

Charity no. 1152426

Key4Life CIO
Report and Audited Financial Statements
31 December 2023

Key4Life CIO

Reference and administrative details

For the year ended 31 December 2023

Charity number	1152426																
Registered office and operational address	Units 65 Easton Business Centre Felix Road Easton Bristol BS5 0HE																
Trustees	<p>The trustees who served during the year and up to the date of this report were as follows:</p> <table><tr><td>Paul Sternberg</td><td>(Chair)</td></tr><tr><td>Kathryn Brewer</td><td></td></tr><tr><td>Solomon Curtis</td><td>appointed 3 April 2023</td></tr><tr><td>Caroline Dollimore</td><td>appointed 3 April 2023</td></tr><tr><td>Michael Dooley</td><td>appointed 3 April 2023</td></tr><tr><td>Walid Yusef Haddouch</td><td>appointed 3 April 2023</td></tr><tr><td>Lindsay Healy</td><td></td></tr><tr><td>Jeremy Mark Whelan</td><td>appointed 3 April 2023</td></tr></table>	Paul Sternberg	(Chair)	Kathryn Brewer		Solomon Curtis	appointed 3 April 2023	Caroline Dollimore	appointed 3 April 2023	Michael Dooley	appointed 3 April 2023	Walid Yusef Haddouch	appointed 3 April 2023	Lindsay Healy		Jeremy Mark Whelan	appointed 3 April 2023
Paul Sternberg	(Chair)																
Kathryn Brewer																	
Solomon Curtis	appointed 3 April 2023																
Caroline Dollimore	appointed 3 April 2023																
Michael Dooley	appointed 3 April 2023																
Walid Yusef Haddouch	appointed 3 April 2023																
Lindsay Healy																	
Jeremy Mark Whelan	appointed 3 April 2023																
Chief executive officer	Eva Hamilton MBE																
Bankers	TSB Bank Marketplace Somerton Somerset TA11 7NB																
Solicitors	Jayes Collier LLP Ealing Studios Ealing Green London W5 5EP																
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD																

Key4Life CIO

Report of the trustees

For the year ended 31 December 2023

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives and activities

The objects of the charity are:

- to reduce criminal offending by promoting and supporting the rehabilitation of any offender and those at risk of offending or re-offending, and to assist them in finding employment;
- to promote the education, care and re-settlement of offenders in order to re-integrate them as valued members of society;
- to support families of offenders and communities affected by offending;
- to promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society; and
- to promote social inclusion for the public benefit amongst people who are socially excluded by providing them with an opportunity to build capacity through education and training support.

Key4Life delivers support to young men aged 18-30 as the group most likely to re-offend. Key4Life's purpose is to support these young men from marginalised communities, who, for whatever reason, have committed an offence or are at risk of offending, to give them opportunities, skills and support to lead positive lives and integrate into the world of work, their communities and families. Key4Life also works with children under 18 at risk of being caught up in knife crime.

In 2023 the charity has:

Despite the ongoing restrictions imposed by the pandemic, we have supported 139 new participants registered on Key4Life programmes in 2023 across 7 programmes. This brings the total number of participants supported by Key4Life over 900 including alumni receiving on-going support.

In addition, Key4Life reached a further 4,000 children through the outreach anti-knife programmes delivered in schools and 40 children across community holiday programmes.

Key4Life continues to grow and scale up with further programmes in HMP Fosse Way and HMP Thameside in conjunction with Serco. We also completed 2 preventative 'At Risk' programmes in London and the Southwest and we continued to work in HMP Forest Bank with Sodexo.

Key4Life has also hosted more pop-up events with the Food Cell (in memory of Jack Winter), a converted prison van designed to sell burgers at festivals and events.

The burger venture was created to help the men that are currently on the programme to gain experience and paid work in customer service, communication and to gain valuable business skills, along with hospitality and bookkeeping. In addition, the men received Level 1 and Level 2 in Food Safety and Hygiene. This proved to be an invaluable springboard for a number of the young men who have gone on to work in hospitality and catering amongst other sectors.

Key4Life CIO

Report of the trustees

For the year ended 31 December 2023

Over 60 new mentors from diverse backgrounds were trained in 2023 to mentor young men. All staff and volunteer mentors complete mandatory enhanced DBS checks before interacting with programme participants and throughout the year we implemented a training programme for staff on how to maintain boundaries with participants, identifying participants' support needs and working pro-actively rather than re-actively. In addition, all staff attend safeguarding training and risk assessment and conflict management training.

