



# KEY UNLOCKING FUTURES LIMITED

## Annual Accounts 2022

Financial statements for the year  
ended 31 March 2022

Charity registration number: 1154772  
Company registration number: 8699413



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# Board of management, professional advisors and registered office

## Charitable Trustees

A Bancroft	
R Barham	
L Cubbin	Chair
E Davies	
K Grogan	
M Hallmark	Deputy Chair
S Haslam	
N Townsend	

## Company Secretary

Progress Housing Group Limited

## Principal office

Unit 2 Balfour Court, Leyland, Lancashire, PR25 2TF

## Registered office

Sumner House, 21 King Street, Leyland, Lancashire, PR25 2LW

## Auditors

BDO LLP, 3 Hardman Street, Manchester, M3 3AT

## Company details

Registered charity number: 1154772

Company number: 8699413

# Trustees' report

## Memorandum and Articles of Association

The charity is governed by its Articles of Association.

## Strategic report

### Objects

The charity's objects (Objects) are specifically restricted to the following:

- ◆ the prevention or relief of poverty for those who are vulnerable or homeless and are in conditions of need, hardship and distress;
- ◆ the relief of those in need who are vulnerable or homeless and in conditions of need, hardship or distress;
- ◆ the advancement of education of the public generally on issues affecting the said beneficiaries; and
- ◆ the advancement of citizenship or community development.

Key Unlocking Futures Limited (Key) has been successful in delivering its strategic objectives set out in its Business Plan. Despite the challenges that continue to be presented by the pandemic, Key has been successful in delivering against these objectives. Key has met and achieved all its key performance indicators from its balanced scorecard, which includes customer, financial and process indicators.

## Mission and Values

### Mission

Helping people build better lives.

### Aims

- ◆ Key will continue to build a strong and adaptable organisation working in partnership with like-minded organisations.

- ◆ Key remains focused on person led approaches to build resilient individuals so that they can move through difficult times.
- ◆ Key will continue to provide high quality support by asking people who use our services and stakeholders if we are getting it right, as well as providing learning opportunities across the team.
- ◆ Key will work to explore how we can expand our offer in related areas and whether we can sell established services in different ways.

## Values

- ◆ Value 1: Putting people first
- ◆ Value 2: Working in partnership
- ◆ Value 3: Delivering quality services
- ◆ Value 4: Being a great place to work
- ◆ Value 5: Looking to the future

## Organisational structure



# Trustees' report continued

The organisational structure above details the number of personnel employed and managed by Key

Key is linked to Progress Housing Group (the Group) by way of a Grouping Deed. Key's Board of Trustees (the board) retains responsibility for establishing Key's strategic direction and setting and managing its budget. This being said, should Key's board fail to manage the charity effectively, the Grouping Deed sets out how Progress Housing Group Limited (the Parent) can step in to rectify the situation or to make any changes. The Group has two sub committees, Audit Committee and Remuneration and Nominations Committee which support all Group companies including Key. In order to manage Key effectively within a group structure, Key works within the Group's wider financial regulations as well as having adopted a number of the Group's policies and procedures. As Key has grown in size the board made a decision in March 22 that it was now more appropriate to adopt the Charity Governance Code for larger charities and this replaces the Charity Governance Code for smaller charities. Key will continue to report compliance annually against its principles and key outcomes.

## New trustees

New trustees are recruited to Key using an open recruitment process. A vacancy is advertised and prospective candidates are asked to make an application for the role. Role descriptions are made available and suitable applicants are shortlisted and interviewed. The successful candidate is subject to appropriate due diligence prior to being recommended for appointment to the board. Once appointed, the trustee's undertake a structured induction process, which includes the history of Key and its charitable purposes, an overview of the Group and its structure, Key's Vision and Values, the Companies Act 2006, the Charities Act 2011 and the Trustees Act 2000, Charity Commission Guide – The Essential Trustee, safeguarding, Memorandum and Articles of Association, Standing Orders, Code of Governance, Code of Conduct and more. The trustees are required to confirm their fitness to act against a range of criteria on an annual basis.

