

# 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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# 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

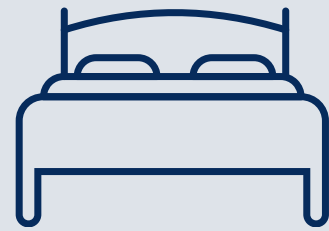
**256**

**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.

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

## **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).

# 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 Charities 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](http://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 £
<b>Income from:</b>									
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
<b>Total income</b>		<b>6,326,600</b>	<b>2,779,643</b>	<b>-</b>	<b>9,106,243</b>	<b>6,410,862</b>	<b>2,528,682</b>	<b>-</b>	<b>8,939,544</b>
<b>Expenditure on:</b>									
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
<b>Total expenditure</b>		<b>6,923,312</b>	<b>2,635,320</b>	<b>-</b>	<b>9,558,632</b>	<b>6,919,801</b>	<b>2,717,736</b>	<b>-</b>	<b>9,637,537</b>
<b>Net income / (expenditure) before net gains / (losses) on investments and revaluation of fixed assets</b>		<b>(596,713)</b>	<b>144,323</b>	<b>-</b>	<b>(452,390)</b>	<b>(508,939)</b>	<b>(189,054)</b>	<b>-</b>	<b>(697,993)</b>
Net gains / (losses) on investments and revaluation of fixed		1,135,855	259,466	-	1,395,320	2	-	-	2
<b>Net income / (expenditure) for the year</b>	6	<b>539,142</b>	<b>403,789</b>	<b>-</b>	<b>942,931</b>	<b>(508,937)</b>	<b>(189,054)</b>	<b>-</b>	<b>(697,991)</b>
Transfers between funds		93,386	(93,386)	-	-	166,320	(166,320)	-	-
<b>Net movement in funds</b>		<b>632,528</b>	<b>310,403</b>	<b>-</b>	<b>942,931</b>	<b>(342,617)</b>	<b>(355,374)</b>	<b>-</b>	<b>(697,991)</b>
<b>Reconciliation of funds:</b>									
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 £	2023 £	The charity 2024 £	2023 £
<b>Fixed assets:</b>					
Tangible assets	11	10,511,506	9,066,870	10,316,654	8,864,376
		<b>10,511,506</b>	<b>9,066,870</b>	<b>10,316,654</b>	<b>8,864,376</b>
<b>Current assets:</b>					
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
		<b>804,378</b>	<b>1,432,414</b>	<b>748,631</b>	<b>1,432,145</b>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	14	(1,012,496)	(1,036,847)	(921,408)	(985,118)
		<b>(208,118)</b>	<b>395,567</b>	<b>(172,777)</b>	<b>447,027</b>
<b>Net current assets</b>					
		<b>10,303,388</b>	<b>9,462,438</b>	<b>10,143,877</b>	<b>9,311,404</b>
<b>Total assets less current liabilities</b>					
Creditors: amounts falling due after one year	15	(396,653)	(498,634)	(377,543)	(469,376)
		<b>9,906,735</b>	<b>8,963,804</b>	<b>9,766,334</b>	<b>8,842,028</b>
<b>Total net assets</b>					
<b>The funds of the charity:</b>	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
		<b>10,165,676</b>	<b>9,533,148</b>	<b>10,058,551</b>	<b>9,462,564</b>
Total unrestricted funds					
<b>Total charity funds</b>		<b>9,906,735</b>	<b>8,963,804</b>	<b>9,766,334</b>	<b>8,842,028</b>

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	
		£	£	£
<b>Cash flows from operating activities</b>				
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)
<b>Net cash provided by / (used in) operating activities</b>			<b>43,107</b>	(555,828)
<b>Cash flows from investing activities:</b>				
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		-		-
<b>Net cash (used in) investing activities</b>			<b>(488,634)</b>	(392,087)
<b>Cash flows from financing activities:</b>				
Repayments of borrowing		(87,798)		(117,130)
Cash inflows from new borrowing		-		-
Receipt of endowment		-		-
<b>Net cash (used in) financing activities</b>			<b>(87,798)</b>	(117,130)
Change in cash and cash equivalents in the year			<b>(533,325)</b>	(1,065,045)
Cash and cash equivalents at the beginning of the year			<b>1,032,139</b>	2,097,184
Change in cash and cash equivalents due to exchange rate			-	-
Cash and cash equivalents at the end of the year			<b>498,815</b>	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
<b>Total cash and cash equivalents</b>		<b>1,032,139</b>	<b>(533,324)</b>	<b>498,815</b>
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)
<b>Total</b>		<b>425,916</b>	<b>(445,526)</b>	<b>(19,610)</b>