Alongside this, we also trained 12 new Key Mentors (former participants of Key4Life programme) to gain their AQA Award in Coaching and Mentoring, to allow them to provide peer support to young people coming through the programme.

In November we hosted our annual Gala Dinner where Suggs of Madness performed and showed his support for the YOUNITED Flag, a kitemark launched by Nile Rodgers in 2019 awarded to companies who employ an ex-offender for more than 6-months.

Achievements and performance

Charitable activities

In 2023, Key4Life delivered a total of 7 programmes to 195 young people. This total includes the prison, preventative and under 18's work.

A list of programmes is below:

London At Risk programme	(19 participants)
Bristol At Risk programme	(16 participants)
Southwest At Risk programme	(16 participants)
HMP Forest Bank (two programmes)	(49 participants)
HMP Fosse Way	(40 participants)
HMP Thameside	(15 participants)
Under 18s Holiday programme	(40 children reached)

Fundraising activities

Key4Life predominantly receives income from grant making trusts, organisations and individual donors. We employ one full time equivalent fundraiser who is directly managed by the Head of Operations.

Fundraising from the public is not a core strategy of the charity. We do not engage in large scale public fundraising campaigns or from street, door-to-door and private site fundraising although we do welcome gifts from individuals and philanthropists on both an ad hoc and regular basis.

In 2023 we held our Gala Dinner with Suggs of Madness performing and the event raised in excess of £100,000 for the charity.

Key4Life does work with commercial participators and third-party professional fundraisers for public facing fundraising campaigns.

We would like to express our sincere thanks to every trust, individual and business who has financially supported Key4Life over the past year. Your support makes our life changing work possible.

Key4Life CIO

Report of the trustees

For the year ended 31 December 2023

Research

Robust, independent research continues to underpin Key4Life's work, and our results have strengthened with the average reoffending rate amongst Key4Life participants for 2023 being 7% after one year and with over 65% securing work, training or meaningful occupation.

Partnerships

Key4Life has both strengthened existing, and developed new, relationships with key stakeholders including the police, councils, prisons, businesses, mentors and trusts and foundations. In 2023, Key4Life worked with new companies who supported the charity in a variety of ways, from joining as a national partner, to offering work tasters, hosting a support meeting, running an employability workshop, providing volunteer mentors for the mentoring programme, attending interview workshops and ultimately employing our young men.

These companies really do make a huge difference, both on a local level by helping a young man change his life by offering new opportunities and on a national level through corporate sponsorship.

Developments for 2024

For the forthcoming year, our focus is to continue to expand our work in prisons. Our partnership with Serco and Sodexo will allow us to expand and deliver our 7 Step model at scale. In September 2023 we started working in HMP Fosse Way, a new state of the art prison in Leicester and will be doubling our numbers for this programme in 2024.

The proven 7 Step model continues to deliver consistent results in reducing reoffending and securing employment for some of the most marginalized young men in our Society.

In addition, the work in schools is now demonstrating that Key4Life has a role to play in preventing young people from being excluded from mainstream education and falling into crime. Prevention is better than cure – over 50% of the Key4Life participants were excluded from school. We are continuing to develop the skills and abilities of our Key Mentors giving them the opportunity to progress on their professional path.

Our work with the corporate sector is a huge priority in changing the prejudices held by much of corporate Britain against those who have an offending background. The YOUNITED flag will now be awarded to more companies across the UK in recognition of their commitment to diversity and inclusion.

Financial review

Financial position

These financial statements show the results from twelve months of activity and the comparative figures report on results from a twelve-month period.

The charity does not hold any investments.

Potential risks the charity faces depend very much on the size, nature and complexity of restricted funds granted which impact the activities we undertake.

The principal funding sources for the charity are our annual events and our restricted funds as laid out on pages 19 and 21. There is no significant pension liability arising.

2023 for Key4Life has been on one level hugely exciting with a lot of activities.

Key4Life CIO

Report of the trustees

For the year ended 31 December 2023

Thanks to our generous donors, the hard work of our fundraisers and the success of our second gala dinner in four years, we made a surplus of £25,828 on our unrestricted funds following a restating on our 2022 accounts to amend our accrued income in line with the Charities Statement of Recommended Practice (SORP).

Reserves policy

Reserves are provided to ensure the financial stability of the charity and the ability for it to meet its charitable objectives for the foreseeable future. The movement in reserves is shown in the note 17 to the accounts.

Key4Life will maintain unrestricted reserves at a level that is at least equivalent to two months operational expenditure, currently calculated at £150,000. The charity meets programme delivery costs from its unrestricted reserves and is committed to delivering projects after the year end. After making provision for this committed spend, the trustees are satisfied that the uncommitted reserves are more than £150,000.

