquisition of subsidiary

On 1 February 2021, Keychange charity became the sole member of Stumpwell Housing Association and from that date is a wholly owned subsidiary of Keychange. The balance sheet at the date of transfer is detailed below.

	Balance sheet as at 1 February 2021 £
Fixed assets	**212,973**
Current assets	
Debtors	**51,043**
Cash at bank and in hand	**27,771**
Total current assets	**78,814**
Creditors: amounts falling due within one year	**(114,646)**
Net current assets	**(35,832)**
Net assets	**177,141**

On 30 September 2020 the assets and liabilities of Overdale were transferred into Keychange. A summary of the assets and liabilities transferred is detailed below.

	Balance sheet as at 30 September 2020 £
Fixed assets	**965,807**
Current assets	
Debtors	**21,215**
Cash at bank and in hand	**128,038**
Total current assets	**149,253**
Creditors: amounts falling due within one year	**(169,761)**
Net current assets	**(20,508)**
Net assets	**945,299**

23 Operating lease commitments payable as a lessee

The charity's does not hold any lease payments commitments.

24 Legal status of the charity

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

KEYCHANGE CHARITY

England & Wales - Charity number 1061344

Accounts

Registered Charity No: 1061344
Registered Company No: 3317563

KEYCHANGE CHARITY

ANNUAL REPORT &

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021

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KEYCHANGE CHARITY
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021

Trustees: The Trustees who served during the financial year and to the date the Report of the Trustees was signed were as follows:

Rosemary Milner (Appointed 13 February 1997, Chair until 31st March 2021)
Maddy Thomson (Appointed 3 June 2020, Chair from 1st April 2021)
Tim Cotterall (Appointed 17 February 2015, Vice Chair)
Ayub Khan (Appointed 28 February 2018)
Selina Lau (Appointed 25 July 2018)
Tim Roberts (Appointed 28 Februray 2018, Hon. Treasurer)
Nicholas Johnson (Appointed 15 May 2019)
Nicholas Leggett (Appointed 15 May 2019)
Joan Henshaw (Appointed 27 July 2016)
Rebecca Stockman (Appointed 7 August 2019)
Stefan Cantore (Appointed 3 June 2020)
Ian Bird (Appointed 21 September 2021)

Trustees are appointed by the Board of Trustees in a general meeting. The number nearest to one third of Trustees shall retire by rotation at each Annual General Meeting and they may offer themselves for re-election.

Senior Leadership Team	Chief Executive:	Phil Martin (Until November 2021) Martin Farrow (From November 2021)
	Head of Finance:	Ola Sokoya (Until July 2020) Sharon Jackman (From October 2020)
	Interim Head of Finance:	Peter Cowley (July 2020–October 2020)
	Operations Manager:	Brian James
	Facilities Business Manager:	Peter Clark
	Quality Improvement and Safeguarding Lead:	Rebecca Chaplin

Address and Registered Office:	5 St George's Mews 43 Westminster Bridge Road London SE1 7JB
Auditors:	Sayer Vincent LLP Invicta House, 108-114 Golden Lane London, EC1Y 0TL
Bankers:	Barclays Bank plc 29 Borough High Street, London SE1 1LY
Solicitors:	Lodders Solicitors LLP Number Ten Elm Court, Arden Street, Stratford upon Avon Warwickshire, CV37 6PA
Solicitors (employment law advice)	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
Company No:	3317563
Charity No:	1061344
Company Secretary	Ola Sokoya (resigned 26 November 2020), Sharon Jackman (appointed 26 November 2020)

KEYCHANGE CHARITY
CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

Keychange is a Christian Charity, Creating Caring Communities. In all we do, we seek to serve those who live in our communities with love.

This annual report deals with the formal and legal reporting requirements of the Charity and Company in terms of Governance, Finances, Policies, Activities, Audit, Risks and Reserves and we hope you find all the information clear, accessible and positive.

Across Keychange our mission of Creating Caring Communities involves those who live in our communities, as well as their families and our Staff teams. The beauty of Creating Caring Communities is that we all provide support to one another, primarily to those living in our communities, but also to each other as staff, volunteers, colleagues and friends. By creating the right environment and atmosphere of Care and Support we share a common unity together and become Community.

"I lift up my eyes to the hills – where does my help come from?
My help comes from the Lord, the Maker of heaven and earth" Psalms 121 v 1-2

Familiar to many of us, this Bible verse has become a key theme of meeting the many and large challenges that the Covid19 Global Pandemic has presented over the last year. Whilst we have followed all the guidelines, rules and requirements throughout the Pandemic, we also testify that 'Our help comes from the Lord, the Maker of heaven and earth'. We are truly thankful to God for his help, strength, love and faithfulness in delivering our mission amidst such challenging circumstances.

Amidst this very difficult operating environment presented by Covid19 the year has again been one of outstanding mission achievement. Our staff have continually worked above and beyond their role descriptions or the job itself and have demonstrated over and over again their love, dedication, commitment and passion to care for those who live in all our communities. We continue to offer our deep and heartfelt thanks to all our staff and teams.

We would also like to thank all our Trustees, who have met regularly and provided leadership, wisdom, prayer, support and encouragement throughout this year. As we hope to be coming out of the Covid19 pandemic and as more restrictions are lifted, we look forward to the next few years of mission, growth, developments and Creating Caring Communities across Keychange.

Rosh Milner
Chair of the Board until April 2021

Maddy Thomson
Chair of the Board from April 2021

The Trustees, being the company's directors, present their annual report on the affairs of the charity, together with the Accounts and Auditor's Report for the year ended 31st March 2021. The information included on Page 2 forms part of the Trustees' Report. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in January 2015 in preparing the annual report and financial statements of the charity. The financial statements comply with all statutory requirements and the requirements of the charity's governing document.

What we do

Our objects, as stated in our Memorandum of Association, are:
a. The advancement of the Christian religion
b. The relief of persons who are in need by reasons of their age, infirmity or financial circumstances: and
c. The promotion by such means as are consistent with the new life in Christ Jesus our Lord of such other charitable purposes in accordance with the doctrinal basis of the Charity

Keychange is a Christian Charity, Creating Caring Communities. We fulfil our object by providing care and support for older people and young homeless people. Our values and behaviours are based on Christian principles and linked to the bible. We try to follow Jesus Christ's example of giving practical love and compassion in our residential care communities for the elderly and residential supported accommodation for young adults. We firmly believe that creating a caring community for all people to live and work alongside one another improves their physical, emotional, mental and spiritual well-being. Presently we provide care and support in eleven care homes and two homeless housing settings totalling 280 beds.

Governing Documents
Keychange is a registered charity and a limited company registered by guarantee. It is governed by its memorandum and articles of association dated 23 November 1996. Keychange Charity is affiliated to the Evangelical Alliance.

Alexander House, Wimbledon; Cressingham House, Wallasey; and Erith House, Torquay and Plymouth and District Free Church Women's Council, the Mount Eventide Home, Plymouth are all subsidiary charities to Keychange Charity and under uniting directives their financial activities have been amalgamated with those of Keychange Charity in these financial statements.

Trustees and Leadership Team
Trustees are appointed by the Board of Trustees in general meeting. One third of Trustees retire by rotation at each Annual General Meeting and may offer themselves for re-election. Our individual Trustees share a broad mix of skills appropriate to the governance responsibilities of the Board and the objectives and activities of Keychange. We complete a regular audit of these skills to ensure ongoing effective governance, leadership and working with the Senior Leadership Team.

Potential new Trustees are invited to attend a Trustees' meeting as an observer, visit one of our communities, and be interviewed by the Chair. On acceptance of a formal invitation there is an induction program led by the CEO, and if relevant referral to the Charity Commission's relevant guidance.

This year we have been delighted to welcome three new trustees, Maddy Thomson, Stefan Cantore and Ian Bird. Both of these new trustees bring significant skills and experience in Social Care, Strategy, Governance, Faith and Communities.

