

Unity
COMPANY NUMBER: 05031398
CHARITY NUMBER: 1108921

Commission

KEY COMMUNITY
(Company Limited by Guarantee)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2025

KEY COMMUNITY

INDEX

YEAR ENDED 31 MARCH 2025

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KEY COMMUNITY

LEGAL AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 MARCH 2025

Registered Charity Name

Key Community
(will be referred to as KEY throughout these financial statements)

Registration Numbers

Charity Number 1108921
Company Number 05031398

Trustees

P. Hayton
S. Hamilton
D. Traynor
I. Ogden
G Cunningham (Appointed 28/01/2025)
T Milton (Appointed 29/06/2025)
(Trustees are also the directors of KEY for the purposes of company law)

Company Secretary

R. Allen

Registered Office

116 Baring Street
South Shields
Tyne & Wear
NE33 2BA

Auditors

Torgersens
East Suite, Ground Floor
Avalon House
St Catherine's Court
Sunderland
SR5 3XJ

Bankers

Unity Trust Bank Plc
4 Brindley Place
Birmingham
B1 2JB

Central Finance Board of the Methodist Church
25 Tavistock Place
London
WC1H 9SF

Insignis Cash Solutions
St John's Innovation Centre
Milton, Cambridge
CB4 0WS

Solicitors

Hardings
22 Foyle Street
Sunnyside
Sunderland
SR1 1LE

KEY COMMUNITY

THE TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)

YEAR ENDED 31 MARCH 2025

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on the 2nd February 2004 and registered as a charity on the 7th April 2005. The company was established under a Memorandum of Association, which established the objectives and powers of the charitable company and is governed under its Articles of Association. The organisation by special resolution amended objects on 26th July 2023 with permission of the Charity Commission. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

The Objects for which the Charity is established are for the public benefit.

1. The provision of relief for young people in necessitous circumstances who are, have been, or are at risk of being homeless including (but without prejudice to the provision of other forms of relief) the provision of supported accommodation, family relationship breakdown intervention and mediation, advice and counselling.
2. The relief of financial hardship amongst people in South Tyneside and the surrounding area in such ways as the trustees from time-to-time think fit, in particular, but not exclusively by:
 - a) providing emergency food, essential toiletries, and household items to individuals and families in need and/or for distribution by charities or other organisations working to prevent or relieve poverty
 - b) such other means, including (but not limited to) the provision of support or signposting to relevant information and other advisory services.

OFSTED

Key continues to maintain OFSTED registration for Askins Lodge, ensuring compliance with national standards for the housing and support of 16–17-year-olds. This registration enables Key to provide high-quality, regulated accommodation for vulnerable young people in South Tyneside.

During the 2024–25 reporting period, Askins Lodge underwent internal quality assurance reviews to ensure continued alignment with OFSTED expectations. Staff received updated training in safeguarding and trauma-informed practice, and the service maintained a strong focus on preparing young people for independent living.

The OFSTED registration reflects Key's commitment to delivering safe, supportive environments where young people can thrive. It also ensures that Askins Lodge remains eligible for referrals from statutory services and continues to meet the evolving needs of the young people it serves.

Recruitment and appointment of board of directors

At the 2024 AGM held in January 2025 the following Trustees were appointed:

- Gill Cunningham was added to the Board – Appointed 28/01/2025

The following trustees resigned:

- Ian Montgomery – Resigned in March 2024 but officially took off Charity Commission on 16/05/2024

Trustee induction and ongoing training / development of trustees

The Chair together with other Trustees regularly identifies the skills and expertise needed to ensure the Board is diverse and well equipped to carry out its duties and responsibilities.

All new prospective Trustees meet with the Chair and the Chief Executive Officer to discuss what their role and involvement within the organisation might entail.

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New Trustees are taken by the Chief Executive Officer for a tour of the organisation's office, Supported Accommodation and other services delivered by Key Community. This provides an opportunity for the Trustee to meet with staff who can then explain their roles within the Charity.

Staff are invited to Board Meetings where they will give a presentation outlining their service. This has proved to be of great value and gives a clear picture of how operations are planned and delivered.

Every opportunity is taken to ensure that all Trustees, both those who are new to the role and those who have served for a long time, have access to training and Board Development sessions. This is usually delivered by organisations such as ACEVO and the NSPCC as well as inhouse training.

All Trustees are encouraged to ask questions when they are unsure and are supported by both the Chair and the Chief Executive Officer.

A Board Development Day was held in January. This was an opportunity for Trustees and Senior Management Staff to look at the Charity's Beliefs and Values.

By the end of the day the Beliefs and Values had been discussed, amended and edited in preparation to present them to staff and the Young People who use the services provided by Key Community.

The Vision and Mission statements were discussed and amended to better reflect the Charity at this present time.

Organisation Structure

The Board is made up of people from professional backgrounds including, homelessness, finance, education, legal, managerial and engineering. The Board meets every 2 months and is responsible for strategic direction and policy of the charity. Decisions are made by the Board at their regular meetings. Additional meetings are called when the need arises.

The levels of remuneration of Key staff are made at the Board meetings in line with policy.

Recruitment of volunteers

Volunteering is at the core of Key's ethos. This year, 43 people volunteered at Key and its associated Key2Life foodbank. These volunteers have taken part in the following training:

- Safeguarding
- Hate crime champion training
- Food hygiene certificate
- Manual handling

Placements have been offered to 4 Health and Social Care students; 2 with K2 Life Foodbank and 2 working on the Key Community Bus.

6 Year 10 pupils from schools throughout the Local Authority have spent a week working at both the Food bank and Key Community Bus. These students have also spent time at one of our supported accommodation properties to gain a better understanding of how Young People are supported by our organisation.

3 Year 12/13 students from a school in South Tyneside have volunteered at the Food bank as part of their Gold Duke Of Edinburgh Award.

All volunteers who handle telephone calls or work one to one with Young People have a DBS certificate.

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Risk Management

Key Community has established robust systems and procedures to identify, assess, and manage the risks it faces in delivering services to vulnerable young people. The Board of Trustees regularly reviews the risk register and ensures that appropriate mitigation strategies are in place.