## Significant activities

- ◆ Key's largest source of funding is to deliver an early intervention service to improve children and young people's emotional health and wellbeing. This is funded by Lancashire County Council. This service has a significant 'payment by results' element. The staffing used to deliver this service is predominantly of a therapeutic nature. Key in a partnership led by Child Action North West have successfully retained this contract for the next three years.
- ◆ During the year Key took over the management of three supported housing schemes for people who have experienced homelessness, Foundations in Preston for people of all ages and The Bridge and Parker House in Chorley which house young people.
- ◆ During the year Key also took over the management of Refuge services and manages Clare House Refuge in South Ribble and Chorley Refuge. Domestic Abuse services have expanded and include additional domestic abuse outreach staffing as well as staffing to deliver a healthy relationships training package to secondary school pupils in South Ribble and Chorley. Funding comes from a number of sources including Lancashire County Council, and The Office of the Police and Crime Commissioner.
- ◆ South Ribble and Chorley Borough Council - funding supports drop in services that work with young people who are at risk of or are experiencing homelessness. Key failed to retain the contract to deliver a floating support contract funded by South Ribble Borough Council.
- ◆ Big Lottery - Help Through Crisis funding that provides support to homeless young people to resolve the crisis and to prevent the crisis reoccurring came to an end this year.
- ◆ Children In Need funding - this contributes to the costs of Key's Employment Coaching Project, which supports vulnerable young people to build their confidence and to enter work, training or education as well as funding our Assets Coach role. The funding for this project came to an end during the year and the continuation of employment support is now funded as part of the More Positive Together- Steps programme in partnership with Active Lancashire.

# Trustees' report continued

- ◆ Key has additional funding from Children In Need to support its family conflict resolution service and this has been extended and now also covers 2022/23.
- ◆ Key continues to deliver tenancy related support to those placed in interim/temporary accommodation funded by Fylde Borough Council.
- ◆ Over the last year Key has continued to be funded by Progress Housing Group to provide Critical Tenancy Support to tenants who are at high risk of losing their tenancies.
- ◆ Key has further developed its Community Work focussed at The Base on the Broadfield Estate in Leyland including the The Base-One Stop which is a community food project and a community café.
- ◆ Key has started to build relationships with business during the year and has attracted corporate donations to support its operations.

## Coronavirus (COVID-19)

Key have considered the potential impacts to the charity arising from the Coronavirus pandemic. While recognising the risk has reduced, the main area of risk is regarding the Emotional Health and Wellbeing contract which is our largest income contract.

Lancashire County Council who fund this work have varied the payment terms for the year in order to help mitigate some of the financial risks, payments remain based on the number of referrals but do not require cases to be successfully completed.

**'I cannot thank Key enough since getting help with sorting out my debts, I've got a new job and feel like I've got my life back'**

**'Thanks to Key for the first time in a very long time I finally feel like me again'**

## Financial Review

Income has increased significantly from £768k in 2020/21 to £1,033k in 2021/22. Costs have increased from £582k, to £884k resulting in net income of £149k. Total funds are £722k at 31 March 2022. Much of this increase relates to Key taking over the provision of support services at a number of supported housing schemes operated by Progress Housing Association that provide accommodation and support for people who have experienced homelessness as well as an increase in provision of support for people affected by domestic abuse.

The Emotional Health and Wellbeing contract continues to be the funding stream where the income varies. This is due to the payment by results nature of the contract. A revised payment mechanism has been in place throughout the year because of the pandemic and strong performance has meant that expected income had been increased during the year. The budget is set prudently to allow for a range of factors that can negatively impact on performance. The trustees have continued to focus on ensuring that sufficient cash flow is available to cover related costs.

Key, in conjunction with Child Action North West, will continue to deliver this Emotional Health and Wellbeing service in the coming year.

# Trustees' report continued

## Key Performance Indicators

Key have continued the approach to performance management adopted last year that includes the quantitative indicators below but this is now supplemented by a range of qualitative information which offers greater insight.