The Chief Executive, Phil Martin, moved on to a similar role with another charity and left Keychange on 12 November 2021. An Interim Chief Executive, Martin Farrow, took over from that date. In Autumn 2020 Ola Sokoya resigned as Company Secretary having earlier left the charity and Sharon Jackman took over that role from 26 November 2020. On 1 April 2021 Rebecca Chaplin joined the Senior Leadership Team as Quality Improvement and Safeguarding Lead.

Organisational Structure

The Trustees determine the strategy and policy of the charity and get more involved in specific areas by being part of a Working Group. These Groups (shown below) review progress against existing plans and formulate potential new recommendations to the Board, which meets four times per year.

Quality and Safety – to monitor, review and report on care and support operations, care policy, quality improvement and inspection reports.

Finance & Facilities – to monitor, review and report on the financial performance and risks, along with the state of property, facilities, IT and Health and Safety.

Operational Performance – to develop and improve our organisational vision, strategy, functions and governance and develop our future direction.

Each group comprises Trustees and Senior Leadership Team members with the appropriate skill sets. Day to day management is delegated to the Senior Leadership Team with regular contact to the Chair.

The Senior Leadership Team oversee the strategic plan delivery, developments, as well as the operational day to day leadership and management of our mission, policies and performance. The wider Keychange Leadership Team, includes SLT along with our communities Managers and Deputy Managers. This leadership delivers the core mission and work of creating caring communities for high quality care and support. They lead their teams of staff in each location. Our Central Office Team seeks to support, enable, empower and equip our communities' leaders in terms of Quality Improvement, Leadership, HR, Facilities, Finance, Health & Safety, Recruitment, Administration, Publicity, Social Media, amongst many others.

There are role descriptions, person specification and pay scales for all staff, which are reviewed annually as part of the budget process. Where appropriate these take account of London based salaries in the charity sector for similar positions.

Related Parties and Connected Charities

Alexander House, Wimbledon: This is a subsidiary charity to Keychange Charity and under a uniting directive the financial activities of Alexander House have been amalgamated with those of Keychange Charity in these financial statements.

Cressingham House, Wallasey: This is a subsidiary charity to Keychange Charity and under a uniting directive the financial activities of Cressingham House have been amalgamated with those of Keychange Charity in these financial statements.

Erith House, Torquay: This is a subsidiary charity to Keychange Charity and under a uniting directive the financial activities of Erith House have been amalgamated with those of Keychange Charity in these financial statements.

Plymouth and District Free Church Women's Council, The Mount Eventide Home, Plymouth: This is a subsidiary charity to Keychange Charity and under a uniting directive the financial activities of the Mount Eventide Home have been amalgamated with those of Keychange Charity in these financial statements.

OBJECTIVES AND ACTIVITIES

The objects of the charity as stated in its Memorandum of Association are:
a. The advancement of the Christian religion
b. The relief of persons who are in need by reasons of their age, infirmity or financial circumstances: and
c. The promotion by such means as are consistent with the new life in Christ Jesus our Lord of such other charitable purposes in accordance with the doctrinal basis of the Charity

The mission of Keychange Charity is to Create Caring Communities by providing care, support, acceptance, and Christian community to people in need. We do it by following Christ's example in giving practical love and compassion to people by providing residential care for frail elderly people and residential supported accommodation for young homeless people. Keychange is a Christian Charity, with an occupational requirement for Trustees and Senior Leaders to be Christians, and so are expected to provide a Christian focus to the charity's mission.

The Board and the Working Groups referred to previously, regularly review our vision, strategy, achievements, and update details and targets for the future, across the strategy themes and these broad long-term goals:

- Continually improve the quality of care and support to all those living in our communities, and their families.
- Ensure the quality of our property portfolio and infrastructure, are fit for purpose and to equip the premises and staff capability to perform at the highest level.
- Access opportunities for new social action projects and to continue to be open and responsive to operating new residential care homes for the elderly where this enables, or does not run contrary to the statement above.
- Have a coordinated financial strategy in order to maximise financial viability to generate surpluses to re-invest in our mission and strategy. As well as to minimise financial dependence on government funding and to make charges at appropriate levels in the context of the general economic conditions, prevailing local market and the levels of care provided.
- Be proactive in establishing new partnerships that will enhance the work of Keychange.
- Ensure that all communities are managed and lead at a senior level by professional, competent leaders and managers so that our mission of Creating Caring Communities by providing the best quality care and support in line with our Christian values and behaviours can be maintained, developed, improved and expanded.
- To increase the number of Trustees and maintain their involvement with staff and projects throughout the country through practical interest, prayer and support.
- Have a coordinated strategy of marketing activity across our website, literature and social media to increase awareness to as many people as possible.

<u>Public Benefit</u>
The Trustees have taken account of the Charity Commission's guidance and demonstrate that public benefit has been provided to our residents and beneficiaries through the following work and activities:

- Accepting socially funded elderly residents at fee levels below the cost of providing good care and accommodation;
- Housing young people who would otherwise be homeless, and supporting them into education and / or employment;
- Providing a wide range of care and support and secular and spiritual activities for all our residents; whether older or younger people who live with us.
- Offering work experience opportunities for young people,
- Our Keychange Community vision recognizes that we support strong connections with the neighbourhood and encourage volunteers to support what we do locally.

- It is estimated that for every £1 provided in grant or benefit support for residents living in our housing communities, the return on investment is circa £6 in savings for the local authority and other statutory services in enabling young people to be housed, supported, gain employment and move on successfully.

STRATEGIC REPORT

Activities over the last year

Since March 2020 the world has been dominated by the Covid19 pandemic. In England the first of three lockdowns occurred on 23rd March 2020 and this directly impacted all our operations, communities, work patterns and more. Throughout this year we have followed all the relevant Government guidance and worked very hard to keep everyone living in our communities and working for Keychange safe.

Sadly, we experienced outbreaks of Covid19 at five of our older care communities. These outbreaks resulted in the loss of some people living with us. All of our communities have been affected by the impact of Covid19. Some staff needed to either self-isolate or were shielding for periods of time. We furloughed some staff as well. Our staff have worked relentlessly to follow guidelines, support those living with us, supporting one another, whilst always continuing to create caring communities.

"We, as a family are indebted to you, Rose Lawn and Keychange Charity for accommodating and caring for Dad throughout Covid. I do not believe either he or Mum would have coped with being separated for such a time but through your compassion at a very difficult time this was not an issue … Truly you have all supported both Mum and Dad and the rest of your residents throughout this pandemic and it is a credit to all your staff team that they have come through it … Once again our grateful thanks and we wish you, the staff and residents all the best for the future."

Our relationship with the National Care Forum (NCF) has proven hugely valuable, both in terms of guidance, networking, and especially for representation and lobbying. The NCF has worked very hard and effectively to represent its members to Government and Policy makers and has helped influence decisions, guidance and support provided to the sector. Keychange has been involved in providing examples of best practice to help influence policy and guidance. In addition, we have been involved in local, regional and national media coverage and engagement as a result of our mission, practices and our proactive partnership with NCF.

Occupancy levels are a major performance management tool, however the Covid19 pandemic has impacted and reduced our occupancy significantly. Occupancy is lower than it should be and we are working hard to improve our occupancy levels and mission reach. Through out the pandemic the UK media has created a negative perspective about residential care homes. However, we have increased our social media activity significantly this year, with every Keychange community having a Facebook page, as well as increased Instagram and Twitter activity. All this activity has focused on the positive stories, activities and benefits on living in a Keychange community, as well as highlighting that a residential care community is a safe and fun place to live and flourish in older age. This all highlights the continuous need to raise our profile and publicity across our local community areas, and to ensure very good CQC inspection outcomes and ratings.

These reduced occupancy figures are the primary reason for the poor operating financial performance. We estimate that we lost 27 people living with us through 2020/2021, but due to the pandemic very few people moved in to replace them, therefore our income was circa £700,000 below budget for the year.

"Alexander House is so much more than a care home. It is a real home. My mum moved in 2019 and has now lived there very happily for over 18 months. She is very well cared for and really enjoys life … I particularly appreciate always feeling very welcome and included in her care. I'm not treated as 'a

visitor' but as part of the home community which means I don't think of Alexander House as an 'institution' but as my mum's home. All the staff have gone the extra mile to pull together during the pandemic and have done everything they can to keep the residents safe."