Key areas of risk and corresponding controls include:

- **Safeguarding:** All staff and volunteers undergo enhanced DBS checks and receive regular safeguarding training. Safeguarding policies are reviewed annually and aligned with national guidance.
- **Health and Safety:** Risk assessments are conducted across all properties and activities. Staff receive training in manual handling, first aid, and fire safety.
- **Financial Sustainability:** The charity continues to diversify its income streams through grants, partnerships, and fundraising.
- **Data Protection:** Key complies with GDPR and has clear policies on data handling, confidentiality, and information security. Staff receive regular training on data protection.
- **Governance and Compliance:** The Board includes members with expertise in finance, law, housing, and safeguarding. Trustees receive ongoing training and development to ensure effective oversight.
- **Operational Delivery:** The CEO and senior management team monitor service delivery against contractual and quality standards. Internal audits and supervision ensure continuous improvement.

The Board also operates groups/sessions involving trustees, staff, and young people to oversee specific areas of work. This inclusive approach strengthens risk awareness and responsiveness across the organisation.

Related Parties

Key Community continues to work in partnership with a range of organisations to deliver high-quality services to young people in South Tyneside. These include:

- **Durham Diocese and Bernicia Homes:** Flavia House is owned by the Diocese and managed by Bernicia Homes, with Key providing residential support.
- **Karbon Homes:** Askins Lodge is owned by Karbon Homes and leased to Key Community to provide supported accommodation. Key are acting agent for properties 2-9 Berkley Way on behalf of Karbon to support young people to progress to their own tenancies.
- **South Tyneside Consortium for Youth Homelessness:** Key is a founding member alongside De Paul UK and Places for People. The consortium provides integrated pathways for young people to access homelessness services and participates in weekly HAPPS (Homeless Allocation Pathway Planning Support) meetings.
- **Churches Together South Tyneside:** Key partners with this network to run the Key2 Life project, which includes a foodbank, fuel voucher scheme, School Uniforms 4 All, and a food and fun holiday programme.
- **Local Community and Faith Groups:** Key receives practical support, donations, and volunteer engagement from churches and community organisations across the borough.

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These partnerships are vital to Key's ability to deliver holistic, person-centred support and to respond flexibly to the needs of young people and families in crisis.

Purposes

The charitable purposes of Key Community, as updated in 2024, are:

1. To provide relief to young people in South Tyneside who are experiencing, have experienced, or are at risk of homelessness, including—but not limited to—offering supported accommodation, mediation and intervention in cases of family relationship breakdown, advice, and counselling services.
2. To alleviate financial hardship among individuals and families in South Tyneside and surrounding areas, in ways deemed appropriate by the Trustees. This includes, but is not limited to: (a) Supplying emergency food, essential toiletries, and household items directly to those in need or through other charities and organisations working to prevent or relieve poverty. (b) Providing the Community Bus service bringing food and increased choice across South Tyneside, helping residents shop with dignity, stretch their budgets further and reduce the need for foodbanks. (c) Providing additional support such as guidance, referrals, and access to relevant information and advisory services.

These charitable purposes underpin all of Key Community's work, ensuring that the organisation remains focused on supporting vulnerable young people and families through prevention, practical assistance, and empowerment.

Public Benefit Disclosure

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

Vision

Every Young Person in South Tyneside will have a home and someone to turn to when they need support.

Mission

When Young People are experiencing hardship or threatened with homelessness, Key is committed to inspiring them with hope for the future and the skills to live independently, to flourish, to be good citizens and the best people they can be.

Achievements and performance

Aim 1: To prevent homelessness

Objective 1: Provide advice and guidance to help a Young Person decide if they can remain at home or need to move out.

Out of 134 referrals to the Prevention Team, 13 of the referrals were for advice/guidance around housing only. The remaining 121 referrals sent to the Prevention/Mediation Team were a combination of support to improve family relationships, improve school attendance and health and wellbeing

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Referrals come from:

Children's Services/ Local Authority Early Help:	70
Schools:	28
Housing Department:	13
Self-Referral:	8
Consortium – De Paul UK	3
Internal Referral – Supported Accommodation And Tenancy Support:	5
Community Mental Health Services:	5
Adult Services	0

Objective 2: Provide mediation support to Young People and their families to reduce conflict and improve relationships within the home to enable the Young Person to remain at home if this is a safe option.

It is not only the Young Person who is supported but the household in which they live; this may include parents, carers and siblings. Out of the 134 referrals made during the period 31st March 2024 – 31st March 2025:

- 70 Young People have remained in the family home and support closed.
- 45 Young People and their families continued to be supported.
- 11 Young People were on a waiting list to be allocated a support worker.
- 3 Young People moved into Supported Accommodation.
- 5 Young people moved in with other family members.

Key Community Prevention Team offer a free, professional mediation service to parents, carers and their children to try to prevent family breakups from occurring. Mediation can be put into place while the Young Person is still at home or when they have presented as being homeless.

The Family Intervention Service adopts a whole family approach, enabling families to gain support as a unit as well as working on a one-to-one basis with parents and children to tackle the complex issues that may have arisen. These issues often affect multiple members of the family unit.

If the family access our help soon enough, support is put in place before problems have become entrenched, and relationships have reached breaking point. Key Community offers support and guidance on a wide range of family issues such as:

- Managing behaviour problems
- Improving relationships
- Signposting and accessing other support services
- Budgeting
- Form filing
- Providing someone to listen with compassion and empathy
- Providing opportunities for families to meet others so they feel less isolated.
- Parenting skills
- Wellbeing support
- Educational Support

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Objective 3: Raise awareness of the realities of being homeless

Staff give talks to local schools, colleges, churches, community groups, the Local Authority, and community organisations. Every opportunity is taken to publicise our work in the local press and social media.

- Biannual newsletter available in print and online.
- Homelessness stories
- Marketing and Communication Officer
- Key 2 Life Facebook
- Key Facebook
- Features in local media
- Fundraising and awareness
- Talks and presentations

Aim 2: Prepare young people for independent living.