Key Objective	Performance Indicator	Target	Actual
<b>Supporting People to reach their potential</b>	% of young people given employment coaching who have gone into employment training or education	75%	98%
	% of young people who have sustained education, employment or training for 3 months	80%	88%
<b>Support people to develop self-confidence and wellbeing</b>	% of Key service users who show an improvement in their wellbeing	95%	98%
<b>Prevent Homelessness</b>	% of Key clients who achieve a positive outcome.	75%	99%
<b>Strengthening families</b>	% of Families we work with who make positive changes.	95%	100%
	% of cases where increased communication and reduced conflict is reported when the case is followed up 1 month after case closure.	95%	98%

# Trustees' report continued

## *Principal funding sources*

The principal funding source for Key is funding income from Lancashire County Council. In addition we have funding from South Ribble Borough, Chorley Borough and Fylde Borough Councils, Progress Housing Group, the European Social Fund, The Office of the Police and Crime Commissioner and a number of grant making foundations. Key has started to diversify its funding streams and this includes a number of corporate donations during the year. This is an ongoing task as none of Key's income is long term. Key are grateful to the corporate donors who have supported us during the financial year.

## *Investment Policy*

Aside from retaining a prudent amount of reserves each year, most of Key's funds are to be spent in the short-term and therefore Key does not retain any funds for long-term investment. It is necessary for Key's reserves to remain accessible due to the volatility of the funding climate and to ensure that there are sufficient funds to manage its cash flow linked to the payment by results contract.

## *Reserves Policy*

Key's board have examined the charity's requirements for reserves considering the main risks to the organisation. It has established a policy whereby reserves are held to cover redundancy, sickness and running costs at a level between three and six months. The reserves are needed to meet the working capital requirements of the charity which are significant especially with the continuation of the payment by results contract. In addition the trustees have designated £40,000 towards the development costs of The Base Mark 2 (a new community centre). The board will also consider, on an on-going basis, the extent to which existing activities and expenditure could be curtailed should such circumstances arise.

## *Going Concern*

The trustees continue to adopt the going concern basis of accounting after considering its financial position at 31 March, its long term financial plan, its reserves policy, risk management and the ongoing impact of COVID-19, all as detailed in this strategic report. The main factor for Key is how contracts are managed, contract retention continues to be good, however, when contracts are lost Key's management are able to take immediate action to reduce costs at the same time as loss of income. On this basis, the trustees have a reasonable expectation that Key has adequate resources to continue in operational existence for the foreseeable future.

## *Future plans*

Key has been successful in diversifying its services and will maintain a clear focus on providing high quality, flexible, individually tailored services during the next financial year.

Key will be working to develop a business case and to draw in additional funding to develop a community centre - The Base Mark 2 that will offer more space than the current Base Community Centre.

Key will work to raise its profile in order to generate some fundraising income.

Key will continue to deliver on its expanded geographic footprint next year as part of a partnership that will deliver Emotional Health and Wellbeing services commissioned by Lancashire County Council. Key will deliver services across Lancashire.

**'The only  
Way I can  
describe Key's support  
is to say an angel was  
brought into my life  
called Laura'**



# Trustees' report continued

**'staff at the scheme are easy to talk to and help people when they need it. I can't believe how nice and big the flat was where I stayed'**

## *Risk management*

The board has conducted a review of major risks to which the charity is exposed. A strategic risk register is updated on a regular basis. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. There are significant external risks to funding but during the year Key successfully retained its largest contract for a further three years. The Business Plan highlights the need to diversify funding streams and there has been some success with this ongoing task.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These have been strengthened as a result of becoming part of the Group. In addition, Key has retained its Investors in People (IIP) accreditation as part of the Group.

Procedures are in place to ensure compliance with health and safety of staff, volunteers and people supported by our services and visitors to Key's premises. Key is operating a hybrid way of working with significant level of home working for some. People are receiving support remotely as well as in person.

Key has been successful in retaining ISO 9001 compliance alongside other members of the Group. Key is committed to the on-going evaluation of all its services including undertaking a wide range of stakeholders'

## *Governance*

The Board of Key Unlocking Futures reviews the performance of individual Trustees, including the Chair, on an annual basis. The 2021-22 appraisal process was externally facilitated. Key Unlocking Future Board has set time aside, to consider its effectiveness, during meetings held throughout 2021-22, covering such topics as succession planning, skills informed recruitment and effective board reporting.

Following its annual review of the charity's compliance with the provisions of 'the Charity Governance Code for larger charities', the Board of Trustees has concluded that it meets the principles set out within the code. The board is committed to continuous improvement and further embedding the requirements of the code.

