

CHANGING FACES

**A Registered Charity
A Company Limited by Guarantee**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31st MARCH 2021

**Haysmacintyre LLP
Chartered Accountants
Registered Auditors
London**

**Registered Charity number: 1011222
Company Registration Number: 02710440
Charity registered in Scotland: SC039725**



CHANGING FACES

REPORT OF THE TRUSTEES for the year ended 31st March 2021

I would like to begin my report by reflecting on the contribution to our charity of our founder and CEO for over 25 years, James Partridge. James set the strategy, the philosophy, the ambition, and the ethics of Changing Faces when he founded the charity in 1992. Most importantly, he set out the challenge of tackling discrimination against people who have a scar, mark or condition that makes them look different. We continue to campaign and fight for a society in which every person with a visible difference is treated fairly and with respect. James's sudden passing in August last year served to remind us of our responsibilities to his vision. Hopefully this report will demonstrate how we are carrying on the work James began. He was a truly inspirational leader, and he will be sadly missed by all of us.

Changing Faces has shown great resilience and adaptability in the face of the very significant challenges posed by the COVID-19 pandemic. I am enormously proud of what has been achieved this year and the way the team have responded at a time of unprecedented uncertainty and change in our day-to-day lives.

2020/21 was to be the last of an ambitious three-year strategy for our charity, looking to focus on anchoring the significant transformation of our service and campaigning work, and investing further in our fundraising and digital capacity so that we could continue to grow our reach and impact in our next strategic plan.

Of course, like so many charities, our original plan for the year significantly altered as we adapted to both the operational and financial impacts of the pandemic. Our team was quick to respond to changing circumstances. As a result of prudent planning, we entered the pandemic in a relatively strong financial position. However, with so much uncertainty, the Board of Trustees decided that our modus operandi would be to focus our resources fully on those activities delivering the greatest impact for our community during this crisis, whilst trying to emerge from it with the capacity to invest for expansion once we were operating in a more stable environment. Whilst that required our team to make some very difficult decisions, as I write, it appears that our objective has been achieved.

During the early weeks of the pandemic, the Board decided to form a COVID sub-committee to ensure that the executive team had a speedy and responsive mechanism to access support and advice from the Board. At the same time, this sub-committee was able to ensure that good governance practices were maintained. Whilst I do not normally choose to single out Trustees, I am particularly grateful to Susan Harrison, Bridget Gardiner, Nicola Sawford, and Elissa Holme, who all made a significant commitment to the charity in serving on that committee.

In March, we suspended our Skin Camouflage and Schools' services in line with Government and NHS advice. Both services sadly remained closed throughout the year, although with the hard work and commitment of these teams we are now getting these going again. Meanwhile, our Wellbeing Team acted quickly to adapt our critical specialist services to digital delivery, including moving our face-to-face counselling sessions for young people, parents, and adults online. We also offered support via our Support & Information Line, online support forum, factsheets, online CBT programme and Peer Support programme. Last year, we were proud to support around 18,000 people with visible differences across the UK. Those we supported talk about the relief and dignity of finally being taken seriously and listened to, and the new confidence from having the skills to cope and thrive.

Throughout the year we listened carefully to the needs of our community and published an excellent new series of factsheets and podcasts responding directly to COVID-related needs. Our communications team worked hard to ensure that the unique experiences and voices of people with visible differences were heard during the pandemic. This involved working closely with our campaigners and ambassadors so that their thoughts on key issues such as lockdown easing, the

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challenges of video calls and wearing masks/face coverings were talked about in the media and heard by key policy makers. The voices of those we support led the way in interviews with the Financial Times, BBC Breakfast, BBC Radio Four's Today programme and many more. Critically, we continued our strategic focus on digital transformation and data – and were delighted to launch our new website and highly effective donations platform during the year. We also began important work on a new impact framework.

We have remained absolutely focussed on financial sustainability and resilience. We introduced vital cost controls and sadly also said goodbye to some valued colleagues in areas where services had been directly affected by the pandemic, during a restructure in autumn 2020.

Despite expecting a significant deficit this year, we are delighted to have delivered a surplus at year end, thanks to the excellent efforts of our fundraising team, a very careful cost control programme and the receipt of three exceptional legacies, for which we are enormously grateful. These legacies have made a major difference to our position going into 2021/22. They will be invested to help us continue to respond to the evolving, growing needs of our community, and in rebuilding and strengthening our key services and infrastructure post-pandemic during the year ahead.

Given the exceptional circumstances of last year, we took the decision to extend our current strategic plan – to allow us more time to complete our intended programme of work and undertake our next strategic review to plan for the future. Therefore, our programme for the year ahead prioritises rebuilding our skin camouflage service, launching a greatly enhanced offer for children and young people, and expanding our adult wellbeing offer.

In this context, our CEO Becky Hewitt took the decision to step down in the Spring of 2021 – so that a new CEO could lead the process of planning for our future and take Changing Faces forward into its next phase. I would like to take the opportunity to thank Becky for her excellent work during this period of significant change and transformation and to welcome our new CEO Heather Blake. I am also delighted that Becky was awarded an OBE in the 2021 Queen's Birthday Honours list for her work with Changing Faces.

The injustices and mental health challenges faced by people with visible differences remain acute. People with visible differences also face new and growing difficulties because of the pandemic. Our ambition to secure change means that despite this extraordinary year, our small charity has had to dig deep to deliver huge impact for our community, whilst maintaining secure financial foundations.

As a Board of Trustees, we know that the combined effort of our loyal friends, volunteers, campaigners, and supporters is essential for us to achieve our goals. On behalf of the Board of Trustees, I would like to thank every one of the people who selflessly and generously gave their time, money and voices this year.

I would also like to thank three long serving Trustees who stepped down from our Board during the year. Chris Walker, Tony Cline and Nicola Sawford have all made a significant contribution to the charity, in quite different ways. They will all be missed. In addition, we were very sad to learn of Richard Morris's untimely and sudden passing during 2020. As a long-term supporter and, recently, a Trustee he will be sorely missed.

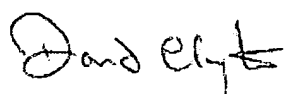
I am delighted to welcome three new Trustees to our Board. I am sure Tiwonge Chipeta, Monica Gizzi and John Ashcroft will all make significant contributions to Changing Faces in their new roles.

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Our work has been greatly strengthened and amplified by the partnership and friendship of our community and sector – including the Appearance Collective, Face Equality International and many other academic, research and campaigning partners. It is a great pleasure to work alongside you. I would also like to thank my fellow Trustees who have contributed so much this year – and whose skills and judgement are so important to the charity achieving its goals.

Finally, I would like to thank again the leadership and staff team at Changing Faces, past and present, for their tenacity, imagination, creativity, and hard work in ensuring that the charity continues its essential work. I know there have been moments of extreme pressure, difficulty, and uncertainty over the past year, but I also know that we have the ambition, dedication, and talent to achieve our long-term goals.