Objective 1: Provide supported shared accommodation for up to a period of 1 year at Askins Lodge (18 beds), Flavia House (5 beds), Strickland House (5 beds).

36 Young People were supported at Askins Lodge, Flavia House and Strickland House.

Objective 2: Provide Young People with move on accommodation following their stay at one of our supported accommodation properties, where they can begin to live independently with a lower level of support for a period of 2 years or more.

9 Young People moved into Askins Cottages for lower support, 7 Young People moved into our move on properties within the community and 38 Young People were able, with support, to move into properties and hold their own tenancies.

Aim 3: To enable Young People to take opportunities allowing them to access education, training, employment and wellbeing.

Objective 1: Learn life skills

Key Community promotes activities in supported housing projects to encourage healthy lifestyles. Cookery sessions are provided for Young People to help them learn how to cook healthy meals; these sessions encourage the Young People to work together for a common goal. Our Prevention Team facilitate group activities for Young People who are feeling isolated, these include:

- Cooking Demonstrations
- First aid
- Sports day
- Healthy and unhealthy relationships
- Arts and crafts

Key Community provides bursaries and grants to help Young People overcome barriers to employment, education and training, Bursaries and grants cover the costs for our Young People to access college, training and employment, e.g., bus fares, books and equipment when these are not provided by the college or place of work. Between 31st March 2024 and March 31st, 2025, bursaries and grants were applied for and granted as follows:

Prevention and Mediation	1
Tenancy Support	4

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Key Community's Prevention Team provides every Young Person and their families with skills and strategies to help reduce arguments in the family home. Between 31st March 2024 and 31st March 2025, the Prevention Team assisted the following numbers of Young People to access the services that met their needs:

Key in house Counsellor	19
Bright Futures	3
Escape Intervention	1
Lifecycle	5

Between 31st March 2024 and March 31st, 2025, 80% of the Young People who were referred to Key Community's Prevention Team with issues involving accessing education, have remained in school with some on a reduced timetable. Working with the Young People and their families, we have been able to rebuild relationships. Those who could not return to the family home were able to access our supported accommodation or were able to live with another family member. As a result of this move, general well-being has improved and enabled the Young Person to concentrate on their education.

Objective 2: Arrange opportunities to take part in leisure and community activities.

Activities are organised by the Prevention Team and the Supported Accommodation Team. They include:

- Cookery demonstration
- First Aid
- Sports
- Games
- Use of gym equipment

Objective 3: Raise awareness of the realities of being homeless

Key Community actively works to raise awareness of youth homelessness and the challenges faced by vulnerable young people. Staff regularly deliver talks and presentations to local schools, colleges, churches, community groups, and statutory partners, including the Local Authority. The organisation uses every opportunity to promote its work through local media and digital platforms. This includes:

- A biannual newsletter, available in both print and online formats
- Sharing real-life stories of homelessness to highlight lived experiences
- Regular updates via the Key 2 Life and Key Community Facebook pages
- Features in local press and media outlets
- Talks and presentations to raise awareness and encourage community support
- Fundraising campaigns and awareness events coordinated by the Marketing and Communications Officer

These efforts help to challenge stigma, build community understanding, and generate support for Key's mission to prevent and address youth homelessness in South Tyneside.

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Objective 4: To support the mental health needs of young people.

Key Community provides a compassionate and empathetic wellbeing support system which is designed to cater to the needs of vulnerable young people facing various challenges such as anxiety, relationship problems, anger issues and feelings of low mood. With a focus on understanding and valuing the individual, this service operates within schools in South Tyneside, South Tyneside College and Key Community Supported Accommodation and Move On properties. Between March 31st 2024 and March 31st 2025, 59 Young People were supported by Key Community Wellbeing Service. Out of this 59 there have been a positive outcome of 89. This is because some of our Young People have achieved more than 1 outcomes.

Progression in general emotional wellbeing	32
Increased positive outlook	14
Improved focus on cessation	1
Improvement in anger management	11
Improvement in communication skills	2
Positive relationships	9
Improvement in anxiety	16
Referral to external services for higher intensity intervention	0
Re-engaged with Key's Wellbeing Service for support	4

One of the contributing factors to the effectiveness of the counselling service is the ability to independently manage caseloads. The flow and remit of the referral process minimises the waiting time for clients, differentiating Key Community from other services, where lengthy waiting times are common.

Aim 4: To meet the needs of young people requiring crisis support.

Objective 1: Provide emergency food packs, including food, cleaning materials, toiletries, and sanitary items.

- 42 Young People from our accommodation/outreach services received a food parcel.
- 3611 adults, 2024 children and 1965 pets were fed at Key2 Life Foodbank.
- We have provided 2493 family parcels and emergency parcels to households with children below the age of 16.
- 204 National Fuel Bank Foundation referrals were made.

Objective 2: Provide furniture and household furnishing.

Key Community staff, depending on the circumstances of the Young Person, will apply for a grant or funding, to assist with household furnishings and donations are also received from the local community. During the period between 31st March 2024 and 31st March 2025, the Tenancy Support Team applied for 4 grants.

Objective 3: Provide advocacy with crisis loans, benefit claims and sanction appeals.

Staff at Key Community work with Young People to enable them to claim appropriate benefits, budget effectively, taking into account that their financial circumstances frequently change. Advocating for our Young People, Key Community supports with dealings with utility companies, landlords, Housing Benefits and Job Centre Plus.

Young People are helped to complete online advance payment applications for Universal Credit.

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Key Community's Prevention Team occasionally assists families with making new benefit claims when Young People have been estranged from family members. The team have supported families with appeals around such benefit claims as Personal Independence Payments. They have also helped to reduce rent arrears resulting in families being able to remain in their homes.

Key Community Bus

The Key Community Bus is a vital initiative by Key, aimed at reducing food waste and promoting access to healthy, affordable food in South Tyneside. Operating on Tuesdays, Wednesdays and Thursdays, the bus travels to various locations, providing a mobile food service that requires no membership and is available to all, regardless of their circumstances.