## *Public benefit*

The charitable work that Key undertakes through its trustees and employees is to provide services to people who are in need, hardship or distress due to homelessness or the threat of homelessness and to provide a range of services that relieve these conditions and promote their health and wellbeing. In addition, the Objects of the charity are progressed by delivery of services to vulnerable people that find themselves in conditions of need or distress due to their family or personal circumstances.

The charity provides these services free at the point of access, which ensures that its service users are not prohibited from access to services on the basis of cost. Many of the services can only be accessed by specified referral routes. Systems are in place to ensure that all referrals accepted are in line with Key's charitable objectives.

**'the team have encouraged, supported and looked out for me and told me how proud they are of my progress'**

# Trustees' report continued

## The benefits of Key's services to its clients include:

- ◆ access to safe, affordable accommodation, either short or long term, thereby avoiding the dangers of unsafe sofa surfing or rough sleeping;
- ◆ Refuge accommodation for women and families fleeing Domestic Abuse and Domestic Abuse Outreach Services;
- ◆ accommodation with support for young people and adults who have experienced homelessness;
- ◆ appropriate support, advocacy and information and life skills training, enabling them to maintain and keep a tenancy and avoid the 'revolving door' syndrome of repeat homelessness;
- ◆ mediation/family therapy where they can return to a better family situation, reducing the risk of homelessness and family conflict;
- ◆ exploring their problems through therapy to help them focus on a more positive future;
- ◆ learning about their options for training and employment with the support of our employment coach to help them become more confident and self-sufficient;
- ◆ improving their emotional health and wellbeing by working on a range of creative strategies to build resilience of young people and their families;
- ◆ working with children and families to offer specialist support for children with autism so that families can improve their knowledge and strategies to help children and young people have a brighter future;
- ◆ being involved in running or taking part in a range of community activities from The Base in Leyland and;
- ◆ being able to access high quality food at a low cost through The Base-One Stop.

In discharging their duties the trustees ensure that through their business planning and policy decisions that the Objects of the charity are furthered by providing services to its charitable beneficiaries in the furtherance of its public benefit purposes.

The trustees have due regard to guidance produced by the Charity Commission.

**'My key worker is someone I can talk to and who I trust, who says and does what he says he will do. He listens and provides honest feedback'**

## Statement of disclosure to the auditors

At the time of approval of this report:

- a) so far as the Board of Trustees is aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- b) the Board of Trustees has taken all steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

## Annual General Meeting

The Annual General Meeting of Key Unlocking Futures Limited will be on 27 September 2022.

Approved by order of the Trustees' and signed by order of the Trustees.

DocuSigned by:

*Lynne Cubbin*

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Lynne Cubbin

Trustee Director  
13 September 2022

# Statement of Trustees' responsibilities

**'I feel supported and know I'm not alone'**

The trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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;
- ◆ make judgements and accounting estimates that are reasonable and prudent; and
- ◆ 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

**'Key helped me find somewhere to live when I was sleeping rough in the local park. They helped me find a work placement. This keeps me busy and has given me a routine. I'm looking forward to getting my own place in the future.'**

# Independent auditor's report to members of Key Unlocking Futures Limited

## *Opinion on the financial statements*

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Key Unlocking Futures Limited ("the Charitable Company") for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

## *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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## *Independence*

We remain independent of the Charitable Company in accordance with the ethical requirements 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.

## *Conclusions related to going concern*

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

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

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

## *Other information*

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

# Independent auditor's report to members of Key Unlocking Futures Limited continued

## *Other Companies Act 2006 reporting*

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

- ◆ the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Directors' Report, which is included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustee's 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 Directors' 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 Statement of Trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

## *Auditor's responsibilities for the audit of the financial statements*

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

# Independent auditor's report to members of Key Unlocking Futures Limited continued

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

Based on our understanding and accumulated knowledge of the Charitable Company, and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to its registration with the Charities Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements or its continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the Charities Statement of Recommended Practice (SORP) 2019 and tax legislation. All audit team members were briefed to ensure they were aware of any relevant regulations in relation to their work, areas of potential non-compliance and fraud risks.