The trustees review the amount of reserves that are required to ensure they are adequate to fulfil the charity's continuing obligations at their board meetings.

Key4Life has been funded by a variety of donors also through events held. Our financial statements show a total income of £1,157,081 for the year ended 31 December 2023 with a surplus for the year across all funds of £227,631.

The balance sheet at 31 December 2023 shows total funds carried forward of £727,820 which are subsequently allocated to our programmes.

Plans for future periods

The trustees have continued to regularly review and update their governance arrangements in light of new legislation and the growth in staff numbers.

We are in the process of refreshing the organisation's strategic aims and developing a business plan to consolidate our current position, whilst also exploring new opportunities. The organisation is in a good position to continue its development and is well placed to make the most of the opportunities available to reduce criminal offending and benefit society.

Structure, governance and management

The charity is controlled by its governing document, the Association Constitution, and constitutes a limited company, limited by guarantee, as defined by the Charities Act 2011.

The financial statements comply with the Charities Act 2011, the Association Constitution, and 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 (FRS102 section 1A).

Key4Life CIO

Report of the trustees

For the year ended 31 December 2023

Public benefit

The trustees confirm that in compiling this report they have had due regard to the guidance on public benefit issued by the Charity Commission in compliance with the duty set out in section 17(5) of the Charities Act 2011.

Recruitment and appointment of new trustees and organisational structure

Trustees are appointed for their professional expertise and can serve more than one term. A term is defined as five years. Interested possible new trustees are required to attend trustee meetings to meet the team and become familiar with the governance requirements before being considered for any vacant positions.

Eva Hamilton MBE is the Founder and Chief Executive of Key4Life, responsible for the day-to-day running of the charity.

The board of trustees meet quarterly and deal with the administration of the charity encompassing the strategic vision, financial accountability and risk management. The trustees' meetings also include the AGM.

The operational management of the organisation is undertaken by the paid staff team.

2023 saw us welcome 5 new trustees to Key4Life, boasting a wealth of skills and experience to support the next phase in our development taking our total to 8 trustees on the board.

Risk management

The trustees have conducted a review of the major risks to which the charity is exposed, and systems have been established to mitigate those risks including the implementation of procedures for authorisation of all transactions and projects and for ensuring the consistent quality of the delivery of all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Key management remuneration

Key4Life's remuneration policy is designed to ensure the organisation continues to be a leading charity within the rehabilitation sector, providing high quality services for young offenders and those at risk of offending. This includes ensuring remuneration levels are sufficient both to attract high calibre staff and maintain our human resource across the organisation.

Key4Life is committed to pay being aligned to performance, while ensuring that we are able to attract and retain employees critical to delivering our strategy.

The remuneration of members of the senior management team is determined by the board of trustees.

In addition, Key4Life is committed to pay the minimum hourly rates recommended by the Living Wage Foundation.

Key4Life CIO

Report of the trustees

For the year ended 31 December 2023

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those 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 accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Members of the charity are not required to contribute to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were appointed as auditors to the charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 8 April 2024 and signed on their behalf by

paul von sternberg

Paul Sternberg - Chair

Independent auditors' report

To the members of

Key4Life CIO

Opinion

We have audited the financial statements of Key4Life CIO (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

Independent auditors' report

To the members of

Key4Life CIO

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they 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.

Our 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

Independent auditors' report

To the members of

Key4Life CIO

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation 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 risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or 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. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditors' report

To the members of

Key4Life CIO

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Godfrey Wilson Limited

Date: 9 April 2024

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Key4Life CIO

Statement of financial activities

For the year ended 31 December 2023

	Note	Restricted £	Unrestricted £	2023 Total £	Restated 2022 Total £
Income from:					
Donations	3	20,143	192,761	212,904	211,158
Charitable activities	4	610,533	180,500	791,033	526,135
Other trading activities	5	9,997	138,955	148,952	189,744
Investments		-	4,192	4,192	1,620
Total income		<u>640,673</u>	<u>516,408</u>	<u>1,157,081</u>	<u>928,657</u>
Expenditure on:					
Raising funds		-	142,589	142,589	134,346
Charitable activities		<u>438,870</u>	<u>347,991</u>	<u>786,861</u>	<u>1,004,282</u>
Total expenditure	7	<u>438,870</u>	<u>490,580</u>	<u>929,450</u>	<u>1,138,628</u>
Net income / (expenditure) and net movement in funds	8	201,803	25,828	227,631	(209,971)
Reconciliation of funds:					
Total funds brought forward		<u>137,726</u>	<u>362,463</u>	<u>500,189</u>	<u>710,160</u>
Total funds carried forward		<u><u>339,529</u></u>	<u><u>388,291</u></u>	<u><u>727,820</u></u>	<u><u>500,189</u></u>

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 accounts.