The lower deck offers a variety of low-cost groceries, while the upper deck serves as a community space where people can chat, access advice, participate in activities and even enjoy a mini library. This innovative project not only helps residents save on their weekly shopping but also fosters a sense of community and support.

Forming Appropriate Partnerships:

Key Community has been working with Durham Diocese and Bernicia Homes for 15 years and with Karbon Homes for 8 years to provide supported living accommodation.

Key Community helped establish the South Tyneside Consortium for Youth Homelessness in collaboration with De Paul UK and Places for People. As a consortium, these three organisations provide integrated pathways for young people to access homelessness services in South Tyneside. This includes attending weekly meetings for HAPPS (Homeless Allocation Pathway Planning Support).

Key Community partners with Churches Together South Tyneside to run Key2 Life, a poverty alleviation project based at the library on Boldon Lane, South Shields. This project includes a foodbank providing food for young people and the wider community, a fuel voucher scheme, School Uniforms 4 All, and a food and fun holiday programme.

Funding was received from Feeding Britain to offer holiday clubs and a 'Big Day Out' to Seahouses.

Continuing with wider strategic planning, Key's Chief Executive Officer attends meetings organised by South Tyneside Council, including:

- Homelessness Forum
- Local Safeguarding Children's Board
- Regional Youth Homelessness Network
- Children's and Family Boa

Business planning

Business Plan

Key Community's current business plan extends until 2027. We are actively working towards fulfilling the objectives set out in this plan, which include enhancing our support services, expanding our accommodation facilities, and increasing community engagement. The plan outlines strategic goals aimed at ensuring long-term sustainability and effectiveness in meeting the needs of vulnerable young people in South Tyneside.

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Future Plans

Key Community is looking to expand its property portfolio to continue supporting and meeting the needs of the most vulnerable in society. This includes acquiring new properties for supported accommodation and developing partnerships with local housing providers. Additionally, we aim to enhance our service offerings by integrating more comprehensive mental health and wellbeing support, as well as increasing our outreach programs to prevent homelessness.

Reserves Policy

The financial review for the year ending 31st March 2025 highlights the charity's financial health and sustainability. Key Community has maintained a stable financial position, with income generated from grants, donations, and fundraising activities. Expenditure has been carefully managed to ensure funds are directed towards our core services and support programs. The establishment of a Reserves Policy aims to build up reserves equivalent to six months' expenditure, providing a financial buffer against future uncertainties.

Reference should be made to note 17 and 18 on pages 27 to 32 of the accounts.

Investment Policy

Key Community's investment policy is designed to ensure the prudent management of the charity's funds. Investments are made with the primary objective of preserving capital while generating a reasonable return. The policy outlines the criteria for selecting investment opportunities, focusing on low-risk options that align with the charity's ethical standards. Regular reviews of the investment portfolio are conducted to ensure compliance with the policy and to adjust strategies as needed to respond to changing market conditions.

RESPONSIBILITIES OF TRUSTEES

The charity trustees (who are also the directors of KEY for the purposes of the company law) have prepared this trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charitable companies in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity 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 applicable Companies Act 2006 and Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

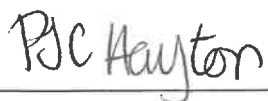
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies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

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YEAR ENDED 31 MARCH 2025

And signed on their behalf:



Penny Hayton

Date: 1.12.25

KEY COMMUNITY

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF KEY COMMUNITY

YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of Key Community (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial position, statement of cash flows and the related notes, 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 charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 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.

KEY COMMUNITY

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF KEY COMMUNITY YEAR ENDED 31 MARCH 2025

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' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF KEY COMMUNITY

YEAR ENDED 31 MARCH 2025

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit with regards to fraud are to design tailored and specific audit procedures to enable us to gather sufficient audit evidence. These tests are proportionate and appropriate to the charitable company in terms of assessed risk level and the nature of the entity's activities. However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance.

- We obtained an understanding of the legal and regulatory requirements which applied to the charitable company, which we deemed to be the Companies Act 2006, and Statement of Recommended Practice to charities, the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS102)).
- We obtained an understanding of how the charitable company had complied with these regulations by reviewing their treatment of transactions, reviewing minutes of meetings and discussing compliance with trustees and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and identified that income from housing benefit and service charges is most susceptible to fraud or error. We designed our audit work to test the controls in place regarding the processing of these transactions and how these controls are capable of preventing or detecting fraud or error.
- Our audit procedures gathered evidence to support the claims of the trustees whilst maintaining professional scepticism to allow us to draw our own conclusion on the matter.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

KEY COMMUNITY

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF KEY COMMUNITY YEAR ENDED 31 MARCH 2025

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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. 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.



Alison Henshaw FCCA
(Statutory Auditor)

For and on behalf of
TORGERSENS
Chartered Accountants & Statutory Auditor
East Suite, Ground Floor
Avalon House
St Catherine's Court
Sunderland
SR5 3XJ

Date 02/12/25

KEY COMMUNITY

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
INCOME					
Income and Endowments from:					
Donations	4	12,925	31,369	44,294	74,596
Charitable Activities	5	1,221,552	500,766	1,722,318	1,580,518
Investments	6	41,260	-	41,260	21,771
Total Incoming Resources		<u>1,275,737</u>	<u>532,135</u>	<u>1,807,872</u>	<u>1,676,885</u>
EXPENDITURE					
Expenditure On:					
Raising Funds	7	-	-	-	2,804
Charitable Activities	8	1,137,741	570,140	1,707,881	1,583,281
Total		<u>1,137,741</u>	<u>570,140</u>	<u>1,707,881</u>	<u>1,586,085</u>
Net Incoming/(Outgoing) Resources		137,996	(38,005)	99,991	90,800
Transfers Between Funds		68,929	(68,929)	-	-
NET MOVEMENT IN FUNDS		<u>206,925</u>	<u>(106,934)</u>	<u>99,991</u>	<u>90,800</u>
Total Funds Brought Forward		1,555,418	489,298	2,044,716	1,953,916
Total Funds Carried Forward		<u>1,762,343</u>	<u>382,364</u>	<u>2,144,707</u>	<u>2,044,716</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