We evaluated managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of an override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Our audit procedures in response to the risks identified above included, but were not limited to:

- ◆ agreement of the financial statement disclosures to underlying supporting documentation;
- ◆ challenging assumptions made by management in their significant accounting estimates in particular in relation to the recoverability of balances outstanding at the year end;
- ◆ discussions with, and inquiries of, management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- ◆ enquires to confirm with management that there was no legal correspondence during the period, or post year end, requiring review;
- ◆ obtaining an understanding of the control environment in monitoring compliance with laws and regulations;
- ◆ review of relevant registers such as those associated with risk and fraud;
- ◆ identifying and testing journal entries identified as potentially unusual, in particular considering whether there any journal entries posted by staff members with privileged access rights or key management;
- ◆ a review of minutes of meetings of those charged with governance both during the period, and post year end;
- ◆ considering internal audit findings; and
- ◆ considering whether there is any correspondence with HMRC and the Charities Commission.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

# Independent auditor's report to members of Key Unlocking Futures Limited continued

## *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.

DocuSigned by:

*Hamid Ghafoor*

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**Hamid Ghafoor**

(Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory Auditor  
Manchester, UK

Date **22 September 2022**

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Statement of Financial Activities

		Unrestricted Funds 2022	Restricted Funds 2022	Total Funds 2022	Total Funds 2021
	Notes	£	£	£	
<b>Income from:</b>					
Donations	2	9,731	-	9,731	3,745
Investments	3	273	-	273	434
Charitable activities	4	938,928	83,850	1,022,778	763,722
<b>Total</b>		<b>948,932</b>	<b>83,850</b>	<b>1,032,782</b>	<b>767,901</b>
<b>Expenditure on:</b>					
Charitable activities	5	(804,041)	(76,831)	(880,872)	(578,906)
Governance costs	5	(3,034)	-	(3,034)	(2,740)
<b>Total</b>		<b>(807,075)</b>	<b>(76,831)</b>	<b>(883,906)</b>	<b>(581,646)</b>
<b>Net income for the year</b>		<b>141,857</b>	<b>7,019</b>	<b>148,876</b>	<b>186,255</b>
<b>Net movement in funds</b>		<b>141,857</b>	<b>7,019</b>	<b>148,876</b>	<b>186,255</b>
<b>Reconciliation of funds</b>					
Funds brought forward	11	572,504	120	572,624	386,369
Movement of funds in the year	11	141,857	7,019	148,876	186,255
<b>Total funds carried forward</b>	11	<b>714,361</b>	<b>7,139</b>	<b>721,500</b>	<b>572,624</b>



# Balance Sheet

as at 31 March 2022

	Notes	Total funds 2022 £	Total funds 2021 £
<b>Current Assets:</b>			
Debtors	9	120,837	15,934
Cash and Cash equivalents		710,665	613,524
<b>Total current assets</b>		<b>831,502</b>	<b>629,458</b>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	10	(110,002)	(56,834)
<b>Net current assets</b>		<b>721,500</b>	<b>572,624</b>
<b>The funds of the charity:</b>			
Restricted funds		7,139	120
Unrestricted funds		714,361	572,504
<b>Total charity funds</b>	11	<b>721,500</b>	<b>572,624</b>

The notes on pages 18 to 25 form an integral part of the financial statements.

The financial statements on pages 16 to 17 were approved by the Board of Trustees on 20 July 2022 and were signed on its behalf by:

DocuSigned by:  
  
 Lynne Cubbin  
 Trustee Director

DocuSigned by:  
  
 Kaye Grogan  
 Trustee Director

DocuSigned by:  
  
 Deborah Atherton  
 On behalf of Progress Housing Group Limited

Company Number: 8699413  
 Date: 13 September 2022

# Notes to the financial statements

for the year ended 31 March 2022

## 1 Accounting policies and basis of accounting

Key Unlocking Futures Limited is a private company limited by guarantee registered in England company number 8699413 and is a registered charity number 1154772.

### *(a) Fund accounting*

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

### *(b) Basis of accounting*

The financial statements of Key Unlocking Futures Limited are prepared on an accruals basis in accordance with applicable financial reporting standards in the UK, FRS102 and the Charities Statement of Recommended Practice (SORP) issued in 2019.

### *(c) Incoming resources*

All incoming resources are included in the Statement of Financial Activities on an accruals basis relating to the period of the financial statements. Where income is subject to certain performance conditions, income is recognised when the conditions are met.

### *(d) Resources expended*

All expenditure is included in the Statement of Financial Activities on an accruals basis relating to the period of the financial statements.