Prior period income has been restated due to a correction to the income recognition policy of multi year grants in alignment with the Charities SORP. The restatements are disclosed in note 19 to the accounts.

Key4Life CIO**Balance sheet****As at 31 December 2023**

	Note	£	2023 £	Restated 2022 £
Fixed assets				
Tangible assets	11		41,875	40,697
Intangible assets	12		43,999	43,999
			85,874	84,696
Current assets				
Stocks	13	1,500		500
Debtors	14	149,293		53,711
Cash at bank and in hand		530,119		403,100
		680,912		457,311
Liabilities				
Creditors: amounts falling due within 1 year	15	38,966		41,818
Net current assets			641,946	415,493
Total assets less current liabilities			727,820	500,189
Net assets	16		727,820	500,189
Funds	17			
Restricted funds			339,529	137,726
Unrestricted funds				
General funds			388,291	362,463
Total charity funds			727,820	500,189

Approved by the trustees on 8 April 2024 and signed on their behalf by

paul von sternberg

Paul Sternberg - Chair

Key4Life CIO**Statement of cash flows****For the year ended 31 December 2023**

	2023	Restated
	£	2022 £
Cash used in operating activities:		
Net movement in funds	227,631	(209,971)
Adjustments for:		
Depreciation charges	10,909	10,163
Loss on sale of fixed assets	2,992	-
Dividends, interest and rents from investments	(4,192)	(1,620)
Decrease / (increase) in stock	(1,000)	(500)
Decrease / (increase) in debtors	(95,582)	78,392
Increase / (decrease) in creditors	(2,852)	19,442
Net cash provided by / (used in) operating activities	<u>137,906</u>	<u>(104,094)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	4,192	1,620
Purchase of tangible fixed assets	(15,079)	(4,783)
Purchase of intangible fixed assets	-	(43,999)
Net cash provided by / (used in) investing activities	<u>(10,887)</u>	<u>(47,162)</u>
Increase / (decrease) in cash and cash equivalents in the year	127,019	(151,256)
Cash and cash equivalents at the beginning of the year	<u>403,100</u>	<u>554,356</u>
Cash and cash equivalents at the end of the year	<u><u>530,119</u></u>	<u><u>403,100</u></u>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Key4Life CIO meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

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

Income from the 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.

Contract income is recognised when the associated goods or services have been delivered.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) 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.

Notes to the financial statements

For the year ended 31 December 2023

1. Accounting policies (continued)

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) 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.

h) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff time occupied by each activity as follows:

	2023	2022
Raising funds	0%	0%
Charitable activities	100%	100%

i) Tangible fixed assets

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:

Computer equipment	33% reducing balance
Motor vehicles	20% reducing balance
Fixtures and fittings	20% reducing balance

Items of equipment are capitalised where the purchase price exceeds £500.

j) Intangible fixed assets

Intangible fixed assets are amortised at rates calculated to write off the assets on a straight line basis over their estimated useful economic lives. Impairment of intangible assets is reviewed where circumstances indicate that the carrying value of an asset may not be fully recoverable. Amortisation rates are yet to be calculated as all intangible assets are currently under development and are not ready for use.

k) Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

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.

Notes to the financial statements

For the year ended 31 December 2023

1. Accounting policies (continued)

m) 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.

n) Creditors

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.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. 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 recognised at amortised cost using the effective interest method.

p) Pension costs

The charity operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

q) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

r) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are accrued income, depreciation and amortisation as described in notes c), i) and j) respectively above.

Key4Life CIO

Notes to the financial statements

For the year ended 31 December 2023

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	Restated 2022 Total £
Income from:			
Donations	54,827	156,331	211,158
Charitable activities	339,791	186,344	526,135
Other trading activities	17,817	171,927	189,744
Investments	-	1,620	1,620
Total income	412,435	516,222	928,657
Expenditure on:			
Raising funds	-	134,346	134,346
Charitable activities	770,720	233,562	1,004,282
Total expenditure	770,720	367,908	1,138,628
Net income / (expenditure) and net movement in funds	(358,285)	148,314	(209,971)

3. Income from donations

	Restricted £	Unrestricted £	2023 Total £
Donations	20,143	192,312	212,455
Gift aid	-	449	449
Total income from donations	20,143	192,761	212,904