KEY COMMUNITY

STATEMENT OF FINANCIAL POSITION

YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
FIXED ASSETS			
Tangible Fixed Assets	13	548,766	574,714
CURRENT ASSETS			
Debtors	14	265,348	479,921
Cash at Bank and in Hand		1,441,835	1,092,421
		<u>1,707,183</u>	<u>1,572,342</u>
CREDITORS: Amounts falling due within one year	15	<u>(111,242)</u>	<u>(102,340)</u>
NET CURRENT ASSETS		1,595,941	1,470,002
NET ASSETS		<u>2,144,707</u>	<u>2,044,716</u>
THE FUNDS OF THE CHARITY			
Restricted Income Funds	17	382,364	489,298
Unrestricted Funds	18	1,762,343	1,555,418
		<u>2,144,707</u>	<u>2,044,716</u>

The trustees acknowledge their responsibilities for: (i) ensuring that the charitable company keeps proper accounting records which comply with section 386 of the Act; and (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its incoming resources and application of resources, including its surplus or deficit for the financial year in accordance with the requirements of section 394 and 395, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the trustees on 01/12/2025 and are signed on their behalf by:

	
.....
P. Hayton	I. Ogden

Company number 05031398

The notes on pages 20 to 32 form part of these financial statements

KEY COMMUNITY

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2025

	2025 £	2024 £
Surplus for the Year	99,991	90,800
Adjustments For:		
Depreciation and impairment of tangible fixed assets	25,948	25,948
Interest receivable	(41,260)	(21,771)
Movement in Working Capital:		
(Increase)/Decrease in Debtors	214,573	(149,191)
Increase/(Decrease) in Creditors	8,902	(24,229)
	<u>223,475</u>	<u>(173,420)</u>
Cash Generated from Operations	<u>308,154</u>	<u>(78,443)</u>
Cash flows from investing activities		
Interest receivable	41,260	21,771
Investing Activities		
Purchase of Tangible Fixed Assets	-	-
Net Increase in Cash and Cash Equivalents	<u>349,414</u>	<u>(56,672)</u>
Cash and Cash Equivalents at Beginning of Year	<u>1,092,421</u>	<u>1,149,093</u>
Cash and Cash Equivalents at end of Year	<u><u>1,441,835</u></u>	<u><u>1,092,421</u></u>

The notes on pages 20 to 32 form part of these financial statements

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

1. General Information

The company is a private company limited by guarantee, registered in England and Wales, as well as being a registered Charity. The address of the registered office is 116 Baring Street, South Shields, Tyne & Wear, NE33 2BA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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)) and the Charities Act 2011.

3. Accounting Policies

Basis of Accounting

These financial statements have been prepared under the historical cost convention and in accordance with:

- i) the Statement of Recommended Practice, "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)";
- ii) the special provisions of Part 15 of the Companies Act 2006 ("the 2006 Act") relating to small companies; and
- iii) FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

The financial statements are presented in sterling (£), which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

Tangible Fixed Assets

All fixed assets are included at cost.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value of all tangible fixed assets over their expected useful lives.

Properties are maintained to such a standard that any depreciation is deemed to be immaterial.

Motor Vehicles

20% Straight Line

Incoming Resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Investment income is included when receivable.

Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Charitable activity expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between the expenditure categories of the SOFA on a basis designated to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

3. Accounting Policies (*continued*)

Going Concern

There are no material uncertainties regarding the charity's ability to continue as a going concern.

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the charitable company after deducting all of its liabilities.

Value Added Tax

Value Added Tax is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

Taxation

Due to the company's charitable operations no corporation tax is payable on the results for the year.

Fund of Accounting

Funds held by the charity are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. VOLUNTARY INCOME – DONATIONS AND GRANTS

	Unrestricted Funds	Restricted Funds	Total 2025	Total 2024
	£	£	£	£
Donations - General	12,925	-	12,925	12,642
- Food Bank	-	25,906	25,906	38,413
- Great North Run	-	-	-	501
- BUS Project	-	-	-	22,399
- Corporate	-	-	-	500
- Gift Aid	-	-	-	141
- Feeding Britain	-	5,463	5,463	-
	<u>12,925</u>	<u>31,369</u>	<u>44,294</u>	<u>74,596</u>

Income from donations in 2024 was £74,596 of which £13,784 was unrestricted and £60,812 was restricted.

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2025	Total 2024
	£	£	£	£
Anson Close Income	21,319	-	21,319	19,706
Askins Lodge – Income	559,727	-	559,727	518,744
Askins Lodge – Commissioned Services	-	57,972	57,972	53,264
Askins Cottages	165,689	-	165,689	159,189
Dispersed Properties - Income	83,110	-	83,110	78,803
Flavia House	146,981	-	146,981	130,283
Heaton Gardens	21,345	-	21,345	19,640
Hedley Close	21,345	-	21,345	19,635
Strickland House Income	118,757	-	118,757	103,062
Trinity Walk	21,115	-	21,115	14,348
116 Baring Street – Rent from flat	22,728	-	22,728	20,906
Baring Street – Rent from desks	-	-	-	137
Accommodation grant	-	52,263	52,263	48,111
Act 435	-	1,700	1,700	1,780
Ballinger Grant	20,000	-	20,000	20,000
BUS Project – Community Foundation Consortium	-	95,042	95,042	63,640
Community Foundation	-	110,690	110,690	101,896
Community Foundation – Outreach	1,000	-	1,000	15,917
Charities Trust – Nationwide	-	5,032	5,032	500
Family Intervention – BBC Children In Need	-	-	-	7,305
Food Bank - Grants	-	8,333	8,333	33,180
Greggs	12,013	-	12,013	76,434
Henry Smith	-	20,800	20,800	-
Karbon Homes	-	50,600	50,600	33,050
Leathersellers	5,364	-	5,364	-
Leeds Building Society	-	-	-	15,000
LGA	-	23,334	23,334	-
Mercers	-	-	-	10,000
South Tyneside Council – Jarrow Unit	-	35,000	35,000	-
South Tyneside Council – ILAC	-	15,000	15,000	8,000
South Tyneside Council – Grant	1,059	-	1,059	-
SMP Recovered	-	25,000	25,000	-
	-	-	-	7,988
	<u>1,221,552</u>	<u>500,766</u>	<u>1,722,318</u>	<u>1,580,518</u>

Income from charitable activities in 2024 was made up of unrestricted funds of £1,159,842 and restricted funds of £420,676.