Aside from the Covid19 pandemic we have continued to strive forwards with our mission and vision priorities, objectives and goals. We are delighted to have completed the sale of Rosset Holt in July 2020, as well as completing the sale of the two flats at Worthing in June 2021. In addition, the sale of The Mount at Plymouth was completed in September 2021. The sale of these obsolete properties raises capital sums which we are planning to build a purpose built Keychange Care Community somewhere in England, preferably in a location where we already operate successfully to continue to build on existing leadership, community networks and reputation.

This year we successfully progressed with, and concluded the process of merger of Overdale in Sheffield in to Keychange. Overdale is a 24 bedroomed residential care community, with a very similar Christian mission and ethos to Keychange. In addition, we have also taken over governance, leadership and operations of Stumpwell Housing Association who operate Alde House in Penn, in Buckinghamshire. Alde House is a 16 bedroomed residential care community with a strong Christian mission and ethos. We are now working hard to integrate these new care communities into our procedures, systems, quality and culture, as well as ensuring that the financial benefits of economies of scale are maximised and that occupancy and fees are at viable levels and increased. It is wonderful to grow our mission, reach and communities with these new opportunities.

"I hope that you understand just how grateful we are for all that you, and your wonderful staff have done for Mum, not just in her last weeks … but for the last two and a half years that she has called Sceats her home … your constant presence for Mum and us has been a godsend and for that you will always have a special part in our hearts."

The Keychange Quality Improvement Team has led on all aspects of guidance, safety, support, monitoring and reporting though the Covid19 pandemic. In April 2020 we created and adopted our Pandemic Action Plan and Risk Assessment process. This was reviewed monthly throughout the pandemic. In addition, we established twice weekly online video meetings across all our Keychange communities. Every Monday morning, we meet to share updates, news, guidance and support from all our leadership team staff. Additionally, every Wednesday morning we established a workshop training style event called "Share & Learn" Each week we focus on an agreed topic and provide input, as well as facilitate a discussion across our communities for all staff at every level to be involved.

Another key improvement to our support and activities was the appointment of a Well-being lead. We were focusing on staff well-being before the pandemic, but the period of lockdowns and the significant levels of stress caused by operating through out the pandemic has caused an increased awareness and focus on supporting staff in this important way.

"Thank you so much for looking after Dad like family when we couldn't. Every single person who cared for Dad did so with empathy and patience. I am so grateful for all the love and care you gave him, especially in the most difficult times right at the end. Please pass on my thanks to all the staff team who together really make this a home that cares, not just a care home." Fair Havens

We seek to welcome both privately and socially funded residents, albeit that socially funded fee levels paid by local authorities remain at challengingly low levels to provide the quality of care and support needed. It has been apparent that the number of socially funded residents referred to Keychange has remained at a similar level, however the complexity of care required for them has increased, whilst the fees remain at similar levels. It remains an important part of our mission, but an ongoing challenge to meet local needs for quality care and support for older people with lower levels of wealth and financial security.

We continue to provide and improve our excellent person-centered care and support, with Christian and secular activities for our residents' enjoyment and stimulation. Our website and social media accounts all record the events and happenings at each of our communities. There have been more contacts with local churches, and we encourage them to visit and lead services. Our volunteers who come and support the communities are greatly appreciated.

An enjoyable output of the 'lockdowns' has been the innovation of creating and developing a twice monthly online service called 'Praise, Prayer & Togetherness' (PPT). This idea first shared by someone living in our Rose Lawn community in Sidmouth in April 2020 and has now grown to become an established and much-loved activity across all out communities. Each service lasts for circa 45 minutes and follows a particular theme chosen by people living across Keychange. Each hymn, prayer and reading used is chosen by members of our Keychange communities and PPT planning team. We have also held special themed services for Easter, Christmas and other Christian occasions as well.

A further innovation through this year has been the emergence and development of Vibrant Communities. This has been piloted and developed together with Ladder to the Moon and Keychange to provide a wide range of online virtual tours, activities and events which anyone living across our Keychange communities can access. Examples of the Vibrant Communities programme include: Museum Tours, Countryside tours, Drama Club – Musicals, Quiz afternoons, Language Café, Gardening, Sports Club, Art Club and much more. Everyone joining Vibrant Communities events is also able to make suggestions and share their own interests for future activities to be organised. Praise, Prayer and Togetherness and Vibrant Communities have been wonderful parts of Creating Caring Communities together during the past year.

In the homeless housing communities, we provide care, love and support to homeless young men and women from age 16 upwards, to offer a safe place to live, grow, develop and restore their dignity, and to help them find training, qualifications, employment and an ongoing purpose for their lives. The Covid19 pandemic has affected our young people in terms of coping with three 'Lockdowns' which brought significant challenges to the restrictions of behaviours and socializing. All our staff have worked very hard and in creative and innovative ways to support the young people through a very difficult year of restrictions, uncertainties and fears.

At Wayside community in Reigate we have continued to build some strong partnerships with local churches and supporters. This includes regular bible studies, times of sharing and support, as well as full participation and leadership of our twice monthly Praise, Prayer and Togetherness online times of meeting together.
We acknowledge the skills and dedication of all our staff called to our mission of Creating Caring Communities across Keychange.

"You are all part of an amazing team and I hope you all realise how invaluable you are and what a difference you make to people's lives by doing what you do. Many thanks again." Rosemary Mount

We have continued to strengthen the Board of Trustees by appointing two new members. Each new trustee brings significant governance experience, as well as social care backgrounds and commitment to our mission and Christian heritage and ethos. Furthermore, we have appointed a new Chair in Maddy Thomson. Maddy joined the Keychange Board in June 2020 and became Chair from April 2021. Rosh Milner, our previous Chair has stayed on the Board and has taken on the role of Lead Trustee for Safeguarding. The Trustees continue to complete an evaluation at the end of each meeting to review their own performance. These evaluations are collated and reviewed regularly to ensure continuous improvement of governance functions and performance. This year we have provided Governance training to our Board on Safeguarding, effective questioning, strategic planning and performance appraisals.

Keychange Fundraising approach and activities

Keychange as a corporate organisation undertakes very little targeted fundraising. Our twice-yearly newsletters entitled 'Contact' include the opportunity for supporters to send in a donation if they feel so inclined. We provide leaflets and information for residents and their families to consider providing a legacy to Keychange in their will, but these are not targeted to individuals and are simply available upon enquiry or in a leaflet stand at each of our communities. At a local Keychange care or housing community some fundraising takes place on an informal basis for small local events or activities. This may be through raffles, sponsorship and fetes for example.

These activities are co-ordinated by the Manager and their staff team and seek to develop our mission of Creating Caring Communities in line with our values. Keychange does not work with any external Fundraising support company or consultancy. These fundraising activities to our supporters via direct mail, legacy leaflets or community-based activity or event fundraising is in line with the Fundraising Code of Practice set by Fundraising Regulator. No complaints were received by Keychange in relation to our fundraising activities in the year.

Our fundraising promise is:
When anyone supports Keychange they you can be sure of the following:

- *We will never sell your contact details to anyone*
- *We will only contact you if you have expressed an interest in our work*
- *If we phone you, we will always check you are happy to take the call*
- *If you ask us to change how we communicate with you, or stop, we will respect that*
- *We do not engage in cold-calling, door to door or street fundraising*
- *We try hard to ensure no one ever feels pressurised to support our work*
- *All our activities are open, fair, honest and legal.*

Our employees

Keychange communicates information, provides updates and consults with its employees in a number of ways to ensure they know what is happening, how we are achieving and developing our mission and providing opportunities for their feedback and input. Every week we provide a Management Bulletin communication, senior staff regularly visit our communities to meet with staff, we provide monthly financial performance reporting and inputs to our managers. Our annual staff survey provides the opportunity for all staff to respond to questions and give their input to a variety of topics. We have worked especially hard through the pandemic to increase communication and staff engagement, support, well-being and encouragement.