### *(e) Going concern*

The charity's activities with the factors likely to affect its future development and position are set out in the report of the Trustees.

On the basis of their assessment of the charity's financial position, its long term financial plan, its reserves policy, risk management and the ongoing impact of COVID-19 the Trustees have a reasonable expectation that the charity will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### *(f) 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.

### *(g) Judgements and key sources of estimation uncertainty*

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The directors do not consider there to be any significant estimates or judgements in the preparation of the financial statements.

# Notes to the financial statements continued

## for the year ended 31 March 2022

### 2. Donations

	Unrestricted 2022	Unrestricted 2021
	£	£
Private and Corporate Donations	9,731	3,745

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### 3. Investment income

Investment income is interest earned from a savings account from which funds are immediately accessible.

# Notes to the financial statements continued

for the year ended 31 March 2022

## 4. Incoming resources from charitable activities

	Unrestricted 2022	Restricted 2022	Total 2022	Unrestricted 2021	Restricted 2021	Total 2021
	£	£	£	£	£	£
Emotional Health	384,330	-	384,330	402,567	-	402,567
Homelessness	264,543	-	264,543	-	-	-
Progress Housing Association Critical Tenancy Support Local Authority Commissioners	82,416	-	82,416	80,536	-	80,536
Community Development Healthy Relationships / Domestic Abuse	80,236	15,000	95,236	94,137	-	94,137
Merriweather Grant	54,168	7,925	62,093	32,521	-	32,521
ESIF Grant Income	33,438	16,856	50,294	-	-	-
Financial Inclusion	17,611	-	17,611	12,643	-	12,643
Other	9,004	-	9,004	-	-	-
Children in Need	8,000	-	8,000	-	-	-
Big Lottery Help through Crisis Fund	5,182	4,591	9,773	7,803	7,140	14,943
Wellbeing Challenge	-	28,808	28,808	-	51,530	51,530
Nationwide Grant	-	10,670	10,670	-	30,698	30,698
Awards for All	-	-	-	-	11,500	11,500
Government Grant (Furlough)	-	-	-	-	21,113	21,113
	-	-	-	-	5,648	5,648
	-	-	-	5,886	-	5,886
	938,928	83,850	1,022,778	636,093	127,629	763,722

# Notes to the financial statements continued

for the year ended 31 March 2022

## 5. Total resources expended

	Unrestricted 2022	Restricted 2022	Governance 2022	Total 2022	Unrestricted 2021	Restricted 2021	Governance 2021	Total 2021
	£	£	£	£	£	£	£	£
<b>Activities undertaken directly</b>								
Trustee expenses	-	-	-	-	37	-	-	37
Staff costs	527,331	39,762	-	567,093	294,625	99,691	-	394,316
Travel	10,499	291	-	10,790	5,871	503	-	6,374
Other	20,757	23,826	-	44,583	17,525	8,307	-	25,832
<b>Support Costs</b>								
General office costs	37,201	4,595	-	41,796	31,362	3,050	-	34,412
Staff costs	201,972	8,357	3,034	213,363	98,620	13,534	2,740	114,894
Training	2,959	-	-	2,959	2,290	-	-	2,290
Premises	2,844	-	-	2,844	3,145	-	-	3,145
Bank charges	478	-	-	478	346	-	-	346
	804,041	76,831	3,034	883,906	453,821	125,085	2,740	581,646

Total costs include auditors' remuneration of £4,000 (exclusive of VAT) (2021: £4,000)

## 6. Wages and salaries

	2022	2021
	£	£
Wages and salaries	703,949	462,786
Social security costs	58,862	35,305
Other pension costs	18,263	10,635
<b>Total</b>	<b>781,074</b>	<b>508,726</b>

No employees received emoluments of more than £60,000

# Notes to the financial statements continued

## for the year ended 31 March 2022

### 6. Wages and salaries continued

The average number of persons employed during the year was:

	2022	2021
Administration Staff	26	18
	26	18

Full time equivalents are calculated based on a standard working week of 36.5 hours for all employees. The services of 20 volunteers were used in the performance of charitable activities during the year.

### 7. Trustee remuneration and related party transactions

There were nil expenses (2021: £37) paid to any members of the Board of Trustees during the year (2021: One) to cover travel and other related costs incurred by them in the fulfilment of their duties.