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

6. INVESTMENT INCOME

	2025	2024
	£	£
Cash investments held in the UK	<u>41,260</u>	<u>21,771</u>

Investment income in both 2025 and 2024 was unrestricted.

7. EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds	Restricted Funds	Total 2025	Total 2024
	£	£	£	£
Advertising, marketing and development	-	-	-	2,780
Other fund raising costs	-	-	-	24
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,804</u>

Expenditure on raising funds in 2024 was £Nil restricted and £2,804 unrestricted.

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

8. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Anson Close	19,025	-	19,025	14,315
Askins Lodge	437,614	60,654	498,268	496,454
Askins Lodge – Commissioned Services	52,914	-	52,914	43,069
Askins Cottages	77,751	-	77,751	90,118
Dispersed properties	52,190	-	52,190	56,734
Flavia House	109,885	-	109,885	97,373
Heaton Gardens	12,263	-	12,263	14,150
Hedley Close	11,172	-	11,172	11,942
Strickland Hous	92,282	-	92,282	84,960
116 Baring Street – flat costs	11,716	-	11,716	10,980
Trinity Walk	14,697	-	14,697	12,956
Voids	18,484	-	18,484	9,902
Bad debts wrote off	71,339	-	71,339	53,261
Accommodation managers	-	52,924	52,924	46,720
Act 435	-	1,697	1,697	2,106
Bank charges	2,441	-	2,441	2,284
Baring Street – running costs	3,238	-	3,238	7,885
BUS Project	25,948	81,116	107,064	91,759
Communications	2,447	-	2,447	2,028
Community Foundation – Salary costs	-	-	-	19,996
Client Involvement	-	-	-	73
Charities Trust – Nationwide	-	-	-	11,917
Family Intervention – salary costs	5,299	102,653	107,952	26,580
Family Intervention - BBC Children in Need	-	15,394	15,394	32,820
Food Bank – Consumables	-	7,421	7,421	11,845
– Advertising	-	164	164	160
– Salary and costs	-	16,329	16,329	35,393
– Rent	-	7,500	7,500	8,800
– Equipment	13	-	13	-
– Van	-	2,501	2,501	2,166
– Volunteer expenses	-	402	402	665
– Cleaning	-	1,329	1,329	950
– Project Costs	-	-	-	4,940
– Office Supplies	-	621	621	1,218
Governance cost	16,928	-	16,928	7,240
HR	7,048	-	7,048	4,553
Insurance	18,428	-	18,428	15,628
IT	16,652	-	16,652	16,704
Outreach	3,804	-	3,804	5,958
Projects – salaries and costs	18,500	78,063	96,563	102,830
Jarrow Unit	-	13,580	13,580	9,443
Staff costs (employed and other workers)	29,101	-	29,101	22,188
– Consortium	-	127,792	127,792	85,603
Training	4,058	-	4,058	4,745
Travel	2,504	-	2,504	1,870
Total Resources Expended	1,137,741	570,140	1,707,881	1,583,281

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

8. EXPENDITURE ON CHARITABLE ACTIVITIES (*continued*)

Expenditure on charitable activities in 2024 was made up of £1,175,240 unrestricted and £408,041 restricted funds.

Costs are allocated, where possible, directly to the project concerned. Where this is not possible the management committee have decided upon a basis which they consider appropriate.

9. NET INCOMING RESOURCES FOR THE YEAR

	Total 2025 £	Total 2024 £
This is stated after charging the following:		
Governance costs	<u>16,298</u>	<u>7,240</u>
10. STAFF COSTS AND NUMBERS	2025 £	2024 £
Staff costs (employed only) comprise:		
Salaries	871,387	762,294
Employers NI contributions	74,120	57,901
Pension costs	40,233	28,749
	<u>985,740</u>	<u>848,944</u>

The figures for pension costs referred to above relate to KEY's contribution to Staff Pension Schemes. Two members of staff are in Stakeholder Pension Scheme and the remainder are in an auto enrolment scheme.

	2025 £	2024 £
The average number of persons employed by the trust was as follows:		
Management and Administrative	2	2
Charitable Activities	28	26
	<u>30</u>	<u>28</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2025 No.	2024 No.
£60,000 to £69,999	-	-
£70,000 to £79,999	-	-
£80,000 to £89,000	-	1
£90,000 to £99,000	<u>1</u>	<u>=</u>

Key Management Personnel

Key management personnel comprise of one employee that has authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation costs in respect of key management personnel for services provided to the charity was £94,751 (2024: £82,710).

11. TRUSTEES REMUNERATION AND RELATED PARTY TRANSACTIONS

No members of the Trustees received any remuneration during the year (2024: £Nil)

Travel and other costs of £nil (2024: £Nil) were reimbursed.

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2024: £Nil).