Prior period comparative:

	Restricted £	Unrestricted £	Restated 2022 Total £
Donations	54,827	153,622	208,449
Gift aid	-	2,709	2,709
Total income from donations	54,827	156,331	211,158

Key4Life CIO

Notes to the financial statements

For the year ended 31 December 2023

4. Income from charitable activities

	Restricted £	Unrestricted £	2023 Total £
<i>Grants:</i>			
Swire Charitable Trust	-	60,000	60,000
Crucible Foundation	50,000	-	50,000
CHK Foundation	37,500	12,500	50,000
Henry Smith	-	50,000	50,000
Land Securities Properties	50,000	-	50,000
Lendlease	40,000	-	40,000
Lloyds Foundation	33,093	-	33,093
BRIT Trust	30,000	-	30,000
Garfield Weston	30,000	-	30,000
Charles Hayward	25,000	-	25,000
HCD Memorial Fund	-	25,000	25,000
KPMG	16,700	-	16,700
John James Charitable Trust	21,000	-	21,000
City bridge	20,500	-	20,500
Dr Martens Foundation	20,000	-	20,000
Elm Tree Trust	20,000	-	20,000
The Sir Peter O'Sullivan Charitable Trust	20,000	-	20,000
Vintners Foundation	20,000	-	20,000
29th May 1961 Charitable Trust	15,000	-	15,000
Atkins Global	15,000	-	15,000
Nisbet Trust	15,000	-	15,000
IICF	10,000	-	10,000
Inner London Magistrates Court Poor Box	-	10,000	10,000
The Fairfield Charitable Trust	10,000	-	10,000
Third House Trust	10,000	-	10,000
The Beatrice Laing Trust	7,500	-	7,500
Field Family Trust	5,000	-	5,000
Joseph Levy Foundation	-	5,000	5,000
Souter Charitable Trust	-	5,000	5,000
Tabhair Charitable Trust	5,000	-	5,000
The Robert Gavron Charitable Trust	5,000	-	5,000
The Statham Family Charitable Trust	-	5,000	5,000
Individually less than £5,000	8,600	8,000	16,600
Service level agreements	<u>70,640</u>	<u>-</u>	<u>70,640</u>
Total income from charitable activities	<u>610,533</u>	<u>180,500</u>	<u>791,033</u>

Key4Life CIO

Notes to the financial statements

For the year ended 31 December 2023

4. Income from charitable activities (continued)

Prior period comparative:

	Restricted £	Unrestricted £	Restated 2022 Total £
<i>Grants:</i>			
KPMG	15,200	36,000	51,200
Henry Smith	-	50,000	50,000
Impact Partnership	54,360	-	54,360
John Lyon's Charity	40,000	-	40,000
Generation IM	-	38,500	38,500
BRIT Trust	30,000	-	30,000
Charles Hayward Foundation	25,000	-	25,000
Sony Music	25,000	-	25,000
Addison Youth	20,869	-	20,869
Leathersellers	20,000	-	20,000
Swire Charitable Trust	-	20,000	20,000
Linder Foundation	20,000	-	20,000
Thames Water	-	15,000	15,000
Sheldon Trust	10,000	-	10,000
SYP Trust	10,000	-	10,000
Vinters Foundation	10,000	-	10,000
MOPAC	9,500	-	9,500
Clothworkers Foundation	-	9,100	9,100
Organics	-	8,000	8,000
Young Londoners Fund	-	7,493	7,493
Prism the Gift Fund	3,000	-	3,000
Tom's Trust	5,355	-	5,355
B&CE Charitable Trust	5,000	-	5,000
John Coates Charitable Trust	5,000	-	5,000
OPCC / Quartet Community Foundation	2,500	-	2,500
Individually less than £5,000	9,007	2,251	11,258
Service level agreements	20,000	-	20,000
Total income from charitable activities	339,791	186,344	526,135

Key4Life CIO

Notes to the financial statements

For the year ended 31 December 2023

5. Income from other trading activities

	Restricted £	Unrestricted £	2023 Total £
Summer ball	-	138,955	138,955
Food Cell burger venture	<u>9,997</u>	<u>-</u>	<u>9,997</u>
Total income from other trading activities	<u>9,997</u>	<u>138,955</u>	<u>148,952</u>

Prior period comparative:

	Restricted £	Unrestricted £	2022 Total £
Summer ball	-	171,927	171,927
Food Cell burger venture	<u>17,817</u>	<u>-</u>	<u>17,817</u>
Total income from other trading activities	<u>17,817</u>	<u>171,927</u>	<u>189,744</u>

6. Government grants

The charity did not receive any government grants in the current or prior year.