David Clayton

Chair of the Board of Trustees

22 July 2021

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Objectives and Activities

Changing Faces is the UK's leading charity for people in the UK with a visible difference: a scar, mark or condition that makes them look different.

We provide unique and life-changing wellbeing, counselling support, skin camouflage and education services. We also campaign to challenge attitudes, prejudice and discrimination so that people with visible differences can lead the lives they choose.

Why our work is needed

"I still remember those days when I couldn't go out of my front door because of how I felt about myself and the fear of the comments and abuse I would get. My worry is that for many, like myself, who have built a life and have become resilient that this period of isolation will lead us to regress so that at the end of all this we will have lost the confidence to go back out and regain our lives." Brenda, who has alopecia and is a Changing Faces Ambassador

The Coronavirus pandemic has been an unprecedented period of stress, anxiety and isolation for everyone, and people with visible differences have been amongst those hardest hit.

Looking different in a world where there is such pressure to look a certain way already presents huge challenges. People with visible differences are vulnerable to isolation, loneliness, social anxiety, and low self-esteem. They face staring, harassment, bullying and hate crime. They experience lowered expectations in school, problems getting work and stereotyping in the media. They are severely under-represented in public life and decision-making.

Among adults:

- One in three people say that they feel depressed, sad, or anxious as a result of having a visible difference
- 60% of people have experienced hostile behaviour from strangers
- Almost a quarter say they feel self-conscious or embarrassed going out in public as a result of their visible difference
- A third say that their employers have not been effective in preventing discrimination against them in the workplace.

Among children and young people:

- Less than a third of children say they would be friends with a child with a visible difference
- Almost half of young people who have a visible difference are bullied at school
- Half of young people say they have witnessed negative behaviour towards a person with a visible difference – like staring, pointing, or saying something nasty to them, or taking a photo of them.

"I'm scared of how people will treat me after lockdown because my psoriasis is visible. I worry about the stares, the comments, and how people may fear that I will infect them. In this 'new normal' I will have to come to terms with my visible difference all over again." Jude, who has psoriasis and is a Changing Faces campaigner

People with visible differences have also faced additional challenges due to the pandemic. Many have already self-isolated previously due to bullying and abuse they receive because of their visible difference. They tell us that they are stressed and anxious about going back out in public and

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returning to school, university or work - alongside coping with pandemic-related challenges like wearing facemasks, dealing with video calls, and other health issues which make them vulnerable.

“When I think about going back outside after lockdown, I have a lot of anxiety about my skin and appearance as I know the questions I hate to answer will be still there when I meet new people.” Amba, who has birthmarks on her face and body, and is a Changing Faces campaigner

Our research and contact with other appearance charities shows that many of our community who have not previously needed targeted mental health support are more likely to do so in the future because of the pandemic. Over 40% of people with visible differences tell us their mental health has got worse since March; nearly half (43%) would like support for their mental health and wellbeing, and the same number would like support online. We will need to continue to respond to meet the evolving needs of our visible difference community during and beyond the COVID-19 crisis.

How does Changing Faces help?

People with visible differences tell us about the transformational impact our work can have. Our Wellbeing and Skin Camouflage services build confidence and resilience – giving people with visible differences tools to manage their feelings, cope in different social settings, handle other people's reactions or deal with transitions such as starting school. Our campaigns, education and learning programmes drive change so that the ambitions of people with visible difference are not limited by attitudes, behaviours or systems and they can lead the lives they choose.

Our strategy is about building a future where everyone with a visible difference has the confidence, support, and opportunity to lead the lives they want. It will see us stand alongside people with visible differences to challenge discrimination, remove barriers to success and campaign for a world that truly values and respects people who look different.

We know there are thousands more people who need our help. We won't stop until everyone with a visible difference has the confidence, support and opportunity to live the lives they want.

Our strategy has seen us deliver our charitable purpose through four strategic themes:

The leading provider of service innovation for those with a visible difference

We will innovate, evaluate impact, and demonstrate excellence in our services – based on an in-depth understanding of our service users' needs. We will increase the reach of services through effective use of digital. And we will use our evidence and expertise to inspire and influence best practice in psychosocial support for those with a visible difference.

Championing the voice of those with a visible difference

We are determined to empower people affected by visible difference to tell their stories and be heard. We will raise awareness of the reality of living with visible difference, change attitudes and challenge prejudice. We will be an expert on the issues affecting people with visible differences and use our evidence to secure positive social change.

Achieving long term financial sustainability

We will manage our finances responsibly and ensure there is greater predictability and sustained growth in our funding whilst minimizing risk by developing a more balanced portfolio of funding sources.

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A highly efficient and effective organization

We will build a values-focused culture of learning, accountability and high-performance. We will have a transparent and effective governance structure and build a working environment that encourages learning and innovation. We will prioritize and evaluate what is critical to our success and report regularly and transparently our performance. We will build our digital vision, skills, culture, and capability.

Strategic Objectives

The leading provider of service innovation for those with a visible difference

In 2020/21 the delivery of our services was disrupted by the COVID-19 pandemic. We were unable to deliver face to face consultations during the year. Within the pandemic restrictions, we continued to implement our service delivery strategies, developing where possible digital alternatives to face to face delivery.

Wellbeing Service

We urgently focused on adapting and expanding our wellbeing advice and support available for people with visible differences by telephone and online. We quickly moved our existing face to face counselling to run via Zoom or telephone, as well as expanding our services and support available online - including launching a new Peer Chat service, online workshops for children and parents, and expert online self-help resources. We have remained open for new referrals during the year and no client has been turned away for support.

We are truly proud to have been able to directly meet our clients' needs during this difficult time, whether adults, children, young people or parents.

Online resources

We have seen a huge surge in use of our online support, with 16,056 unique views of our advice and support pages since March 2020. Our consultation with people with visible differences shows access to online resources and services is increasingly important to them, as face-to-face support and travel remain complex.

We worked quickly to create new self-help resources to help our community cope with the unique challenges presented by the pandemic. In May 2020 we established a dedicated COVID-19 self-support hub on our website, publishing 11 new Coronavirus-related factsheets on issues such as making video calls, wearing face coverings, anxieties about being in lockdown, returning to school, work and travel. We continue to regularly review this content for relevance, as the COVID-19 situation changes, and update these accordingly.

"This article is so true! I grew up with a large facial capillary haemangioma and I got used to people looking at me in horror or with sadness. I became so ashamed of how I was, and it has taken a long time to feel good about myself. Thank you for these wonderful guides, they help me feel understood and connected to others." Self-help materials user

Support and Information Line

Our Support and Information Line supported 663 clients through email and telephone calls.