# 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...

# Keychange Charity

## Notes to the financial statements

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 Total £
<b>2 Donations, legacies and government support</b>	99,408	-	<b>99,408</b>	30,744	5,818	36,562
	99,408	-	<b>99,408</b>	30,744	5,818	36,562

### 3 Income from charitable activities

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

### 4 Income from investments

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Dividends on listed Stock Exchange investments and bank interest	11,826	9	<b>11,835</b>	3,301	-	3,301
Rent receivable	37,198	-	<b>37,198</b>	36,512	-	-
Feed in Tariff	-	1,895	<b>1,895</b>	-	4,636	36,512
	49,024	1,904	<b>50,928</b>	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	<b>6,320,464</b>	6,037,256
Other staff costs	59,887	4,558	-	114,884	<b>179,329</b>	196,987
Agency and consultancy	574,791	772	-	-	<b>575,563</b>	992,084
Repairs and maintenance	485,413	55,636	-	32,760	<b>573,809</b>	612,609
Utilities Depreciation	473,063	51,002	-	4,923	<b>528,988</b>	559,104
Office costs	290,532	78,392	-	11,451	<b>380,375</b>	392,507
Audit and accountancy	157,646	27,719	-	102,399	<b>287,764</b>	139,577
Legal and professional	52,168	-	-	85,319	<b>137,487</b>	79,504
Food costs	47,749	7,212	-	44,950	<b>99,911</b>	96,398
Care home direct costs	235,726	4,638	-	66	<b>240,429</b>	242,909
Care home direct costs	147,195	7,475	-	2,650	<b>157,320</b>	149,123
Other costs	78,056	129	-	(991)	<b>77,193</b>	139,480
	<b>7,847,700</b>	<b>666,681</b>	-	<b>1,044,251</b>	<b>9,558,632</b>	<b>9,637,537</b>
Support costs	960,711	83,540	-	(1,044,251)	-	-
Governance costs	-	-	-	-	-	-
<b>Total expenditure 2024</b>	<b>8,808,411</b>	<b>750,221</b>	-	-	<b>9,558,632</b>	

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

# 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
	<b>6,320,464</b>	<b>6,037,256</b>
Agency costs	575,563	992,084
Other staff expenses	179,329	196,987
	<b>7,075,356</b>	<b>7,226,328</b>

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
	<b>268</b>	<b>274</b>

### 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	<b>13,201,334</b>
Additions in year	446,438	57,223	<b>503,661</b>
Disposals in year	-	(197,811)	<b>(197,811)</b>
Revaluations	1,469,290	(73,970)	<b>1,395,320</b>
At the end of the year	<b>13,884,099</b>	<b>1,018,584</b>	<b>14,902,504</b>
<b>Depreciation</b>			
At the start of the year	3,245,982	888,482	<b>4,134,464</b>
Charge for the year	332,173	48,202	<b>380,375</b>
Eliminated on disposal	-	(123,841)	<b>(123,841)</b>
At the end of the year	<b>3,578,155</b>	<b>812,843</b>	<b>4,390,998</b>
<b>Net book value</b>			
<b>At the end of the year</b>	<b>10,305,944</b>	<b>205,561</b>	<b>10,511,506</b>
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
<b>Depreciation</b>			
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
<b>Net book value</b>			
<b>At the end of the year</b>	<b>10,114,302</b>	<b>202,531</b>	<b>10,316,654</b>
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 2024	2023	The charity 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
	<b>1,012,496</b>	<b>1,036,847</b>	<b>921,408</b>	<b>985,118</b>

### 15 Creditors: amounts falling due after one year

	The group 2024	2023	The charity 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
	<b>396,653</b>	<b>498,634</b>	<b>377,543</b>	<b>469,376</b>

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)
<b>Net assets at 31 March 2024</b>	<b>10,165,676</b>	<b>(619,719)</b>	<b>360,778</b>	<b>9,906,735</b>

### 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)
<b>Net assets at 31 March 2023</b>	<b>9,533,148</b>	<b>(930,122)</b>	<b>360,778</b>	<b>8,963,804</b>