During the year the charity had the following intra-group transactions with companies controlled by Progress Housing Group Limited, the ultimate parent company

Purpose	Payment to	Payment from	2022	2021
Charitable activities	Key Unlocking Futures	Progress Housing Association Ltd	251,053	108,532
Corporate services received	Progress Housing Group Ltd	Key Unlocking Futures	24,000	22,374

Related party transactions between Key Unlocking Futures Ltd and Progress Housing Association Ltd consist of Critical Tenancy Support, Community Development project and from 2021-22 also management fees associated with Single Homeless schemes, Refuge and Income Collection.

At the end of the year £40,738 was owed by companies controlled by Progress Housing Group Limited to Key Unlocking Futures Limited (2021: £7,534 owed by Progress Housing Group).

# Notes to the financial statements continued

## for the year ended 31 March 2022

### 8. Taxation

As a charity, Key Unlocking Futures Limited is exempt from tax on income and gains falling within sections 466 to 493 of the Corporation Tax Act 2010 or s256 of the Taxation of Charitable Gains Act 1992 to the extent that these are applied to its charitable objectives.

### 9. Debtors

	2022	2021
	£	£
Amounts falling due within one year :		
Prepayments and accrued income	24,005	-
Amounts owed by group companies	40,738	7,534
Trade Debtors	56,094	8,400
	120,837	15,934
	120,837	15,934

Amounts due from group companies are repayable on demand and do not attract interest.

### 10. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	91,472	44,933
Employer Liabilities	18,430	11,833
Trade creditors	100	68
	110,002	56,834
	110,002	56,834

Standard payment terms are 30 days from date of invoice.

Included in the accruals and deferred income is £40,478 unrestricted and £40,000 restricted income (2021: £36,222 and £7,523) which relates to income received that will fund activities commencing April 2022.

# Notes to the financial statements continued

for the year ended 31 March 2022

## 11. Movement in funds

	1st April 2021	Increase in funds in the year	Transfers between funds	31st March 2022
	£	£	£	£
Restricted Reserves	120	7,019	-	7,139
Unrestricted Reserves - Designated	572,504	-	66,786	639,290
Unrestricted Reserves - General Funds	-	141,857	(66,786)	75,071
<b>Total Funds</b>	<b>572,624</b>	<b>148,876</b>	<b>-</b>	<b>721,500</b>
	1st April 2020	Increase in funds in the year	Transfers between funds	31st March 2021
	£	£	£	£
Restricted Reserves	(2,424)	2,544	-	120
Unrestricted Reserves - Designated	388,793	-	183,711	572,504
Unrestricted Reserves - General Funds	-	183,711	(183,711)	-
<b>Total Funds</b>	<b>386,369</b>	<b>186,255</b>	<b>-</b>	<b>572,624</b>

There have been no transfers from these reserves for any purpose other than those for which the reserve was created.

Surplus transferred to designated reserves is in line with the reserves policy for holding three to six months running costs.



# Notes to the financial statements continued

## for the year ended 31 March 2022

### 12. Cash flow

Under FRS102 the Trustees have decided not to publish a cash flow as a cash flow statement is produced for the Group consolidated accounts.

### 13. Ultimate Parent company

Progress Housing Group Limited is the ultimate parent company of Key Unlocking Futures Limited. Progress Housing Group Limited IP28685R consolidated financial statements can be obtained from the Group's website or from the Company Secretary at the registered office:

Sumner House  
21 King Street  
Leyland  
Lancashire  
PR25 2LW



**w:** [www.keyyouthcharity.org.uk](http://www.keyyouthcharity.org.uk)

**e:** [help@keyyouthcharity.org.uk](mailto:help@keyyouthcharity.org.uk)  
01772 678979

2 Balfour Court, Leyland,  
Lancashire, PR25 2TF



**Key Unlocking Futures Limited**

is a subsidiary of Progress Housing Group Limited.  
Key Unlocking Futures is registered as a Company Limited by  
Guarantee No. 8699413 and a Registered Charity No. 1154772

**VAT registration number 712 6635 46.**

Registered office for the Group and all subsidiaries:  
Sumner House, 21 King Street, Leyland, Lancashire, PR25 2LW