Over a quarter of calls were support calls, requiring immediate emotional and practical assistance from our Support and Information Line Practitioners. During the summer, we saw an increasing

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severity of need from callers, leading to an increase in clients being referred to our counselling service. 98% of callers who gave feedback rated us highly in helping with their appearance related concerns and meeting their needs.

As our community increasingly look to online services and channels because of the pandemic, next year we plan to pilot a new format of delivering our Support and Information Line through a webchat service – the first of its kind for the visible difference community. This would complement our existing Support and Information Line delivered by phone and email during working hours.

“It was lovely speaking to you today. THANK YOU SO MUCH. YOU'RE AMAZING. And you've helped me to understand how I can support [my daughter] better. I'm glad [my daughter] has Changing Faces (you and your team) in her life.” Support and Information Line caller

Online forum

Our Online Community Forum, provided through HealthUnlocked, also reached over 2,100 members this year, with an average of 57 new members joining every month.

“This forum is a blessing. Please keep up the good work. Giving people a platform to talk and connect is huge, very huge.” Online forum member

Counselling services for children, young people and adults

Having adapted swiftly to remote delivery due to the pandemic, our Wellbeing Practitioners continued their vital work supporting people with visible differences, whilst working from their homes, delivering counselling sessions by Zoom, and introducing enhanced safeguarding and privacy checks and producers to cover digital and remote working. There was no interruption in our service at all.

Across the year we supported 176 children, young people and adults, alongside their families. 91% clients reported a significant improvement in their self-identified goals.

“I was in a very dark place at the beginning of my sessions, and sadly I could not picture my little girls much older than they currently were (my future). I'm now no longer hiding/concealing. I feel I'm becoming comfortable with who I really am, and with my appearance. I'm a changed person. But, most importantly, I can picture my daughters older, and imagine my life in years to come with my wife.” 1-1 adult client

We were delighted to launch our first weekly online Peer Group Chat in May 2020, running four cohorts across the year. The eight-week programme was delivered to 33 clients (and the final group finished in April with 7 people). This equates to 195 individual sessions delivered to clients, plus the 35 assessments carried out.

“I enjoyed the session. Emotional at times because sometimes you have hidden these thoughts and opinions for such a long time. To meet like-minded people who understand is like a breath of fresh air.” Peer group participant

Support for children and young people

We created targeted COVID-19 online support for young people including self-help factsheets on returning to school and guided meditation sessions.

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"It has been a very difficult time throughout the lockdown, but the counselling sessions are making [my daughter] more happier and settled in these difficult times. We have been given great strategies and tasks to help [my daughter]. She now feels that she is not alone."

— Parent of a child with eczema

With the exception of our 'Skin Confidence Workshop' in early March, our planned programme of face-to-face group workshops for children paused, but our team quickly saw the opportunity to trial an online workshop format at a time when children most needed our support. We introduced four evening online workshops for children aged 13-18, covering topics such as reducing anxiety about returning to education and connecting with others. For younger children, we introduced online 'play along' sessions and teddy bear picnics. We also delivered two workshops for parents.

"I enjoyed hearing from other parents and connecting with them." Parent workshop attendee

Recognising that parents were finding themselves juggling working from home with looking after and entertaining their children, we pulled together some of our favourite activities into a Butterfly Challenge Pack to help keep kids busy and engaged. Downloaded over 12,000 times, it has also been shared with 200 schools across England and Wales.

Thanks to the Garfield Weston Foundation, we also began work to expand our children and young people from a regional service to becoming the UK's first ever national wellbeing service for children and young people with visible differences.

We devised a new clinical framework for our children and young people's service. This includes the latest innovations and learning in psychosocial care, including mindfulness, acceptance and commitment therapy (ACT) and attachment therapy, and is informed by in-depth user experience interviews with 20 parents and young people. Our national wellbeing service for children and young people is planned for launch in autumn 2021.

Skin Camouflage Service

During the year, the Skin Camouflage service was suspended due to COVID-19. Whilst we were unable to deliver face to face consultations, we worked hard to provide alternative support:

- Thanks to the generosity of our corporate partner Avon, we created four advice videos on makeup application for our website. There have already been 1,948 views of this page.
- We developed online skin camouflage sessions, one-to-one sessions between practitioners and clients which are designed to bridge the gap between referral and appointment and provide support to clients while they wait for a face-to-face appointment.

We re-opened COVID-secure face to face skin camouflage appointments in June 2021, when government restrictions allowed us to.

Education and Learning

Our schools project, *A World of Difference*, in partnership with University College London, the Institute of Education and funded by the VTCT Foundation, moved into the final phase of development. This phase focused on teacher training resources and included several innovative elements including an animation on unconscious bias. In addition, children, young people, parents, and teachers all contributed to a series of short videos explaining the impact of visible difference on

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their lives and how schools can support them in their education and wellbeing. The resources will be launched in May with a major campaign for September when schools are in a better position to fully engage with the resources.

Early research is underway in Scotland to support the development of a Youth Group programme funded by the National Lottery and the Robertson Trust. Workshops and focus groups have taken place with the Youth Action Group and youth group leaders - this is described more fully in the Scotland section.

The provision of workplace training was suspended in March due to furlough and businesses focusing on the consequences of the pandemic. However, since the beginning of 2021 there has been renewed interest in workplace training and discussion are underway with several partners including training for Avon and the Welsh Government.

As with the workplace the healthcare sector was put on hold as training opportunities were limited due to the pandemic. Alongside work on the clinical model there is the opportunity to develop training based on its outcomes for non-specialist healthcare professionals. This will be the focus of work for 2021-22.

Policy and Consultations

We continued to monitor opportunities for Changing Faces to influence the policy and legislative framework for the lives and rights of people with visible difference.

In 2020/21, we have:

- Written a submission and given media support for the APPG on Skin Mental Health and Skin Disease Report.
- Written a submission to the Women & Equalities Select Committee Inquiry into Body Image. Following written submission, our campaigner Tatyana gave oral evidence to the Select Committee as part of a panel of three young adults with lived experience. Our Deputy Chief Executive, Catherine Deakin, joined an expert panel to give oral evidence, which we supplemented with further written evidence. Changing Faces and our research were subsequently referenced throughout the final inquiry report and recommendations to Government.
- Given a presentation to the APPG on Beauty, Aesthetics and Wellbeing to introduce Changing Faces and the Pledge To Be Seen campaign. This resulted in support for the campaign from the APPG. The co-chair, Carolyn Harris MP, raised the campaign and the work of Changing Faces to the Leader of the House of Commons, asking for his support. Work is now on-going to progress our ask for Government communications to better represent people with visible differences in their public information campaigns.
- Written a response to the Law Commission consultation on the review of Hate Crime legislation.
- Written a response to the Law Commission consultation on Harmful Communications Offences.
- Written a response to The Committees of Advertising Practice (CAP and BCAP) consultation on the placement and scheduling of ads for cosmetic interventions.