# 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 £
<b>Permanent endowment funds:</b>					
<b>Keychange funds:</b>					
Reigate	150,230	-	-	-	150,230
<b>Linked charities' funds:</b>					
Alexander House	20,413	-	-	-	20,413
Erith House	190,135	-	-	-	190,135
<b>Total endowment funds</b>	<b>360,778</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>360,778</b>
<b>Restricted funds:</b>					
<b>Keychange capital funds:</b>					
Reigate	53,249	-	(14,055)	-	39,194
<b>Linked charities' capital funds</b>					
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
<b>Other restricted funds:</b>					
Stumpwell Housing	51,192	895,244	(819,774)	(93,386)	33,276
<b>Linked charities' income funds</b>					
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)
<b>Total restricted funds</b>	<b>(930,122)</b>	<b>3,039,109</b>	<b>(2,635,320)</b>	<b>(93,386)</b>	<b>(619,719)</b>
<b>Unrestricted funds:</b>					
Unrestricted - general	8,068,148	7,462,455	(6,923,312)	(7,107,582)	1,499,708
<b>Designated funds:</b>					
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
<b>Total unrestricted funds</b>	<b>9,533,148</b>	<b>7,462,455</b>	<b>(6,923,312)</b>	<b>93,386</b>	<b>10,165,676</b>
<b>Total funds</b>	<b>8,963,804</b>	<b>10,501,564</b>	<b>(9,558,632)</b>		<b>9,906,735</b>

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 £
<b>Permanent endowment funds:</b>					
<b>Keychange funds:</b>					
Reigate	150,230	-	-	-	150,230
<b>Linked charities' funds:</b>					
Alexander House	20,413	-	-	-	20,413
Erith House	190,135	-	-	-	190,135
<b>Total endowment funds</b>	<b>360,778</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>360,778</b>
<b>Restricted funds:</b>					
<b>Keychange capital funds:</b>					
Reigate	67,067	-	(13,818)	-	53,249
<b>Linked charities' capital funds</b>					
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
<b>Other restricted funds:</b>					
Reigate	58,327	-	-	(58,327)	-
Exeter	98,770	-	-	(98,770)	-
Stumpwell Housing	97,373	827,751	(842,529)	(31,403)	51,192
<b>Linked charities' income funds</b>					
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	-
<b>Total restricted funds</b>	<b>(574,748)</b>	<b>2,528,682</b>	<b>(2,717,736)</b>	<b>(166,320)</b>	<b>(930,122)</b>
<b>Unrestricted funds:</b>					
Unrestricted - general	9,527,698	6,410,864	(6,826,751)	(1,043,663)	8,068,148
<b>Designated funds:</b>					
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
<b>Total designated funds</b>	<b>348,067</b>	<b>-</b>	<b>(93,050)</b>	<b>1,209,983</b>	<b>1,465,000</b>
<b>Total unrestricted funds</b>	<b>9,875,765</b>	<b>6,410,864</b>	<b>(6,919,801)</b>	<b>166,320</b>	<b>9,533,148</b>
<b>Total funds</b>	<b>9,661,795</b>	<b>8,939,546</b>	<b>(9,637,537)</b>	<b>-</b>	<b>8,963,804</b>

# 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	<b>1,253,479</b>
Net current assets	-	(956,335)	-	<b>(956,335)</b>
Long term liabilities	-	(377,543)	-	<b>(377,543)</b>
Net assets at 31 March 2024	-	(100,812)	20,413	<b>(80,399)</b>

#### Cressingham House, Wallasey

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

#### Erith House

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

### 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

### 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	<b>1,303,755</b>
Net current (liabilities)	-	(760,012)	-	<b>(760,012)</b>
Long term liabilities	-	(498,634)	-	<b>(498,634)</b>
Net assets at 31 March 2023	-	24,696	20,413	<b>45,109</b>

#### Cressingham House, Wallasey

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

#### Erith House

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

# 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 £	15 months to 31 March 2023 £
Gross income	895,245	
Result for the year	(17,916)	
Funds brought forward from previous entity	51,192	
Funds carried forward	<u>33,276</u>	
Turnover		971,083
Cost of sales		(389,481)
<b>Gross profit/(loss)</b>		<u>581,602</u>
Administrative expenses		(661,821)
<b>Profit/(loss) on ordinary activities before interest and taxation</b>		<u>(80,219)</u>
Other operating income		4,637
<b>Operating loss</b>		(75,582)
Interest receivable and similar income		21
Interest payable		(1,297)
<b>Profit / (loss) on ordinary activities before taxation</b>		<u>(76,858)</u>
Taxation on profit on ordinary activities		-
<b>Profit / (loss) for the financial year</b>		<u>(76,858)</u>
<b>Retained earnings</b>		
Total retained earnings brought forward		128,050
Profit / (loss) for the financial year		(76,858)
<b>Total retained earnings carried forward</b>		<u>51,192</u>
The aggregate of the assets, liabilities and reserves was:		
Assets		272,126
Liabilities		(220,934)
<b>Reserves</b>		<u>51,192</u>

# 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.