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

12. TAXATION

As a charity, Key Community is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or S252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

13. FIXED ASSETS - Tangible Assets

	Motor Vehicle £	Strickland House £	Heaton Gardens £	Hedley Close £	116 Baring Street £	Trinity Walk £	Total £
Cost							
At 1 April 2024	129,741	205,357	31,906	30,906	165,515	37,237	600,662
Additions	-	-	-	-	-	-	-
At 31 March 2025	<u>129,741</u>	<u>205,357</u>	<u>31,906</u>	<u>30,906</u>	<u>165,515</u>	<u>37,237</u>	<u>600,662</u>
Depreciation							
At 1 April 2024	25,948	-	-	-	-	-	25,948
Charge for the year	<u>25,948</u>	-	-	-	-	-	<u>25,948</u>
At 31 March 2025	<u>51,896</u>	-	-	-	-	-	<u>51,896</u>
Net Book Value							
At 31 March 2025	<u>77,845</u>	<u>205,357</u>	<u>31,906</u>	<u>30,906</u>	<u>165,515</u>	<u>37,237</u>	<u>548,766</u>
At 31 March 2024	<u>103,793</u>	<u>205,357</u>	<u>31,906</u>	<u>30,906</u>	<u>165,515</u>	<u>37,237</u>	<u>574,714</u>

14. Debtors

	2025 £	2024 £
Amounts due from consortium	-	25,473
Housing benefit due	204,915	376,230
Service charges due	16,425	27,432
Other debtors and prepayments	44,008	50,786
	<u>265,348</u>	<u>479,921</u>

15. Creditors: Amounts Falling due within one Year

	2025 £	2024 £
Other creditors, accruals and deferred income	111,242	102,340
	<u>111,242</u>	<u>102,340</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	548,766	-	548,766
Current assets	182,452	1,141,832	382,899	1,707,183
Current liabilities	(110,707)	-	(535)	(111,242)
Net Assets at 31 March 2025	<u>71,745</u>	<u>1,690,598</u>	<u>382,364</u>	<u>2,144,707</u>

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (*continued*) – previous year

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	574,714	-	574,714
Current assets	92,277	990,536	489,529	1,572,342
Current liabilities	(102,109)	-	(231)	(102,340)
Net Assets at 31 March 2024	(9,832)	1,565,250	489,298	2,044,716

17. ANALYSIS OF RESTRICTED FUND MOVEMENTS

	At 1 April 2024	Incoming	Outgoing	Transfers	At 31 March 2025
	£	£	£	£	£
Accommodation Grant	2,498	52,263	(52,924)	(1,614)	223
Act 435	686	1,700	(1,697)	-	689
Awards for All	2,443	-	-	(2,443)	-
Ballinger Grant	27,344	-	-	(27,344)	-
Bursary Fund	420	-	-	-	420
BUS Project	60,491	95,041	(81,116)	-	74,416
Charities Trust - Nationwide	25,883	-	(36,464)	23,964	13,383
Clothing Fund	847	-	-	-	847
Community Foundation – Outreach	2,683	5,032	-	(2,646)	5,069
Community Foundation – Rising Stars	19,896	-	(15,918)	(3,978)	-
Consortium	52,516	110,690	(127,792)	-	35,414
Family Intervention	26,443	50,600	(56,750)	16,801	37,094
Family Intervention (BBC CIN)	-	8,333	(15,394)	7,061	-
Food Bank/Support packs - funding	198,758	31,370	(19,138)	(43,907)	167,083
Jarrow Unit	-	15,000	(13,580)	(1,420)	-
Greggs	8,315	20,800	(17,129)	(8,315)	3,671
Leathersellers	-	-	(5,000)	15,000	10,000
Leeds Building Society	-	23,334	(11,599)	-	11,735
Mercers	7,486	35,000	(29,985)	2,462	14,963
Places for People	-	57,972	(60,654)	6,447	3,765
Property Purchase Grants	1,452	-	-	-	1,452
South Tyneside Council	48,997	25,000	(25,000)	(48,997)	-
Young People's Activities	2,140	-	-	-	2,140
	489,298	532,135	(570,140)	(68,929)	382,364

The transfers of £68,929 represents overspend funded by unrestricted monies and brought forward balances being spent in prior years took from unrestricted funds.

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

17. ANALYSIS OF RESTRICTED FUND MOVEMENTS (*continued*) – previous year

	At 1 April 2023 £	Incoming £	Outgoing £	Transfers £	At 31 March 2024 £
Accommodation Grant	1,107	48,111	(46,720)	-	2,498
Act 435	1,012	1,780	(2,106)	-	686
Awards for All	2,443	-	-	-	2,443
Ballinger Grant	15,012	20,000	(7,668)	-	27,344
Bursary Fund	420	-	-	-	420
BUS Project	40,263	86,039	(65,811)	-	60,491
Charities Trust - Nationwide	30,495	7,305	(11,917)	-	25,883
Clothing Fund	847	-	-	-	847
Community Foundation	1,666	15,917	(19,996)	2,413	-
Community Foundation – Outreach	2,256	500	(73)	-	2,683
Community Foundation – Rising Stars	19,896	-	-	-	19,896
Consortium	36,223	101,896	(85,603)	-	52,516
Family Intervention	19,613	66,230	(59,400)	-	26,443
Food Bank/Support packs - funding	208,218	100,710	(52,858)	-	256,070
Jarrow Unit	-	8,000	(9,443)	1,443	-
Leathersellers	-	15,000	(15,100)	100	-
LGA	-	10,000	(10,050)	50	-
Mercers	28,782	-	(21,296)	-	7,486
Property Purchase Grants	1,452	-	-	-	1,452
Young People's Activities	2,140	-	-	-	2,140
	411,845	481,488	(408,041)	4,006	489,298

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

17. ANALYSIS OF RESTRICTED FUND MOVEMENTS (*continued*)

Accommodation grants - Represents funding received towards working with young people experiencing poverty and disadvantage.

Act 435 - This represents donations received to give to individuals in hardship. ACT 435 is an online charity, directly connecting those who want to give to those who are in genuine need of their help through local church networks.

Awards for All – Represents funding received in the prior year towards salary and office costs.

Ballinger Grant – KEY receives an annual grant award of £15,000 to help with KEY's activities.

Bursary Fund - This is money KEY gives to young people as a bursary to help them overcome employment, education, and training barriers.

BUS Project – Funds were received from Community Foundation and Feeding Britain towards the salary of a project lead and bus running costs.

Charities Trust - Nationwide – Represents funds received towards tenancy retention.

Clothing Fund – This is money KEY collected previously from selling donated items on eBay and at cash for clothes towards KEY projects.

Community Foundation - Represents funds received from Growth and Resilience Fund towards infrastructure investment post supporting the development of KEY's new services in the prior year. This year funds were received towards employability support.