Scotland

Psychosocial support for children, adults & families

By summer 2021, we will introduce Scotland-wide wellbeing services for children and young people - the only service of its kind in the country.

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We are an active member of a government funded visible difference collaboration 'Connecting Communities' scoping joint opportunities to deliver services. Members include CLAPA, Microtia, Headlines and MACs. A service proposal will be trialled in 2021.

Youth Action Group and Youth Work

With school closures and lots of uncertainty, we have worked hard to ensure we can support as many children and young people in Scotland as possible. Our Wellbeing team published extra guidance for children and their parents, including advice to help support young people with a visible difference who were transitioning schools. These had 5,200 views on our website.

We are hugely grateful to every young person who took part in our Scotland Youth Action Group, a group of young people, most of whom had a visible difference, who campaigned and educated through workshops in schools and through the media for Face Equality. Our Youth Action Group have paved the way for our work with young people - how we empower young people with visible differences both to support each other and to promote understanding of, and respect for, visible difference amongst our wider population. Learnings from this Scottish programme will form the foundation of future work to support young people with visible differences across the whole of the UK.

Given the ongoing challenges of face-to-face delivery, we have also carefully reviewed how we can deliver our workshops to children across Scotland. Our face-to-face youth-focused workshops, previously delivered in person by our Youth Engagement Officer, will be moved to being delivered online. Information and content previously delivered through #FaceEquality workshops will be made available through new online young people and teacher resources on visible difference. We will start actively promoting these to over 100 schools in Scotland from May next year. We are also developing new online resources for youth groups and their leaders. We have formed an alliance with the National Youth Agency 'Youthlink' to support the creation and distribution of these resources.

Skin Camouflage and Service referrals

The Skin Camouflage service in Scotland was paused during the year, and we plan to re-start in June 2021 as restrictions are lifted.

Policy and Consultations

In 2020/21, we have:

- extended reach working with partners such as IAMME and Police Scotland to be part of the 'Keep Safe Scotland' campaign which resulted in our information and support being included in a booklet shared with 850 Scottish organisations, including libraries, police stations, local business and MSP offices.
- extended our work with Police Scotland and have started discussions on how to support training on Equality and Diversity.
- Become a member of the Scottish Association against Prejudice and Hate Crime Cluster working with Government, local authority and Police with a focus on Hate Crime – this group fed into the recent Hate Crime Bill and continues work to look at third party reporting.

Championing the voice of people with a visible difference

Face Equality Week

This year, our plans to celebrate Face Equality Week pivoted to respond to the needs of our community as the impact of the COVID-19 pandemic and lockdown became apparent. Our

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campaigners worked with us to create a film *See Me. Hear Me.* This documented the unique experiences of people with visible differences and reflected what we were hearing about people's concerns regarding their mental health and wellbeing.

We also launched our new podcast series 'Voices of Visible Difference' with ambassador, Adam Pearson and campaigner, Rory McGuire, reflecting on the impact of lockdown. The video and podcast featured across our social media channels and was well-received achieving a reach of over 354,000.

We knew that securing press would be harder this year and the team focused on high profile media slots highlighting the impact of the pandemic and the experiences of our community. Altogether, there were over 30 media pieces relating to Face Equality Week with a reach of over 4million, including key pieces in Scottish press, UK wide media and local radio coverage.

As part of the week, we worked closely with the Appearance Collective and appearance-related charities and professional bodies. Around 30 charities, professional bodies and companies such as Ofcom, IBM and the National Lottery promoted the week and our campaign video and helped share that our support and information services were open and available to give support.

Our social media work promoted our two supporter packs to support people to feel involved, despite the challenges of lockdown. Our Butterfly Challenge Pack proved to be one of our most popular resources during 2020, with over 12,000 views.

Response to the COVID-19 pandemic

Throughout 2020 we sought to ensure that the unique experiences of those with visible differences were heard during the pandemic. At key points we worked with campaigners and ambassadors so that their thoughts on key issues like lockdown easing and the challenges of video calls and wearing masks and face coverings were heard. These personal stories reflected the findings in our community survey that we used to inform the content of the COVID-19 resources hub. Campaigners and ambassadors gave high profile interviews on BBC Breakfast, BBC Radio Scotland, BBC Radio 5 Live and the flagship BBC Radio 4 Today Programme as well as sharing their stories in print and online pieces.

You're Not Alone, Men's campaign

In September we released our new research about visible differences and men, with the aim to help raise awareness amongst men in the visible difference community that there are services and support available to them. We focused this campaign on social media and shared the real-life stories of male campaigners and ambassadors. For many of the campaigners this was the first time they had shared their experiences publicly and they received a positive response online, generating conversations across social media. We released another episode of the Voices of Visible Difference podcast and spoke out in the media.

Anti-Bullying Week

The Youth Action Group ("YAG") campaigners and ambassadors joined forces to take part in the UK wide Anti-Bullying Week campaign. Campaigners and YAG members shared their stories across the media, calling for an end to appearance-related hate. The campaigners and YAG shared an open letter across Changing Faces' social media channels, along with real stories and a short film featuring YAG member David. Several members of both the YAG and campaigners group spoke to journalists and shared their stories with the media for the first time. Ambassador Nikki guest presented the latest edition of our Voices of Visible Difference podcast, discussing experiences of

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bullying with Scottish campaigner Jenny and YAG member Hannah. The campaign generated positive engagement across our social media channels and support from the Anti-Bullying Alliance.

Pledge to be Seen

Despite challenging times for many businesses, our Pledge To Be Seen campaign calling on companies and brands to represent and support more people with a visible difference continued to gain momentum.

We are hugely grateful to our partner Avon for their incredible support over the past year. Avon continued to feature Changing Faces ambassadors in their advertising campaigns, social media and brochures – reaching millions across the UK every week. Avon also launched several products in support of the charity, chosen carefully with a focus group of Changing Faces ambassadors. Our Herstory fragrance collaboration saw five Changing Faces ambassadors tell their own stories in a powerful campaign. Avon also responded quickly to COVID-19 by launching a reusable mask product in support of Changing Faces and other charity partners.

Committed to making beauty accessible for everyone, Avon and Changing Faces have also begun work to introduce inclusivity training for all Avon Representatives and staff, giving them the confidence to deliver excellent service to all clients. The training will combine expertise from Avon makeup artists, Changing Faces wellbeing practitioners as well as lived experience of people with a visible difference and their interactions with the beauty industry.

We were also thrilled to launch a new partnership with global cosmetics brand Sleek MakeUP. Sleek will be featuring Changing Faces campaigners, in their upcoming social media campaigns. We hope to use the collaboration to reach more people with visible differences, making sure more people know about and can access our resources and support services.