Key4Life CIO

Notes to the financial statements

For the year ended 31 December 2023

7. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2023 Total £
Summer ball	62,145	-	-	62,145
Corporate engagement	29,911	-	-	29,911
Other fundraising costs	50,533	-	-	50,533
Project costs	-	179,940	-	179,940
Staff costs (note 9)	-	264,684	55,146	319,830
Administration and consultancy	-	108,670	31,148	139,818
Premises costs	-	36,484	-	36,484
Subcontractor costs	-	89,080	-	89,080
Depreciation	-	-	10,909	10,909
Accountancy and legal fees	-	-	10,800	10,800
Sub-total	142,589	678,858	108,003	929,450
Allocation of support and governance costs	-	108,003	(108,003)	-
Total expenditure	142,589	786,861	-	929,450

Total governance costs were £10,800 (2022: £4,800)

Key4Life CIO

Notes to the financial statements

For the year ended 31 December 2023

7. Total expenditure (continued)

Prior period comparative (restated)

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £
Summer ball	70,643	-	-	70,643
Corporate engagement	24,676	-	-	24,676
Other fundraising costs	39,027	-	-	39,027
Project costs	-	266,770	-	266,770
Staff costs (note 9)	-	275,157	55,821	330,978
Administration and consultancy	-	142,011	28,402	170,413
Premises costs	-	44,826	-	44,826
Subcontractor costs	-	176,332	-	176,332
Depreciation	-	-	10,163	10,163
Accountancy and legal fees	-	-	4,800	4,800
Sub-total	134,346	905,096	99,186	1,138,628
Allocation of support and governance costs		99,186	(99,186)	-
Total expenditure	134,346	1,004,282	-	1,138,628

Key4Life CIO

Notes to the financial statements

For the year ended 31 December 2023

8. Net movement in funds

This is stated after charging:

	2023 £	2022 £
Depreciation	10,909	10,163
Operating lease payments	15,816	15,816
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	-	105
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	9,000	-
▪ Independent examination	-	4,000
	<u> </u>	<u> </u>

Trustees' reimbursed expenses in the prior period relate to travel costs for 1 trustee.

9. Staff costs and numbers

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	291,836	300,560
Social security costs	23,889	24,437
Pension costs	4,105	5,981
	<u>319,830</u>	<u>330,978</u>

1 employee earned between £70,000 and £80,000 in the year (2022: 1, £60,000 - £70,000).

The key management personnel of the charity comprise the Trustees and the Chief Executive Officer. The total employee benefits of the key management personnel were £78,450 (2022: £73,988).

	2023 No.	2022 No.
Average head count	<u>8</u>	<u>9</u>

10. Taxation

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

Key4Life CIO

Notes to the financial statements

For the year ended 31 December 2023

11. Tangible fixed assets (restated)

	Fixtures and fittings £	Motor Vehicles £	Computer Equipment £	Total £
Cost				
At 1 January 2023	30,659	15,565	27,366	73,590
Additions in year	2,652	11,195	1,232	15,079
Disposals	-	-	(8,827)	(8,827)
At 31 December 2023	<u>33,311</u>	<u>26,760</u>	<u>19,771</u>	<u>79,842</u>
Depreciation				
At 1 January 2023	9,516	8,278	15,099	32,893
Charge for the year	4,817	3,696	2,396	10,909
On disposals	-	-	(5,835)	(5,835)
At 31 December 2023	<u>14,333</u>	<u>11,974</u>	<u>11,660</u>	<u>37,967</u>
Net book value				
At 31 December 2023	<u>18,978</u>	<u>14,786</u>	<u>8,111</u>	<u>41,875</u>
At 31 December 2022	<u>21,143</u>	<u>7,287</u>	<u>12,267</u>	<u>40,697</u>

12. Intangible fixed assets

	Computer software £
Cost	
At 1 January 2023 and at 31 December 2023	<u>43,999</u>
Amortisation	
At 1 January 2023 and at 31 December 2023	<u>-</u>
Net book value	
At 31 December 2023	<u>43,999</u>
At 31 December 2022	<u>43,999</u>

13. Stock

	2023 £	2022 £
Merchandise	<u>1,500</u>	<u>500</u>

Key4Life CIO

Notes to the financial statements

For the year ended 31 December 2023

14. Debtors

	2023 £	Restated 2022 £
Trade debtors	61,150	21,035
Prepayments	12,749	20,305
Accrued income	72,000	11,181
Other debtors	3,394	1,190
	<u>149,293</u>	<u>53,711</u>