Keychange is committed to full and fair consideration of all employment applications and considers them all upon the aptitudes and abilities of each applicant. We work hard with all employees of all abilities to ensure we provide training, development and opportunities for staff to remain with Keychange for as long as possible within their role or other more adaptable functions.

All our staff have worked very hard throughout this period of uncertainty and difficulty to continue to Create Caring Communities. We are still in this pandemic and the future uncertainty needs careful planning and adapting too. We are very thankful and blessed to have the quality of Leadership and staff teams in their roles and communities at Keychange.

Financial Review

Our financial results for the year were an improvement on the previous year, where the overall result shows a surplus of £1,433,536 (2020 - deficit £238,999) after loss on impairment of fixed assets in the year of £464,623.

Income increased from £7.95m to £11.06m while expenditure also increased from £8.19m to £9.16m, which led to the surplus of £1.90m before losses on the impairment of fixed assets. Overall income across Keychange increased from £7.95m to £11.06m due to the gain on the sale of property in the year of £1.13m and the recognition of the value of assets transferred, £1.13m from the acquisition and mergers with Overdale and Stumpwell during the financial year.

Reserves Policy

In view of the nature of the charitable activities, all of which require a significant investment in fixed assets, the Trustees have determined that the following reserves policy should be applied:

> The level of free reserves, after adjusting for long term liabilities, should be sufficient to leave the Charity with working capital equivalent to at least two month's operating expenditure, after deducting any designated funds. The long-term liabilities should however be within a level that the Trustees consider comfortable in respect of the ability of the Charity to service these liabilities as they fall due from its operating income.

Total funds as at year end totalled £10,310,262 made up of Endowments of £360,778, Restricted Funds are negative at £519,853 and Unrestricted Funds of £10,469,337. The adjusted level of free reserves amounts to £4,377,885 which equates to thirty-two weeks' operating expenditure. However, after adjusting for restricted operations in deficit and designated funds of £197,000 each for the Estates Renewal Fund & the Capital Maintenance Fund the figure is reduced to £3,229,002 this is equivalent to twenty eight weeks operating expenditure, which is in excess of the policy target level. The restricted funds in deficit are Cressingham House (£516,045) and Erith House (£91,992), these have arisen due to low occupancy in the former and lower fees in the latter. We have implemented an occupancy drive at Cressingham and have raised fees at Erith.

The reserves policy of the Charity is reviewed on an annual basis by the Trustees.

Risk Management

The Board has conducted regular risk assessments and reviews and identified the major risks to which the Charity is exposed, particularly those related to its operations and finances. Against this framework, current risks to the organisation are formally assessed by the Senior Leadership Team (SLT) on a monthly basis and immediate operational risks are considered at the SLT meeting with relevant strategies put in place. Documents (minutes etc.) are available as required. The Trustees are satisfied that systems are in place to mitigate the charity's exposure to the major risks. An update of the risk review strategy was undertaken for 2020/21 and was ratified at the Board Meeting on 2nd June 2021. Our major risks are listed below, and become increasingly painful if they occur together.

- Continual Impact and uncertainty of Covid19 and the Global Pandemic;
- Changes to Government Policy for funding older people's residential care;
- The loss of key Leadership Team staff;
- A sustained level of staff shortages;
- Future maintenance and suitability of our buildings for ever increasing complex care needs.

To mitigate against these risks Keychange continually reviews central and local government policy for Older people's care. In addition, we continue to wait for the Government to publish its Green Paper on the future funding and provision of Older people's care. We reduce the risk of losing key Leadership staff by ensuring our remuneration levels are appropriate and that we offer support, training and leadership development to retain them within Keychange. To mitigate against s sustained level of staff shortages we are establishing contracts for flexible working to cover absences and reviewing effective use of our outsourced recruitment.

Uncertainties

Looking after 280 residents in 13 caring communities will always generate unexpected situations, but we are confident that our staff are trained and resilient to deal with them competently as they arise. The global pandemic of Covid19 demonstrates the ongoing need for strong leadership, flexible working methods, effective support and communication, good risk assessment procedures and strong line management. Our strong balance sheet, asset base and cash reserves all ensure that we are secure and can be flexible to adapt to future uncertainties.

Investment Powers, Policy and Performance

The Trustees have adopted a prudent approach and all investments are held on deposit, or in either Government Stocks or Charities Funds. Investments have performed roughly in line with the relevant indices.

FUTURE PLANS

We continue to follow and implement our strategic vision and plan until 2030, with an initial focus on the next few years to 2025. Our Vision is to Create Caring Communities which are Safe, Vibrant, Inclusive and Sustainable. Our new strategy plan focuses on two themes of Financial Viability & Sustainability, as well as Quality and Reputation.

Our priority for future plans is increasing and sustaining a higher level of occupancy. We have recently completed filming and photography for a complete series of virtual online tour videos across all our older care communities. These will be available on our Website to enable people to view our communities as part of our marketing. In addition, we have invested in a marketing lead to help develop our marketing and sales strategy to increase enquiries and occupancy for the future.

As mentioned previously following the successful completion of the sales of Rosset Holt, the flats in Worthing and The Mount in Plymouth, our major priority is to build a new purpose-built care community and / or housing community in the south of England.

We will play a pro-active role in the ongoing discussion about the future provision and costing of social and elderly care, especially as we still await the publication of the Governments Green Paper regarding these issues. Our membership of the National Care Forum has been a very beneficial method of lobbying and sharing ideas, inputs and policy development.

The Covid19 pandemic significantly reduced our plans for celebrating our 100-year birthday and anniversary of the work of Keychange in 2020. However, some local events took place and we are continuing to plan suitable and safe events, services and celebrations in late 2021 and 2022. We will be celebrating God's faithfulness for our work as well as raising our profile and ensuring all our communities, staff and those living with us are actively involved in these celebrations.

We will continue to progress with our collaborative partnerships with other Christian care home charities and seek to develop those into more formal arrangements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Keychange Charity for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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 auditor is aware of that information

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

Both the Trustees Report and the Strategic Report were approved by the Trustees and signed on 24 November 2021 on their behalf by

…….
Timothy Roberts, Trustee

Independent auditor's report to the members of Keychange Charity

Opinion

We have audited the financial statements of Keychange Charity (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Keychange Charity'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 other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent 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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charites Act 2011 and report in accordance with those Acts.

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

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Capability of the audit in detecting irregularities

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

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

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

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Judith Miller (Senior statutory auditor)
13 December 2021
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Keychange Charity

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	Endowment £	**2021 Total £**	Unrestricted £	Restricted £	Endowment £	2020 Total £
Income from:									
Donations and government support	2	137,738	27,581	-	**165,319**	49,511	659	-	50,170
Charitable activities									
Care for the Elderly	3	5,778,374	2,209,562	-	**7,987,936**	5,226,627	2,061,857	-	7,288,484
Support for the Homeless	3	618,892	-	-	**618,892**	580,524	-	-	580,524
Investments	4	38,370	-	-	**38,370**	33,598	-	-	33,598
Other income - gain on sale of property		1,128,740	-	-	**1,128,740**	-	-	-	-
Other - Transfer of funds from merger and acquisition	22	945,299	177,141	-	**1,122,440**	-	-	-	-
Total income		8,647,413	2,414,284	-	**11,061,697**	5,890,260	2,062,516	-	7,952,776
Expenditure on:									
Raising funds	5	13,548	2,967	-	**16,515**	13,735	3,500	-	17,235
Charitable activities									
Care for the Elderly	5	6,035,744	2,319,692	-	**8,355,436**	5,247,975	2,381,050	-	7,629,025
Support for the Homeless	5	791,587	-	-	**791,587**	543,500	-	-	543,500
Total expenditure		6,840,879	2,322,659	-	**9,163,538**	5,805,210	2,384,550	-	8,189,760
Net income / (expenditure) before net gains / (losses) on investments		1,806,534	91,625	-	**1,898,159**	85,050	(322,034)	-	(236,984)
Net gains / (losses) on investments		-	-	-	-	(2,014)	-	-	(2,014)
Net income / (expenditure) for the year	6	1,806,534	91,625	-	**1,898,159**	83,037	(322,034)	-	(238,998)
Transfers between funds		(9,014)	9,014	-	-	554,353	(554,353)	-	-
Net income / (expenditure) before other recognised gains and losses		1,797,520	100,639	-	**1,898,159**	637,390	(876,387)	-	(238,998)
Losses on impairment of fixed assets	11	(464,623)	-	-	**(464,623)**	-	-	-	-
Net movement in funds		1,332,897	100,639	-	**1,433,536**	637,389	(876,387)	-	(238,998)
Reconciliation of funds:									
Total funds brought forward		**9,136,440**	**(620,492)**	**360,778**	**8,876,726**	8,499,051	255,895	360,778	9,115,724
Total funds carried forward		**10,469,337**	**(519,853)**	**360,778**	**10,310,262**	9,136,440	(620,492)	360,778	8,876,726