Tatyana was one of three campaigners involved in the Pledge To Be Seen partnership with Sleek MakeUP, following the photoshoot she said: *“There’s going to be a little girl or boy who sees us and knows they are represented too, that they count.”* Campaigner Prisha said of the experience: *“It was absolutely a dream come true. I feel like the luckiest person in the world. I would do this day again in a heartbeat!”*

Campaigners Programme

Our Campaigners Programme offers expert campaigning training and support for people with visible differences across the UK; giving them a platform to use their voices and seek change at the highest levels.

The start of the UK-wide lockdown coincided with the recruitment of our second cohort of 15 campaigners, meaning that all of our face-to-face training days have had to be cancelled and moved online. This is a challenge; trying to build a group dynamic, get to know each other and encourage people to feel comfortable sharing personal experiences, stories and opinions on video calls is not an easy task. Despite this, we have run a series of training sessions, with in-house and external expert speakers, including safeguarding, how to film for social media, media training, public speaking on Zoom, how to influence your MP and storytelling.

As noted above, campaigners have been at the heart of our external PR work, sharing their experiences across social media, in campaign media moments, and in formal consultation responses and Government inquiries. They’ve helped shape our response and resources developed to support people during the COVID-19 pandemic and have been a supportive group for each other during a very difficult year for so many of us.

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REPORT OF THE TRUSTEES for the year ended 31st March 2021

We are incredibly grateful to all our amazing friends and supporters for the flexibility and generous support they have given us during this time.

Our year in numbers

Our 2020/21 Target	Our 2020/21 Result
To provide effective, evidence-based Wellbeing services directly to 1,090 people with visible difference	1,352 people provided with support, information, and advice, 1:1 counselling and peer support
To provide effective, evidence-based digital Wellbeing advice and support, with 15,000 people accessing our advice and support website page and 300 new members of our online forum	16,056 unique page views of our advice and support website page and 682 new forum members
To deliver 2,600 Skin Camouflage appointments in England and Scotland	10 appointments delivered* *Service closed during 2020-21. Appointments were delivered as part of pilot activity to develop COVID-secure appointments
85% of Changing Faces' Practitioner clients improved against self-defined outcomes	91% of clients improved against self-defined outcomes
To secure 110 positive, on-message, national and regional, press and media articles	184 national and regional press and media articles secured
To build engagement with our community on social media, with an average 5% engagement across all Social Media channels throughout the year.	5.78% average engagement across all channels
Generate and share 45 new stories from people with visible differences	42 stories shared from people with visible differences

Achieving long term financial sustainability

Delivering against budget

In 2020/21, Changing Faces, like many other charities, faced a significant financial and operational impact from the pandemic, with the expectation of falling income and the closure of services. We immediately took steps to reduce costs to allow the charity to survive a very difficult year.

We were fortunate that we succeeded in attracting emergency funding specifically released to allow charities to get through the pandemic. We are grateful to all our funders for their very generous support.

We were also privileged in receiving three extraordinary legacies during the year, and as a result, we were able to report a surplus of £578,000 at March 2021. We are very grateful to those who generously remembered Changing Faces in this way.

During the year, our service delivery activities were hard hit by the pandemic, particularly our Skin Camouflage services. We have dedicated a large proportion of the surplus arising from the exceptional legacy income as an investment budget to:

- Rebuild skin camouflage after a year of closure, and develop wellbeing services due to high demand

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- Expand our fundraising team, to provide a solid platform for long term growth
- Invest in digital development, service promotion and marketing, and data and impact to ensure that our services are delivered efficiently and responsive to our community's need.

At 31 March 2021, our free reserves were 7.8 months of core costs. Our policy is to keep six months of costs as reserves, and the small additional sum will be a cushion to help us to operate in continuing volatile economic and social conditions.

Delivering sustained income growth year on year

In 2020/21, we reported income from ongoing activities that was 4% higher than in 2019/20, ignoring legacies, and 40% higher than in 2019/20 including legacies. We are incredibly grateful to all our amazing friends and supporters for the flexibility and generous support they have given us during this time.

Diversifying income sources

We are committed to developing and securing sustainable income to help us realise our ambitions. In 2020/21 we continued to diversify our income streams and balance the risk inherent to each income stream. As such we undertook fundraising activities via individual fundraising, community fundraising, trusts and major gifts and corporate partnerships.

Despite the pandemic, our fundraising plan has made good progress in terms of securing positive growth across all of these income streams. Like many charities, our fundraising activities were disrupted in March 2020 by COVID-19, and we moved swiftly to adapt and respond to the needs of our donors.

A highly efficient and effective organization

Digital

In line with our strategic commitment to digital, and despite the impact of the COVID-19 pandemic which understandably shifted some timelines, in the last year we have made a significant step forward in our digital transformation. This includes launching a new website, developing an improved understanding of our audiences, delivering major infrastructure changes and new digital services, and improving our CRM and reporting capabilities.

On 23 March 2021 we went live with our new website. We are confident that the new website will prove easier to use and provide a better experience. We have had some great feedback including from our campaigners and ambassadors:

- Natalie: "I love the new website. I had a brief look around and love the branding and content. I will go back and read, but at first it looks great – such a nice refresh!"
- Tulsi: "Love the new website, it looks amazing and easy to navigate."

Now that the initial launch is behind us, we can concentrate on making continuous improvements to the site. The improved digital and technical capability offered by our new site will also be critical to our ambitions for growing our impact and reach in the years ahead.

Safeguarding

We reviewed and adapted our safeguarding policies and procedures around working from home and delivering services remotely during the pandemic. The Safeguarding Team held regular meetings, with a combination of reflective practice, practical discussion and monitoring the safeguarding log and DBS/PVG checks.

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All staff completed or recompleted the Level 1 Safeguarding Training in the first quarter of the year.

In May and June, the Wellbeing Team saw a small rise in safeguarding concerns in the form of suicidal thoughts being expressed, predominantly on the online community forum and the Support and Information Line. These were handled and logged effectively by the safeguarding team. We had one serious incident reported to the local safeguarding team in November 2020 and 13 safeguarding concerns were logged across the year.

The annual Safeguarding Policies and Procedures updates were completed in April 2021.

Measuring impact

We have continued to strengthen our approach to evaluation and measurement across the charity. We are working with external advisers to build an approach with a clearer focus on the impact we are making in the wellbeing of our service users and in our wider work. This will help inform our strategic priorities in the future as well as giving us a more robust understanding of the difference we are making now.

London Head Office

During the year, Changing Faces made plans to leave the offices in London from where it had operated for 15 years, as the lease came to an end. The COVID-19 pandemic and the subsequent lockdown interrupted our plans, so in May 2020 we left our London offices to embark on a period of homeworking and a virtual office. Staff have shown great resilience in adapting to these changes. In 2021 we plan to reassess the options available to us for a London office.