15. Creditors : amounts due within 1 year

	2023 £	2022 £
Trade creditors	11,960	32,261
Accruals	11,100	5,026
Other taxation and social security	14,500	3,997
Other creditors	1,406	534
	<u>38,966</u>	<u>41,818</u>

16. Analysis of net assets between funds

	Restricted funds £	General funds £	Total funds £
Tangible fixed assets	-	41,875	41,875
Intangible assets	-	43,999	43,999
Current assets	344,710	336,202	680,912
Current liabilities	(5,181)	(33,785)	(38,966)
Net assets at 31 December 2023	<u>339,529</u>	<u>388,291</u>	<u>727,820</u>

	Restricted funds £	General funds £	Total funds £
Prior year comparative			
Tangible fixed assets	-	40,697	40,697
Intangible assets	-	43,999	43,999
Current assets	159,212	298,099	457,311
Current liabilities	(21,486)	(20,332)	(41,818)
Net assets at 31 December 2022	<u>137,726</u>	<u>362,463</u>	<u>500,189</u>

Notes to the financial statements

For the year ended 31 December 2023

17. Movements in funds

	At 1 January 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2023 £
Restricted funds					
Bristol & SW - At Risk	18,184	103,250	(81,929)	-	39,505
Bristol & SW - Holiday Programme	-	6,000	(4,000)	-	2,000
London - At Risk	46,809	86,917	(104,387)	-	29,339
London - Holiday Programme	-	22,500	(9,208)	-	13,292
London Schools	5,217	750	(5,967)	-	-
Equine Training & Therapy	-	40,000	(15,000)	-	25,000
Food Cell	30,599	18,140	(28,189)	-	20,550
HMP - General Fund	16,667	103,800	(35,667)	-	84,800
HMP - Forest Bank	10,000	145,493	(98,908)	-	56,585
HMP Thameside	10,250	53,823	(17,490)	-	46,583
HMP Fosse Way	-	60,000	(38,125)	-	21,875
Total restricted funds	137,726	640,673	(438,870)	-	339,529
Unrestricted funds					
General funds	362,463	516,408	(490,580)	-	388,291
Total unrestricted funds	362,463	516,408	(490,580)	-	388,291
Total funds	500,189	1,157,081	(929,450)	-	727,820

Purposes of restricted funds

Bristol & SW - At Risk	A community programme based on our innovative 7 Step model, supporting young men at risk of offending or re-offending.
Bristol & SW - Holiday Programme	A 2 day programme for under 18's during the school holidays.
London - At Risk	A community programme based on our innovative 7 Step model, supporting young men at risk of offending or re-offending.
London - Holiday Programme	A 2 day programme for under 18's during the school holidays.
London Schools	Anti-knife crime, year group presentations at schools.
Equine Training & Therapy	An integral part of the 7 step model, horses are used as a valuable therapeutic training tool across all the programmes.
Food Cell	A fitted out prison van that provides training and fundraising for our young men, selling handmade burgers at events in the UK.

Notes to the financial statements

For the year ended 31 December 2023

17. Movements in funds (continued)

Purposes of restricted funds (continued)

HMP - General Fund The general prison fund that supports all of the prison programmes.

HMP - Forest Bank A pre-release programme in the prison using the 7 Step model and then supporting the young men when they are released 'through the gate'.

HMP Thameside A pre-release programme in the prison using the 7 Step model and then supporting the young men when they are released 'through the gate'.

HMP Fosse Way A pre-release programme in the prison using the 7 Step model and then supporting the young men when they are released 'through the gate'.

Prior year comparative (restated)	At 1 January 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2022 £
Restricted funds					
Bristol & SW - At Risk	56,541	42,455	(80,812)	-	18,184
Bristol & SW - Holiday Programme	1,648	20,000	(21,648)	-	-
London - At Risk	179,797	250,735	(383,723)	-	46,809
London - Holiday Programme	14,696	11,500	(26,196)	-	-
London Schools	51,284	20,869	(66,936)	-	5,217
Food Cell	20,212	22,269	(11,882)	-	30,599
HMP - General Fund	42,920	4,000	(30,253)	-	16,667
HMP - Forest Bank	32,528	40,000	(62,528)	-	10,000
HMP - Feltham	8,073	-	(12,754)	4,681	-
HMP - Brixton	19,009	-	(19,009)	-	-
HMP Wormwood Scrubs	5,837	-	(5,837)	-	-
HMP Thameside	46,056	-	(35,806)	-	10,250
Other	12,729	607	(13,336)	-	-
Total restricted funds	491,330	412,435	(770,720)	4,681	137,726
Unrestricted funds					
General funds	218,830	516,222	(367,908)	(4,681)	362,463
Total unrestricted funds	218,830	516,222	(367,908)	(4,681)	362,463
Total funds	710,160	928,657	(1,138,628)	-	500,189

Key4Life CIO

Notes to the financial statements

For the year ended 31 December 2023

18. Related party transactions

C Dollimore, a trustee, is also a trustee of The BRIT Trust. During the year the charity received grants of £30,000 (2022: £30,000) from The BRIT Trust. No amounts were outstanding at 31 December 2023 (2022: £nil). All transactions were carried out at arms length.