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

Keychange Charity

Balance sheets

Company no. 3317563

As at 31 March 2021

	Note	The group 2021 £	The group 2020 £	The charity 2021 £	The charity 2020 £
Fixed assets:					
Tangible assets	11	**9,546,465**	8,592,175	**9,333,492**	8,592,175
		9,546,465	8,592,175	**9,333,492**	8,592,175
Current assets:					
Asset Held for Sale	11	**650,000**	1,535,883	**650,000**	1,535,883
Debtors	13	**467,733**	385,327	**393,726**	385,327
Stock		**-**	5,500	**-**	5,500
Current assets investments	12	**11,461**	11,461	**11,461**	11,461
Cash at bank and in hand		**1,719,168**	376,779	**1,688,063**	376,779
		2,848,362	2,314,950	**2,743,250**	2,314,950
Liabilities:					
Creditors: amounts falling due within one year	14	**(1,398,523)**	(1,158,185)	**(1,307,011)**	(1,158,185)
Net current assets		**1,449,839**	1,156,765	**1,436,239**	1,156,765
Total assets less current liabilities		**10,996,304**	9,748,940	**10,769,731**	9,748,940
Creditors: amounts falling due after one year	15	**(686,042)**	(872,214)	**(644,602)**	(872,214)
Total net assets		**10,310,262**	8,876,726	**10,125,129**	8,876,726
The funds of the charity:	16a				
Endowment funds		**360,778**	360,778	**360,778**	360,778
Restricted funds		**(519,853)**	(620,492)	**(704,986)**	(620,492)
Unrestricted income funds:					
Designated funds		**450,000**	150,000	**450,000**	150,000
General funds		**10,019,337**	8,986,440	**10,019,337**	8,986,440
Total unrestricted funds		**10,469,337**	9,136,440	**10,469,337**	9,136,440
Total charity funds		**10,310,262**	8,876,726	**10,125,129**	8,876,726

Approved by the trustees on 24 November 2021 and signed on their behalf by

Maddy Thomson
Chair

Timothy Roberts
Treasurer

Keychange Charity

Consolidated statement of cash flows

For the year ended 31 March 2021

	Note	**2021**		2020	
		£	**£**	£	£
Cash flows from operating activities					
Net (expenditure) for the reporting period		**1,433,536**		(238,998)	
(as per the statement of financial activities)					
(Gains)/losses on investments		**-**		2,014	
Depreciation charges		**353,862**		332,369	
(Profit) / Loss on the disposal of fixed assets		**(1,102,736)**		-	
Impairment of fixed assets		**464,623**		-	
Transfer of fixed assets from mergers and new subsidiary		**(1,178,780)**		-	
Interest from investments		**(38,370)**		(33,598)	
Interest paid		**19,253**		28,621	
(Increase)/decrease in stock		**5,500**		-	
(Increase)/decrease in debtors		**(82,406)**		64,210	
Increase/(decrease) in creditors		**182,689**		(107,133)	
Net cash provided by / (used in) operating activities			**57,171**		47,485
Cash flows from investing activities:					
Interest from investments		**38,370**		33,598	
Interest paid		**(19,253)**		(28,621)	
Proceeds from the sale of fixed assets		**1,550,000**		189,732	
Purchase of fixed assets		**(155,376)**		(287,758)	
Net cash (used in) investing activities			**1,413,741**		(93,049)
Cash flows from financing activities:					
Repayments of borrowing		**(128,523)**		(203,033)	
Net cash (used in) financing activities			**(128,523)**		(203,033)
Change in cash and cash equivalents in the year			**1,342,389**		(248,597)
Cash and cash equivalents at the beginning of the year			**376,779**		625,376
Cash and cash equivalents at the end of the year	a		**1,719,168**		376,779

Analysis of cash and cash equivalents and of net debt

		At 1 April 2020	Cash flows	**At 31 March 2021**
		£	£	**£**
	Cash at bank and in hand	376,779	1,342,389	**1,719,168**
a	**Total cash and cash equivalents**	376,779	1,342,389	**1,719,168**
	Loans falling due within one year	(202,336)	92,089	**(110,247)**
	Loans falling due after more than one year	(872,214)	186,172	**(686,042)**
	Total	**(697,771)**	**1,620,650**	**922,879**

1 Accounting policies

a) Statutory information

Keychange Charity is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address (and principal place of business) is 5 St George's Mews, 43 Westminster Bridge Road, London, SE1 7JB.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (March 2018) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Stumpwell Housing Limited on a line by line basis from the date of acquisition, 1 February 2021. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. The charity is also the sole trustees and owner of Christian Alliance Trust Limited which is a dormant company. Balances between the entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 as a summary of the result for the year is disclosed in the notes to the accounts.

On 30 September 2020 the assets and liabilities of Overdale were transferred into Keychange Charity. This has been treated in the financial statements as an acquisition in the year for accounting purposes and the income and expenditure has been incorporated into Keychange Charity's activities from the date of the merger.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

These financial statements of the company are the accounts of Keychange Charity amalgamating a number of charities where uniting directions have been obtained from the Charity Commission - see note 19.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The Trustees are satisfied that Keychange group is a going concern due to the nature of the operations. There are no areas of concern to doubt that Keychange will continue to operate in the foreseeable future. See note 19 of the financial statement for further details of the position of the linked charities.

e) Income

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

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

Coronavirus job retention scheme income and other coronavirus support income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

1 Accounting policies (continued)

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Endowment funds are funds to be used for specific purposes as laid down by the donor and where there is no power to convert the capital donated into income.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Included within restricted funds are details of the income and expenditure of each of the linked charities - see note 1b) and note 17.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property	
- Land	not depreciated
- Buildings	50 years
- Building installations	10 years
Furniture, fittings and equipment	
- Fixtures and fittings	8 years
- Computers	4 years

l) 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.

1 Accounting policies (continued)

m) Current asset investments

Includes balances that are invested in a mixture of accounts and investment holdings.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

o) 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.

p) Financial instruments

The charity only has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Non-basic financial instruments (which comprise derivatives) are measured at fair value with any gain or loss going to the statement of financial activities.

q) Pensions

The company operated pension schemes for the benefit of its employees. The funds of the schemes are administered by Trustees and are separate from the company. The schemes are defined contribution schemes and the contributions are charged to the Statement of Financial Activities. when incurred.