Our commitment to equality, diversity and inclusion

As a charity whose mission and vision are to build a fairer and more equal society for everyone, it is vital that we look to address the impact of racial discrimination and inequalities both within Changing Faces and within the community we serve. In relation to race and other areas of inequality, we will strive to become more inclusive and diverse in everything we do, for our visible difference community, clients and supporters and for our team.

In March 2020 we established a diversity project group and began work with an EDI (Equality Diversity and Inclusion) consultant to facilitate and support this work.

Looking ahead and the impact of COVID-19

We will start our next three-year strategic planning process during 2021/22 as we look towards moving out of COVID-19 restrictions and lockdowns later in the year.

In the meantime, in line with our approach in the previous year, we have divided our 2021/22 plan into three elements:

- 1. Cross Organisational Development Priorities:** significant pieces of change / development work that will progress us strategically and are likely to require input, innovation and resource across the charity.
- 2. Operational interdependencies:** three essential underlying drivers – digital transformation, data, and marketing – that are critical across the strategy
- 3. Business as usual:** Core ongoing activity under each strategic theme

Strategically, our three foremost priorities this year will be:

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1. Rebuilding and re-opening our vital **Skin Camouflage** service – which will sadly have been suspended for a year by March.
2. Building the quality, reach and scale of our **1-2-1 Adult Wellbeing Service**
3. Developing a high-quality and integrated offer to **Children and Young People** – which will include the launch of our new C&YP Wellbeing Service and the formal launch of schools' resources.

The impact of COVID-19 has been widely felt in our sector and is likely to continue to affect our activity in 2021/22 and in future years. We are fortunate to have succeeded in building reserves which will allow us to invest in developing our services in 2021/22, and to build a strong corporate structure for future growth.

We will continue to develop our digital capabilities to build resilience into our service delivery, to provide alternative ways of accessing our services, and to widen our reach and impact.

Fundraising Statement

Changing Faces is committed to the pursuit of its charitable aims to the benefit of all people living with visible difference. We fundraise so that we can provide services that deliver our charitable objectives and work for Face Equality for all people across the UK.

We have regard to the guidance provided by the Fundraising Regulator, and we actively support the Code of Fundraising Practice. We promise to be open, honest, clear, respectful, fair, reasonable, and accountable.

All Changing Faces staff and volunteers, including the Board of Trustees, have a responsibility to be aware and have a thorough understanding of fundraising best practice.

Changing Faces respects the rights of its supporters to clear, truthful information about our work, how donations and other income are spent, and how we manage donors' information responsibly. The individuals that we mail are our supporters with whom we already have a relationship, and who have given their consent to be contacted by us. We never buy in any data lists for fundraising, and we do not sell or share supporter details with any other individuals or organisations.

We do not employ professional fundraising agencies with regard to any aspects of our fundraising activities. All of our activities are planned and delivered in house by our small fundraising team, who build relationships with our supporters.

Our policies and procedures are compliant with best practice as set out by the Institute of Fundraising, with the best interests of the charity's donors and the vulnerable paramount. We never pressure anyone to make a donation and take particular care to avoid asking vulnerable people for donations.

We will not solicit or accept donations from companies or individuals who participate in activities which could cause detriment to the charity's reputation or work.

The charity received no complaints regarding its fundraising activities in the last twelve months.

Complaints are taken very seriously and will be investigated, with disciplinary action being taken where appropriate. If a complaint is deemed serious enough it may result in the removal of a fundraiser from a campaign and/ or the termination of a campaign.

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Our warmest thanks go to everyone who has supported Changing Faces this year. We are ever so grateful to the individuals who have run, cycled, baked, and so much more in support of our work. We are also thankful to those who have supported us in other ways: by nominating Changing Faces, sharing our campaigns, and voting for us.

We would like to thank NHS England for their ongoing support and advice during the year.

Corporate supporters and Trusts and Foundations have continued to support our work generously. In particular we would like to highlight the support of:

Addleshaw Goddard, Avon, BBC Children in Need, The Ellem Foundation, Fidelity UK Foundation, Garfield Weston Foundation, John Ellerman Foundation, The National Lottery Community Fund, Pegasus, PF Charitable Trust, Julia and Hans Rausing, Peter Sowerby Foundation, The Robertson Trust, the Scottish Power Foundation, St. James's Place Charitable Foundation, Thomas Cook Children's Charity, William Grant Foundation, and The VTCT Foundation.

Financial Review

Activity in 2020/21 was dominated by the effects of the COVID-19 pandemic and the subsequent lockdowns. In March 2020, the Board of Trustees of Changing Faces committed to focussing on the long term financial health of the charity, to ensure that reserves did not fall to an unsustainably low level. The financial plan for 2020/21 was amended, and the management team drew up operating plans to allow the charity to survive the pandemic with financial reserves to support rebuilding once the crisis had passed.

2020/21 was the final year of a 3-year strategic plan; before the pandemic started, investments in staff and business restructures in the previous two years had been expected to result in significant growth in 2020/21. The original budget for 2020/21 reflected that expectation. The pandemic and the subsequent lockdowns changed our expectations, and the budget was revised downwards as we adopted a more cautious financial approach.

The actions that Changing Faces took to manage the effects of the pandemic included:

1. The lease on Changing Faces head office in London came to an end in May 2020 and the planned investment in a new office was postponed due to the uncertainties about the pandemic. All staff worked from home for the entire year.
2. In operations where economic activity was severely curtailed by the lockdowns, some staff were placed on furlough for specific periods.
3. Recruitment to vacant posts was delayed while the operating outlook was uncertain.
4. A staff team restructure was completed in October 2020 in response to changing needs, with 2 redundancies.

During the year Changing Faces was notified of three large legacies. As a result of these windfalls, Changing Faces has the financial resources to invest in growth from 2021/22.

During the year, Changing Faces generated significant variable income from its partnerships with Avon and Sleek MakeUp and has registered for VAT with HMRC.

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2020/21 summary

Income rose in 2020/21:

Income

	2021 £'000	2020 £'000
Gross income		
Legacies	514	85
Donations and fundraising	1,396	1,290
Government furlough grants	138	-
Skin Camouflage and other charitable activities	8	181
Investments	<u>2</u>	<u>9</u>
Gross income from operating activities	<u>2,058</u>	<u>1,565</u>

Gross income from operations rose by 32% in 2020/21 compared to 2019/20. Excluding legacies, the increase was 4%.

Voluntary income, excluding legacies was 8% higher in 2020/21 compared to 2019/20. Trusts and grants income was up by 20%.

Grants were received from the government to cover the salary costs of staff who were put on furlough, as a result of the pandemic restricting operating activities, or due to staff caring responsibilities.