W Haddouch, a trustee, is also employed at MS Amlin. During the year the charity received event income of £1,980 (2022: £nil) from MS Amlin for a table at the annual gala event. No amounts were outstanding at 31 December 2023 (2022: £nil). All transactions were carried out at arms length.

L Healy, a trustee, is also a director of Aria Grace Law CIC. During the year the charity received event income of £4,995 (2022: £5,000) and donation of £5 (2022: £nil) from Aria Grace Law for a gala table. No amounts were outstanding at 31 December 2023 (2022: £nil). All transactions were carried out at arms length.

J Whelan, a trustee, is also employed at Havas Creative Group. During the year the charity received event income of £4,995 (2022: £nil) from Havas Creative Group for a gala table. No amounts were outstanding at 31 December 2023 (2022: £nil). All transactions were carried out at arms length.

E Hamilton, CEO and Co-Founder, is also the owner of Twelve Hides. During the year the charity made purchases of £7,100 (2022: £8,450) from Twelve Hides for rental of horses. At the year end the charity owed Twelve Hides £1,600 (2022: £1,500), which is included in trade creditors. All transactions were carried out at arms length.

19. Prior period restatement

The prior year comparatives have been restated to correct income recognition in prior periods. The impact upon the prior year brought forward funds, income, and accrued income is shown below.

In addition, the prior year comparatives have been restated to reclassify support and governance costs in the total expenditure note to the financial statements. The impact upon the prior year comparatives is a reclassification only and is represented in the total expenditure note to the financial statements (note 7) and is shown below.

Also, the prior year comparatives have been restated to reclassify app development costs as an intangible asset.

Income from donations

	2022 £
Original income from donations	236,159
Accrued income adjustment	<u>(25,001)</u>
Adjusted income from donations	<u><u>211,158</u></u>

Key4Life CIO

Notes to the financial statements

For the year ended 31 December 2023

19. Prior period restatement (continued)

Income from charitable activities

	2022 £
Original income from charitable activities	530,868
Accrued income adjustment	<u>(4,733)</u>
Adjusted income from charitable activities	<u><u>526,135</u></u>

Accrued income

	2022 £
Original accrued income	299,155
Grant income adjustment 2022	(29,733)
Brought forward funds adjustment	<u>(258,241)</u>
Adjusted accrued income	<u><u>11,181</u></u>

Brought forward restricted funds

	2022 £
Original restricted funds as at 1 December 2022	649,570
Accrued income adjustment	<u>(158,240)</u>
Adjusted restricted funds as at 1 December 2022	<u><u>491,330</u></u>

Brought forward unrestricted funds

	2022 £
Original unrestricted funds as at 1 December 2022	318,830
Accrued income adjustment	<u>(100,000)</u>
Adjusted unrestricted funds as at 1 December 2022	<u><u>218,830</u></u>

Key4Life CIO

Notes to the financial statements

For the year ended 31 December 2023

19. Prior period restatement (continued) Support and governance expenditure

	2022 £
Original support and governance expenditure	4,800
Staff costs reclassification	55,821
Other overheads reclassification	<u>38,565</u>
Adjusted support and governance expenditure	<u><u>99,186</u></u>

Charitable activities expenditure

	2022 £
Original charitable activities expenditure	999,482
Staff costs reclassification	(55,821)
Other overheads reclassification	<u>(38,565)</u>
Adjusted charitable activities expenditure	<u><u>905,096</u></u>

Tangible fixed assets

	2022 £
Original tangible fixed assets NBV as at 31 December 2022	84,696
Reclassification of app development costs	<u>(43,999)</u>
Adjusted tangible fixed assets NBV as at 31 December 2022	<u><u>40,697</u></u>

Intangible assets

	2022 £
Original intangible assets NBV as at 31 December 2022	-
Reclassification of app development costs	<u>43,999</u>
Adjusted intangible assets NBV as at 31 December 2022	<u><u>43,999</u></u>