2 Income from donations and government support

	Unrestricted	Restricted	**2021 Total**	Unrestricted	Restricted	2020 Total
	£	£	**£**	£	£	£
Donations	31,543	11,998	**43,541**	49,511	659	50,170
Legacies	8,888	-	**8,888**	-	-	-
Coronavirus job retention scheme	97,307	15,583	**112,890**	-	-	-
	137,738	27,581	**165,319**	49,511	659	50,170

3 Income from charitable activities

	Unrestricted	Restricted	**2021 Total**	Unrestricted	Restricted	2020 Total
	£	£	**£**	£	£	£
Local authority	1,535,688	438,755	**1,974,443**	909,401	193,600	1,103,001
Private care fees	4,224,521	1,756,690	**5,981,211**	4,296,021	1,849,667	6,145,688
Other income	18,165	14,117	**32,282**	21,205	18,590	39,795
Sub-total for care for the elderly	5,778,374	2,209,562	**7,987,936**	5,226,627	2,061,857	7,288,484
Local authority	595,149	-	**595,149**	467,977	-	467,977
Private care fees	23,409	-	**23,409**	23,362	-	23,362
Other income	334	-	**334**	89,185	-	89,185
Sub-total for support for homelessness	618,892	-	**618,892**	580,524	-	580,524
Total income from charitable activities	6,397,266	2,209,562	**8,606,828**	5,807,151	2,061,857	7,869,008

4 Income from investments

	Unrestricted £	Restricted £	**2021 Total £**	Unrestricted £	Restricted £	2020 Total £
Dividends on listed Stock Exchange investments	345	-	**345**	585	-	585
Rent receivable	38,025	-	**38,025**	33,013	-	33,013
	38,370	-	**38,370**	33,598	-	33,598

5a Analysis of expenditure (current year)

		Charitable activities					
	Raising funds £	Care for the Elderly £	Support for the Homeless £	Governance costs £	Support costs £	**2021 Total £**	2020 Total £
Staff costs (Note 7)	11,443	5,196,827	436,118	25,122	679,820	**6,349,330**	5,237,785
Other staff costs	208	94,539	7,934	457	12,367	**115,505**	121,519
Agency and Consultancy	618	280,652	23,552	1,357	36,713	**342,892**	592,040
Repairs and Maintenance	752	341,733	28,678	1,652	44,704	**417,519**	405,826
Utilities	805	365,622	30,683	1,767	47,829	**446,706**	337,483
Depreciation	638	289,630	24,306	1,400	37,888	**353,862**	332,369
Office costs	129	58,662	4,923	284	7,674	**71,672**	85,816
Audit and Accountancy	65	29,460	2,472	142	3,854	**35,993**	16,847
Legal and Professional	261	117,985	9,901	570	15,434	**144,151**	96,611
Food Costs	451	204,933	17,198	991	26,808	**250,381**	252,585
Transfer of Jubilee Cottage	-	-	-	-	-	-	252,641
Care Home Direct Costs	744	337,906	28,358	1,634	44,202	**412,844**	232,197
Other costs	401	182,263	15,295	881	23,843	**222,683**	226,040
	16,515	7,500,212	629,418	36,257	981,136	**9,163,538**	8,189,760
Support costs	-	821,774	159,362	-	(981,136)	-	-
Governance costs	-	33,450	2,807	(36,257)	-	-	-
Total expenditure 2021	**16,515**	**8,355,436**	**791,587**	-	-	**9,163,538**	
Total expenditure 2020	17,235	7,629,025	543,500	-	-		8,189,760

5b Analysis of expenditure (prior year)

		Charitable activities				
	Raising funds £	Care for the Elderly £	Support for the Homeless £	Governance costs £	Support costs £	**2020 Total £**
Staff costs (Note 7)	9,962	4,409,947	314,170	32,988	470,719	**5,237,785**
Other staff costs	231	102,313	7,289	765	10,921	**121,519**
Agency and Consultancy	1,126	498,468	35,511	3,729	53,207	**592,040**
Repairs and Maintenance	772	341,685	24,342	2,556	36,471	**405,826**
Utilities	642	284,143	20,243	2,125	30,330	**337,483**
Depreciation	632	279,838	19,936	2,093	29,870	**332,369**
Office costs	163	72,253	5,147	540	7,712	**85,816**
Audit and Accountancy	32	14,184	1,010	106	1,514	**16,847**
Legal and Professional	184	81,342	5,795	608	8,682	**96,611**
Food Costs	480	212,664	15,150	1,591	22,700	**252,585**
Transfer of Jubilee Cottage	481	212,710	15,154	1,591	22,705	**252,641**
Care Home Direct Costs	442	195,498	13,928	1,462	20,868	**232,197**
Other costs	430	190,313	13,558	1,424	20,314	**226,040**
	15,577	6,895,359	491,233	51,579	736,012	**8,189,760**
Support costs	1,549	685,619	48,844	-	(736,012)	**-**
Governance costs	109	48,047	3,423	(51,579)	-	**-**
Total expenditure 2020	**17,235**	**7,629,025**	**543,500**	**-**	**-**	**8,189,760**

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021	2020
	£	£
Depreciation	**353,862**	332,369
Profit on disposal of fixed assets	**1,102,736**	-
Interest payable	**19,253**	28,621
Operating lease rentals payable:		
Other	**11,033**	18,693
Auditor's remuneration (excluding VAT):		
Audit	**19,500**	14,000

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	**5,789,793**	4,697,210
Redundancy and termination costs	**-**	125,652
Social security costs	**365,643**	263,589
Employer's contribution to defined contribution pension schemes	**193,894**	151,334
	6,349,330	5,237,785
Agency costs	**342,892**	592,040
Other staff expenses	**115,505**	121,519
	6,807,727	5,951,344

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021	2020
	No.	No.
£60,000 - £69,999	**1**	-
£70,000 - £79,999	**1**	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £335,623 (2020: £326,676).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £264 (2020: £7,233) incurred by 1 (2020: 7) members relating to attendance at meetings of the trustees. The charity also purchased directors indemnity insurance for a premium of £998 (2020: £700).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 319 (2020: 312).

Staff are split across the activities of the charity as follows (head count basis):

	2021	2020
	No.	No.
Charitable activities	**307.0**	300.0
Administration	**12.0**	12.0
	319.0	312.0

9 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

The Christian Alliance Trust Corporation Limited

Christian Alliance Trust Corporation Limited (CATC), which is a company limited by guarantee, is the custodian Trustee for all properties owned by Keychange. It also secures through the directors of Keychange that the work of Keychange shall be carried on in strict compliance with the objects and aims of the constitution.

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets for the group

Cost or valuation	Freehold property £	Furniture, fittings and equipment £	**Total £**
At the start of the year	10,781,153	966,864	**11,748,017**
Additions in year	80,961	74,415	**155,376**
Disposals in year	-	(48,060)	**(48,060)**
Transfers of assets from mergers and new subsidiary	1,129,584	49,196	**1,178,780**
At the end of the year	11,991,698	1,042,415	**13,034,113**
Depreciation			
At the start of the year	2,628,950	526,892	**3,155,842**
Charge for the year	223,384	130,478	**353,862**
Eliminated on disposal	-	(22,056)	**(22,056)**
At the end of the year	2,852,334	635,314	**3,487,648**
Net book value			
At the end of the year	9,139,364	407,101	**9,546,465**
At the start of the year	8,152,203	439,972	8,592,175

Land with a value of £1,380,524 (2020: £1,380,524) is included within freehold property and not depreciated. Professional valuations for freehold and leasehold property and improvements were undertaken at 31 March 1997. The valuations undertaken in 1997 represent the deemed cost of the asset.

The Mount was sold for £650,000 on 15th September 2021. The Mount was transferred to assets held for sale in the prior year and has been impaired in 2021 to bring its net book value of £1,114,623 down to its sale price as at 31 March 2021.

Overdale in Sheffield is a 24 bedroom care home community, 23 rooms are end-suite. The site also includes 5 one bedroom self-contained bungalows for independent living. Keychange staff have frequently visited and inspected the property and facilities. A surveyor has completed a Planned Preventative Maintenance schedule and we are satisfied that the building is well maintained and in good order.
The previous trustees had added en-suite facilities over recent years and in doing so have continued to improve the décor and environment. The property is located in the Nether Edge area of Sheffield which is recognised as a well maintained, high property value and affluent suburb of Sheffield. The trustees consider the next book value of the property of £996,957 is deemed and appropriate basis for the value of the property as at the merger on the basis that this is in line with the amounts the trustees would have otherwise paid for the property. The Keychange Board are committed to undertake a valuation process in 2022.

All of the above assets are used for charitable purposes.