In 2019/20, charitable activities comprised principally the skin camouflage services provided by Changing Faces to clients in England and Scotland. These services are largely paid for by NHS bodies under a mix of SLAs, contracts, and as non-contracted activity (NCA). The skin camouflage service was closed for the entirety of 2020/21 as a result of the pandemic.

Expenditure

	2021 £'000	2020 £'000
Services and Innovation	759	964
Championing the Voice	327	339
Scotland Office	147	280
Costs of income generation	<u>247</u>	<u>311</u>
Total	<u>1,480</u>	<u>1,894</u>

Services and Innovation comprises the charity's work directly with people living with visible difference and includes one to one psychosocial and skin camouflage services, as well as digital services, digital resources, education, and training. Championing the voice comprises communications and campaigns. In 2019/20, Changing Faces invested over £119,000 in its digital capability, as part of a multi-year investment programme.

Total costs in 2020/21 were £414K lower than in 2019/20. This was due to cost savings in connection with a staff restructure (£196k), lower costs due to London office staff working virtually

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(£65k) and lower costs resulting from the skin camouflage service being closed for the year. In addition, costs were lower across most operating areas as the pandemic and the lockdowns limited activities.

Result

Changing Faces reported a surplus of £578k at the operating level in 2020/21 compared to an operating deficit of £329k in 2019/20.

	2021	2020
	£'000	£'000
Income	2,058	1,565
Costs	<u>1,480</u>	<u>1,894</u>
Total reported surplus / (deficit)	<u>578</u>	<u>(329)</u>

Reserves

All charities are required to ensure that the amount they hold in reserves is appropriate for the charity's size and the nature of its activities. Changing Faces' policy is to hold free reserves calculated at six months of relevant unrestricted operational expenditure.

Reserves

	2021	2020
	£'000	£'000
Restricted reserves	322	362
Designated reserves for infrastructure	890	942
Designated reserves for rebuilding services	400	
Free reserves	<u>550</u>	<u>280</u>
Unrestricted reserves	<u>1,840</u>	<u>1,222</u>
Total reserves	<u>2,162</u>	<u>1,584</u>

Restricted reserves

At 31 March 2021, restricted reserves totalled £322,279 (2020: £362,388). Restricted reserves are those funds which represent donations and grants received which are to be spent on a specific activity. These funds are ring-fenced, and costs are allocated against the funds by reference to the funders' expressed purposes.

Unrestricted reserves

Designated reserves for infrastructure

At 31 March 2021 designated reserves for infrastructure totalled £890,191 (2020: £941,763). These designated reserves have been allocated by the trustees for infrastructure investment but have not yet been committed.

The Trustees have approved investment from the designated fund for Changing Faces' head office property needs. In May 2020, Changing Faces left its offices in University Street, London WC1E at

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the end of the lease. With the restrictions due to the pandemic potentially easing in 2021, Changing Faces plans to start to look for London office space from Summer 2021.

Designated reserves for operational growth

At 31 March 2021, designated reserves for operational growth totalled £400,000. These reserves were designated by the Board of Trustees, to invest the very high level of legacy income recorded in 2020/21 in rebuilding services after the pandemic.

Unrestricted reserves: free reserves

At 31 March 2021, free reserves totalled £550,095 (2020 £280,257).

The Trustees have calculated the level of free reserves which are needed to allow the charity to meet its commitments to its clients, staff and other stakeholders, to manage the implications of a period of a shortfall in income or unexpectedly high costs.

In estimating the level of free reserves, the Trustees have had regard to Charity Commission Guidance on the level of appropriate reserves to ensure sustainability of service delivery. The Trustees have determined that Changing Faces should target six months cover of recurrent operating costs, with consideration given to the treatment of those costs covered by restricted funds.

Recurrent operating costs are calculated by adjusting the actual level of costs incurred to remove the elements covered by restricted funding, the exceptional costs relating to the restructuring and additional costs which are considered to imply no long-term financial commitment, for example consultancy costs. Applying these principles to the 2021/22 budget projections, the Trustees estimate that at 31 March 2021 a total of £526,640 of free reserves is required. At the end of March 2021, free reserves were £550,095, slightly above the expected level of 6 months. It is Changing Faces' intention to continue to target 6 months of reserves and to maintain free reserves at this level for the medium to long term.

The Trustees will continue to carefully monitor the charity's results in light of the budget and the reserves position and will take any action needed if they identify any significant risk to the charity's financial position or its ability to support its core activities.

Investments

The priority in Changing Faces investment policy is to preserve capital, and a low-risk investment policy has been adopted. After assessing the risks of different investment groups, Changing Faces has limited its investments to fixed term deposits of between three and six months, and notice deposits of a similar term, placed with financial institutions with a high credit rating.

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Principal risks and uncertainties

The Board of Trustees has overall responsibility for risk management at Changing Faces. It is responsible for establishing the charity's risk appetite, ensuring that major risks are identified and approving appropriate procedures to detect, prevent and manage major risks. Changing Faces' risk management programmes are designed to mitigate risks appropriately, rather than to eliminate all risk.

The Audit and Risk Committee has the power to investigate and manage risk on behalf of the Board, and reports to the Board on strategic risks and risk management. The Finance Committee reviews management accounts and financial performance and provides assurance to the Board.

The principal tools used by Changing Faces to mitigate risks are:

1. **Risk register.** The Leadership Team manages a risk register which is regularly reviewed by the Audit and Risk Committee. Risks are assessed as to the likelihood of their occurring and the impact if they were to occur, giving a "raw" risk rating. Mitigations and future actions are defined, and the risk rating is then recalculated, to ensure that it remains within the Board of Trustees' stated risk appetite.
2. **Performance indicators.** We monitor performance through the use of key performance indicators and strategic milestones, which are reported to the Board quarterly, with differences to expectations thoroughly analysed.
3. **Planning and budgeting.** We produce budgets annually, monitor variances monthly, and reforecast expected results quarterly. The Finance Committee reviews monthly management accounts and reserves levels, and reports to the Board of Trustees.