Community Foundation – Rising Stars – Funds received in the prior year towards supporting disadvantaged young people in South Tyneside to reach their potential.

Community Foundation – Outreach – Represents a grant received for home resettlement packs for young people moving into independent living in South Tyneside.

Consortium – This represents funding received for costs including the commissioned contract with South Tyneside Council in partnership with DePaul UK and Places for People.

Family Intervention – Funds were received from The Henry Smith Charity and BBC Children in Need towards a mediation and intervention post for 3 years.

Food Bank/Support packs is funds KEY receives for the KEY2Life Food Bank. Funds in 2024/25 were received in form of donations and grants from South Tyneside Council. In 2023/24 grants were also received from Feeding Britain, The Neighbourly Foundation, Sir James Knott and Community Foundation.

Greggs – Funds awarded to a young person from hardship fund in the prior year.

Jarrow unit – Represents funding received from the council towards a unit to hold suppliers for the food bus.

Leathersellers – Salaries for prevention and mediation team.

Leeds Building Society – To support tenancy breakdown prevention and retainment as part of the resettlement team.

LGA - Represents a contribution received to the mental health and wellbeing provision.

Mercers – Grant award towards the annual salary costs of a second Family Intervention Officer post.

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

17. ANALYSIS OF RESTRICTED FUND MOVEMENTS *(continued)*

Places for People - To support work with individuals with higher needs in supported accommodation.

Property Purchase Grants - Represents grants received towards the purchase of flats. In 2019/20 KEY received £40,000 from Clothworkers. Previously £37,237 was transferred to designated funds to fund the purchase of the Trinity Walk property.

South Tyneside Council - To support Flavia and Strickland, the Jarrow Unit and £20,000 allocations for service delivery in prevention of poverty.

Young People's Activities – Represents grant funding received to run young people's activities.

18. MOVEMENT IN FUNDS

	At 1 April 2024 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2025 £
Restricted funds					
Charity activities	489,298	532,135	(570,140)	(68,929)	382,364
Unrestricted funds					
General funds	(9,832)	1,275,737	(1,111,793)	(82,367)	71,745
Designated funds	1,565,250	-	(25,948)	151,296	1,690,598
Total Unrestricted funds	1,555,418	1,275,737	(1,137,741)	68,929	1,762,343
Total Funds	<u>2,044,716</u>	<u>1,807,872</u>	<u>(1,707,881)</u>	<u>-</u>	<u>2,144,707</u>

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

18. MOVEMENT IN FUNDS (*continued*) – previous year

	At 1 April 2023 £	Incoming Resources £	Outgoing Resource s £	Transfers £	At 31 March 2024 £
Restricted funds					
Charity activities	411,845	481,488	(408,041)	4,006	489,298
Unrestricted funds					
General funds	32,579	1,195,397	(1,152,096)	(85,712)	(9,832)
Designated funds	1,509,492	-	(25,948)	81,706	1,565,250
Total Unrestricted funds	1,542,071	1,195,397	(1,178,044)	(4,006)	1,555,418
Total Funds	<u>1,953,916</u>	<u>1,676,885</u>	<u>(1,586,085)</u>	<u>-</u>	<u>2,044,716</u>

Purposes of Restricted Funds:

Charity activities: The funding enables support to be given to young people experiencing hardship in South Tyneside to allow them to live independent and successful lives.

General Funds:

Funds available for the charitable company to use for the purposes of the charitable company without restriction.

Designated Funds:

The Trustees have decided that a designated reserve within unrestricted funds should cover operating costs for 6 months and redundancy costs should funding cease as well as reflect the value of all assets and any major works required.

Based on a "draft cash flow" for the year to 31 March 2026, six months expenditure was deemed to be £946,881 (2024: £840,261). Therefore, the transfer required for the year is £106,620.

In addition, a further amount of £26,660 is being designated for potential redundancy payments bringing the provision at the year end to £167,416 (2024: £140,816).

Included in the designated funds are amounts towards the major repairs fund £27,535 (2024: £9,459). The transfer in the year of £18,076 represents an annual transfer in the year of £30,000 less expenses on decorating and flooring incurred in the year totalling £11,924.

Based on the above, the transfer required for 31st March 2025 is £151,296.

Furthermore, funds have been designated towards fixed assets which represents the value of all assets purchased by KEY Community as shown in note 13 of £548,766 (2024: £574,714). Expenditure in the year of £25,948 reflects the depreciation on the bus.

KEY COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

18. MOVEMENT IN FUNDS (continued)

This means that the unrestricted funds shown above should be allocated as:

	£
Major repairs fund	27,535
Property fund	548,766
Redundancy payments – as at 31 March 2024	167,416
Designated funds for 6 months expenditure	946,881
	<u>1,690,598</u>

19. ANALYSIS OF CHANGES IN DEBT

	At 1 Apr 2024 £	Cash flows £	At 31 Mar 2025 £
Cash at bank and in hand	<u>1,092,421</u>	<u>349,414</u>	<u>1,441,835</u>

20. OPERATING LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 £	2024 £
Not later than 1 year	55,238	55,438
Later than 1 year and not later than 5 years	4,829	14,431
Due in more than 5 years	-	193
	<u>60,067</u>	<u>70,062</u>

21. RELATED PARTIES

During the year, the charitable company continued to work in partnership with De Paul and Places for People who are members of the South Tyneside Consortium with KEY Community. Income for the year from De Paul was £110,690 (2024: £101,896). The amounts outstanding from De Paul at the year end were £Nil (2024: £25,474). Income for the year from Places for People was £57,972 (2024: £53,264). The amounts outstanding from Places for People at the year end were £14,465 (2024: £12,428).

Churches Together South Tyneside who partner with KEY to run the Key2Life Foodbank is also considered a related party. Income from Churches Together in the current year was £nil (2024: £nil). There were no outstanding balances at the year end (2024: £nil).

22. COMPANY LIMITED BY GUARANTEE

The legal status of the Trust is that of a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £10.