11 Tangible fixed assets (continued)

The charity	Freehold property	Fixtures and fittings	**Total**
Cost	£	£	**£**
At the start of the year	10,781,153	966,864	**11,748,017**
Additions in year	80,961	74,415	**155,376**
Disposals in year	-	(48,060)	**(48,060)**
Transfers of assets from mergers	927,278	38,529	**965,807**
At the end of the year	11,789,392	1,031,748	**12,821,140**
Depreciation			
At the start of the year	2,628,950	526,892	**3,155,842**
Charge for the year	223,384	130,478	**353,862**
Eliminated on disposal	-	(22,056)	**(22,056)**
At the end of the year	2,852,334	635,314	**3,487,648**
Net book value			
At the end of the year	8,937,058	396,434	**9,333,492**
At the start of the year	8,152,203	439,972	8,592,175

All of the above assets are used for charitable purposes.

12 Current asset investments

	The group		**The charity**	
	2021	2020	**2021**	2020
	£	£	**£**	£
Fair value at the start of the year	**11,461**	13,475	**11,461**	13,475
Net gain / (loss) on change in fair value	**-**	(2,014)	**-**	(2,014)
Fair value at the end of the year	**11,461**	11,461	**11,461**	11,461

13 Debtors

	The group		**The charity**	
	2021	2020	**2021**	2020
	£	£	**£**	£
Trade debtors	**305,230**	252,072	**247,050**	252,072
Other debtors	**17,621**	7,902	**4,851**	7,902
Prepayments and accrued income	**144,882**	125,353	**141,825**	125,353
	467,733	385,327	**393,726**	385,327

14 Creditors: amounts falling due within one year

	The group		The charity	
	2021	2020	**2021**	2020
	£	£	**£**	£
Bank overdrafts	**370**	-	**370**	-
Bank loans	**110,247**	202,336	**103,247**	202,336
Trade creditors	**246,530**	147,561	**177,167**	147,561
Taxation and social security	**137,873**	67,880	**133,103**	67,880
Pension fund loan payable	**17,468**	13,306	**17,468**	13,306
Other creditors	**577,611**	526,410	**577,611**	526,410
Deferred income - fees for services in advance	**139,977**	190,462	**139,977**	190,462
Accruals	**168,447**	10,230	**158,068**	10,230
	1,398,523	1,158,185	**1,307,011**	1,158,185

All deferred income in 2020 was released to income during the 2021 financial year.

15 Creditors: amounts falling due after one year

	The group		The charity	
	2021	2020	**2021**	2020
	£	£	**£**	£
Repayable in 1-2 years	**109,247**	266,677	**102,247**	266,677
Repayable in 3-5 years	**327,740**	387,485	**306,740**	387,485
Repayable after 5 years	**249,055**	218,052	**235,615**	218,052
	686,042	872,214	**644,602**	872,214

Total group bank loans of £796,289 (2020: £1,074,550) include the following bank loans. All charity loans are also secured by debentures on the assets of the Christian Alliance Trust Corporation and Keychange Charity, with interest being charged at the bank's lending rate:

- £746,849 secured on the freehold property at Wimbledon, repayable in 2031/32
- £1,000 Stumpwell Housing Association Loan payable to K Dickinson - Lytham
- £48,440 subsidiary Stumpwell Housing Association Loan with NatWest

16a Analysis of group net assets between funds (current year)

	Unrestricted	Restricted	Endowment Fund	**Total funds**
	£	£	£	**£**
Tangible fixed assets	6,091,451	3,094,236	360,778	**9,546,465**
Net current assets	4,377,885	(2,928,046)	-	**1,449,839**
Long term liabilities	-	(686,042)	-	**(686,042)**
Net assets at 31 March 2021	**10,469,336**	**(519,852)**	**360,778**	**10,310,262**

16b Analysis of group net assets between funds (prior year)

	Unrestricted	Restricted	Endowment Fund	**Total funds**
	£	£	£	**£**
Tangible fixed assets	5,264,405	2,966,992	360,778	**8,592,175**
Net current assets	3,952,165	(2,795,400)	-	**1,156,765**
Long term liabilities	(80,130)	(792,084)	-	**(872,214)**
Net assets at 31 March 2020	**9,136,440**	**(620,492)**	**360,778**	**8,876,726**

17a Movements in funds (current year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	**At 31 March 2021 £**
Permanent endowment funds:					
Keychange funds:					
Reigate	150,230	-	-	-	**150,230**
Linked charities' funds:					
Alexander House	20,413	-	-	-	**20,413**
Erith House	190,135	-	-	-	**190,135**
Total endowment funds	360,778	-	-	-	**360,778**
Restricted funds:					
Keychange capital funds:					
Reigate	83,154	-	(2,967)	-	**80,187**
Stumpwell Housing	-	212,973	-	-	**212,973**
Linked charities' capital funds					-
Alexander House	1,431,525	-	(50,634)	-	**1,380,891**
Cressingham House	214,881	-	(16,886)	-	**197,995**
Erith House	126,000	-	(15,242)	-	**110,758**
Plymouth	1,111,432	-	-	-	**1,111,432**
Keychange income funds:					
Exeter	24,653	-	-	-	**24,653**
Stumpwell Housing	-	89,207	(117,047)	-	**(27,840)**
Other	-	11,998	(11,998)	-	-
Linked charities' income funds					
Jubilee Cottage Trust	-	3,366	(12,380)	9,014	-
Alexander House	(1,384,869)	814,576	(822,252)	-	**(1,392,545)**
Cressingham House	(653,966)	457,788	(517,862)	-	**(714,040)**
Erith House	(461,870)	824,376	(755,391)	-	**(392,885)**
Plymouth	(1,111,432)	-	-	-	**(1,111,432)**
Total restricted funds	(620,492)	2,414,284	(2,322,659)	9,014	**(519,853)**
Unrestricted funds:					
Unrestricted - general	8,986,440	8,647,413	(7,305,502)	(309,014)	**10,019,337**
Designated funds:					
Estates renewal fund	75,000	-	-	150,000	**225,000**
Capital maintenance fund	75,000	-	-	150,000	**225,000**
Total designated funds	150,000	-	-	300,000	**450,000**
Total unrestricted funds	9,136,440	8,647,413	(7,305,502)	(9,014)	**10,469,337**
Total funds	8,876,726	11,061,697	(9,628,161)	-	**10,310,262**

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	**At 31 March 2020 £**
Permanent endowment funds:					
Keychange funds:					
Reigate	150,230	-	-	-	**150,230**
Linked charities' funds:					
Alexander House	20,413	-	-	-	**20,413**
Erith House	190,135	-	-	-	**190,135**
Total endowment funds	360,778	-	-	-	**360,778**
Restricted funds:					
Keychange capital funds:					
Reigate	86,636	-	(3,482)	-	**83,154**
Linked charities' capital funds					**-**
Jubilee Cottage Trust	193,632	-	-	(193,632)	-
Alexander House	1,445,724	33,370	(47,569)	-	**1,431,525**
Cressingham House	230,283	-	(15,402)	-	**214,881**
Erith House	139,208	535	(13,743)	-	**126,000**
Plymouth	1,111,432	-	-	-	**1,111,432**
Keychange income funds:					
Exeter	26,014	-	(1,361)	-	**24,653**
Linked charities' income funds					
Jubilee Cottage Trust	62,263	28,767	(284,662)	193,632	-
Alexander House	(1,352,861)	762,422	(794,430)	-	**(1,384,869)**
Cressingham House	(591,340)	437,705	(500,331)	-	**(653,966)**
Erith House	(538,017)	799,717	(723,570)	-	**(461,870)**
Plymouth	(1,111,432)	-	-	-	**(1,111,432)**
Inter-fund loan	554,353	-	-	(554,353)	-
Total restricted funds	255,895	2,062,516	(2,384,550)	(554,353)	**(620,492)**
Unrestricted funds:					
Unrestricted - general	8,349,051	5,890,260	(5,807,224)	554,353	**8,986,440**
Designated funds:					
Estates renewal fund	75,000	-	-	-	**75,000**
Capital maintenance fund	75,000	-	-	-	**75,000**
Total designated funds	150,000	-	-	-	**150,000**
Total unrestricted funds	8,499,051	5,890,260	(5,807,224)	554,353	**9,136,440**
Total funds	9,115,724	7,952,776	(8,191,774)	-	**8,876,726**

17 Movements in funds (continued)

Purposes of endowment funds

Reigate Fund
This fund represents the residual value of the Reigate building donated to the charity.

Alexander House
This fund represents the residual value of the original endowment of Alexander House, Wimbledon.

Erith House
This fund represents the residual value of the original endowment of Erith House, Torquay.

Purposes of restricted funds

Keychange restricted funds

Reigate Fund

This money was spent on an extension to the hostel at Reigate and will be expended in line with the depreciation of the extension.

Exeter fund

The fund mainly represents donations spent on the improvement of the Exeter hostel and will be expended in line with depreciation on the building. Also included within this fund are grants received for and expended on the staff and running costs of the hostel during the year.

Linked charities' restricted funds

Further details of linked charities' funds are disclosed in notes 18 and 19.

Purposes of designated funds

Trustees designated two new funds, the estates renewal fund and the capital maintenance fund. These funds are established to cover future planned capital and maintenance works on the charity's properties.

18 Linked charities

These financial statements of the company are the accounts of Keychange Charity amalgamating the following charities where uniting directions have been obtained from the Charity Commission.

1061344-1 ALEXANDER HOUSE

AS AMENDED BY SPECIAL RESOLUTIONS DATED 29 JUNE 1999 AND 4 DECEMBER 2001.

1061344-2 CRESSINGHAM HOUSE WALLASEY

A UNITING DIRECTION MADE UNDER S.96 OF THE CHARITIES ACT 1993 AND DATED 27 NOVEMBER 2006.

1061344-3 PLYMOUTH AND DISTRICT FREE CHURCH WOMEN'S COUNCIL - EVENTIDE HOME

A UNITING DIRECTION MADE UNDER S.96 OF THE CHARITIES ACT 1993 AND DATED 21 JULY 2008.

1061344-6 ERITH HOUSE

INDENTURE DATED 22 OCTOBER 1862, AS AMENDED BY A FULLY REGULATING SCHEME DATED 16 DECEMBER 1996 AND AMENDED BY A SCHEME DATED 16 JULY 2009.

In line with the Charities Statement of Recommended Practice the results and balances of the linked charities are included in these financial statements as restricted funds.

19a Analysis of net assets between funds for linked charities (current year)

Alexander House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	1,380,891	20,413	**1,401,304**
Net current assets	-	(706,503)	-	**(706,503)**
Long term liabilities	-	(686,042)	-	**(686,042)**
Net assets at 31 March 2021	**-**	**(11,654)**	**20,413**	**8,759**

Cressingham House, Wallasey

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	197,995	-	**197,995**
Net current assets	-	(714,040)	-	**(714,040)**
Net assets at 31 March 2021	**-**	**(516,045)**	**-**	**(516,045)**

Plymouth

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	1,111,432	-	**1,111,432**
Net current assets	-	(1,111,432)	-	**(1,111,432)**
Net assets at 31 March 2021	**-**	**-**	**-**	**-**

Erith House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	110,758	190,135	**300,893**
Net current assets	-	(392,885)	-	**(392,885)**
Net assets at 31 March 2021	**-**	**(282,127)**	**190,135**	**(91,992)**

Going concern of linked charities with net liabilities

Alexander House

This fund represents the net assets of the Free Church Federal Council's Alexander House. The capital and income of this fund is to be used for the upkeep and general management of Alexander House. The trustees are satisfied with the going concern status of this linked charity based on the fact that selling the fixed assets will cover any liabilities.

Cressingham House, Wallasey

This fund represents the net liabilities of Cressingham House, Wallasey which was acquired by Keychange Charity on 27th November 2006. The assets were amalgamated with those of Keychange Charity from that date under a uniting directive. The capital and income of this fund is to be used for the upkeep and general management of Cressingham House. The trustees are satisfied with the going concern status of this linked charity based on their desire to improve occupancy to reverse the deficits. The Board have identified this a strategic issue with the intention to resolve the position.

Plymouth

This fund represents the net assets of the Plymouth & District Free Church Women's The Mount Eventide Home. The assets were amalgamated with those of Keychange Charity from July 2008 under a uniting directive. Per the Charity Commission Scheme dated 28th May 2002, the capital and income of this fund is to be used for the upkeep and general management of The Mount Eventide Home. There has been no activity during 2020/21 and the property has been sold post year end.

Erith House

This fund represents the net liabilities of Erith House, Torquay which was acquired by Keychange Charity on 24th July 2009. The assets were amalgamated with those of Keychange Charity from that date under a uniting directive. The capital and income of this fund is to be used for the upkeep and general management of Erith House. Post year end we have seen improvement in the performance of Erith House.

19b Analysis of net assets between funds for linked charities (prior year)

Alexander House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	1,431,525	20,413	**1,451,938**
Net current (liabilities)	-	(592,785)	-	**(592,785)**
Long term liabilities	-	(792,084)	-	**(792,084)**
Net assets at 31 March 2020	**-**	**46,656**	**20,413**	**67,069**

Cressingham House, Wallasey

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	214,881	-	**214,881**
Net current (liabilities)	-	(653,966)	-	**(653,966)**
Net assets at 31 March 2020	**-**	**(439,085)**	**-**	**(439,085)**

Plymouth

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	1,111,432	-	**1,111,432**
Net current (liabilities)	-	(1,111,432)	-	**(1,111,432)**
Net assets at 31 March 2020	**-**	**-**	**-**	**-**

Erith House

	Unrestricted £	Restricted £	Endowment £	**Total funds £**
Tangible fixed assets	-	126,000	190,135	**316,135**
Net current (liabilities)	-	(461,870)	-	**(461,870)**
Net assets at 31 March 2020	**-**	**(335,870)**	**190,135**	**(145,735)**

20 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Stumpwell Housing Association Limited, a company registered in England. The company number is IP19539R. The registered office address is Alde House, Church Road, Penn, High Wycombe, Buckinghamshire, HP10 8NX. Stumpwell Housing Association owns Alde House, a care home in Buckinghamshire, which is managed by Keychange.

	For the 2 months to 31 March
	£
Turnover	**125,039**
Cost of sales	**(55,663)**
Gross profit/(loss)	**69,376**
Administrative expenses	**(61,296)**
Profit/(loss) on ordinary activities before interest and taxation	**8,080**
Interest payable	**(88)**
Profit / (loss) on ordinary activities before taxation	**7,992**
Taxation on profit on ordinary activities	**-**
Profit / (loss) for the financial year	**7,992**
Retained earnings	
Total retained earnings brought forward	**177,141**
Profit / (loss) for the financial year	**7,992**
Total retained earnings carried forward	**185,133**
The aggregate of the assets, liabilities and reserves was:	
Assets	**318,085**
Liabilities	**(132,952)**
Reserves	**185,133**

21 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021	2020
	£	£
Gross income	**10,759,519**	7,952,776
Result for the year	**1,713,028**	(238,998)

22 Mergers and acquisition of subsidiary

On 1 February 2021, Keychange charity became the sole member of Stumpwell Housing Association and from that date is a wholly owned subsidiary of Keychange. The balance sheet at the date of transfer is detailed below.

	Balance sheet as at 1 February 2021 £
Fixed assets	**212,973**
Current assets	
Debtors	**51,043**
Cash at bank and in hand	**27,771**
Total current assets	**78,814**
Creditors: amounts falling due within one year	**(114,646)**
Net current assets	**(35,832)**
Net assets	**177,141**

On 30 September 2020 the assets and liabilities of Overdale were transferred into Keychange. A summary of the assets and liabilities transferred is detailed below.

	Balance sheet as at 30 September 2020 £
Fixed assets	**965,807**
Current assets	
Debtors	**21,215**
Cash at bank and in hand	**128,038**
Total current assets	**149,253**
Creditors: amounts falling due within one year	**(169,761)**
Net current assets	**(20,508)**
Net assets	**945,299**

23 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Equipment	
	2021	2020
	£	£
Less than one year	**-**	4,776
	-	4,776

24 Legal status of the charity

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