The major risks identified by Changing Faces are:

Risk	Management
Pandemic impact on the charity: Further COVID related lockdowns could reduce the charity's ability to offer face to face services for an extended period and delay the charity's return to a shared office. Nervousness about returning to a shared office and face to face work could impact on service provision and charity culture.	<ul style="list-style-type: none">• Ongoing options evaluations for all face-to-face services• Delay of decision around longer-term property investment• Staff survey on wishes / feelings about return to an office• Hybrid model proposed with staff combining working in an office and working at home• Continued investment in digital capability and capacity
Finance: The charity is reliant on voluntary income to support its activities. Increased regulation and increased competition for funding could mean that we fail to reach our targets, leading to the loss of liquidity and inability to meet our commitments. Poor financial controls could lead to error or fraud.	<ul style="list-style-type: none">• Diversification of income streams• Investment in strong and effective fundraising team• Relationship management with donors and funders• Robust process for setting budgets, aligned to the strategic plan• Scrutiny of and challenge to budgets by Trustees• Monthly monitoring of budgets and budget variances• Quarterly reforecast of expectations• Robust reserves policy• Risk averse investment policy• Scrutiny of results by the Finance Committee

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Risk	Management
Governance: Lack of strategic clarity and failure to ensure impact could harm the charity's ability to achieve its charitable objectives. Inability to attract and retain good staff could mean that strategic opportunities are missed.	<ul style="list-style-type: none"> • Reporting on KPIs and key milestones • Reporting on budget • Investment in data and impact management tools and knowhow • Implementation of strategic plan • Involvement of people with lived experience of visible difference • Emphasis on training and development for staff • Building strong and effective culture and values
Compliance: Failure to comply with legal and regulatory requirements could result in fines and reputational damage.	<ul style="list-style-type: none"> • Key legal and regulatory requirements identified • Serious incident reporting policy in place • Safeguarding action plan, policies, and training • Mandatory data protection training framework • GDPR compliant data mapping tool employed • DBS check framework in place • Access to specialist Legal and HR services to support decision-making
Operational: Service provision and development may not be aligned to beneficiaries' needs and desires. Digital capability may not support remote working.	<ul style="list-style-type: none"> • Impact review process initiated in 2020/21, centred around beneficiaries' experiences • Robust clinical governance and extensive safeguarding processes underpin services • Multi-year investment in digital capability to build a digital culture and develop digital products • Review of cyber security in 2021
Environmental and External: Communications and brand positioning may fail to maintain a strong reputation and the confidence of stakeholders and funders.	<ul style="list-style-type: none"> • Building a clear brand • Consistent and well-resourced communications team • Meticulous reporting to funders • Due diligence when considering new projects • Development of key messages • Reputation management

Governance

Legal structure

Changing Faces is a company registered in England and Wales, limited by guarantee, with registered number 02710440. It is a registered charity in England and Wales (Charity number 1011222), and in Scotland (Charity number SC039725).

Public benefit

The Trustees believe the charity has fully met the requirement to provide benefit to the public and have paid due regard to Charity Commission guidance on this matter. Changing Faces' services are widely publicised and available to everyone in the UK who would benefit, free of any cost.

Board of Trustees

The Board of Trustees is responsible for managing the activity of the charity. It was composed of 11 Trustees at 31 March 2021, with a wide range of skills and experience including professional and clinical expertise.

The Board meets four times per year to regularly review and direct Changing Faces' strategy, budget, and performance. Certain matters are reserved for Board approval, including changes to strategy and budget. The Board also meets for an annual away day to review and discuss strategic proposals in more depth.

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Appointments to the Board of Trustees are managed by Trustees. Trustees are recruited through a process of advertisement, application, and interview. Selection is based on set criteria to ensure a broad range of skills and experience. New Trustees are provided with a formal induction programme incorporating the opportunity to meet key staff, and an induction pack of documentation including the charity's constitution, recent Annual Reports and Accounts, recent Board minutes and the current Strategic Plan. Opportunities for training are offered to Trustees, and budget is provided for this purpose.

The Board maintains control over all strategic and policy decisions, including the approval of budgets, risk management and governance arrangements. It delegates some of its responsibilities to three Board committees, which make recommendations to the Board within their terms of reference:

- The Audit and Risk Committee is responsible for managing risk, monitoring compliance with regulatory authorities, and reviewing the year end accounts.
- The Finance Committee is responsible for ensuring that the charity's finances are being appropriately and effectively managed, by monitoring the charity's financial position, overseeing the production of budgets and management accounts, developing and implementing financial, reserves and investment policies and ensuring that proper financial records are kept.
- The Nominations Committee is responsible for overseeing the recruitment of Trustees and of the charity's CEO. The committee also approves trustee appointments to the other committees.

During 2020/21 an additional Board Committee was created, the COVID Committee. This committee operated from March 2020 to August 2020 and oversaw the initial corporate response to the pandemic, reviewing financial reports, risk management, the use of the government furlough scheme and the staff restructuring plan.

Day to day management is delegated to the Chief Executive and the Leadership Team.

Management remuneration

Changing Faces seeks to set its salary levels for all paid staff, including management, by reference to market rates, within the context of voluntary sector organisations of a similar size. A benchmarking project was completed in June 2018; all staff roles were re-evaluated at the same time and transferred to the new pay and staffing structure. The pay policy describes how salaries are set and defines the salary structure for all staff within the organisation. During the year ended 31 March 2021, key management were defined as the CEO, the Director of Fundraising and the Director of Finance and Resources.

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REPORT OF THE TRUSTEES for the year ended 31st March 2021

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Changing Faces for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any 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 charitable company will continue in operation.

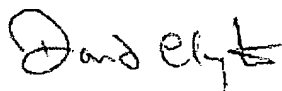
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

As Directors we also confirm that we have made all necessary enquiries and taken such steps that we ought to, to ensure that we become aware of any relevant audit information and that we confirm that the charitable company's auditors have been made aware of such information.

By Order of the Board



David Clayton
Chair of Trustees

22 July 2021

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REPORT OF THE TRUSTEES for the year ended 31st March 2021

Independent auditor's report to the members of Changing Faces

Opinion

We have audited the financial statements of Changing Faces for the year-ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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).

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 2021 and of the charitable company's net movement in funds, including the 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

CHANGING FACES

REPORT OF THE TRUSTEES for the year ended 31st March 2021

that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Reports of Trustees (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 included within the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees (which incorporates the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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 trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 26, 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 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 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

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

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

CHANGING FACES

REPORT OF THE TRUSTEES for the year ended 31st March 2021

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the requirement relevant to registered charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as include the Companies Act 2006 and the Charities Act 2011, and we considered other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to manual journals. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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.

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, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 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.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory
Auditors

10 Queen Street Place
London EC4R 1AG

Date: 22 July 2021

CHANGING FACES

REPORT OF THE TRUSTEES for the year ended 31st March 2021

CHANGING FACES

Company limited by guarantee

Registered Company No: 02710440

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31st March 2021

(Incorporating an Income and Expenditure account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from					
Donations and legacies		1,422,036	625,351	2,047,387	1,374,953
Charitable activities		8,332	-	8,332	180,748
Investments		1,913	-	1,913	9,493
Total	3	1,432,281	625,351	2,057,632	1,565,194
Expenditure on					
Raising funds		235,581	11,826	247,407	310,557
Charitable activities		578,434	653,634	1,232,068	1,583,604
Total	4	814,015	665,460	1,479,475	1,894,161
Net income / (expenditure)		618,266	(40,109)	578,157	(328,967)
Transfers between funds	10	-	-	-	-
Net movement in funds	10	618,266	(40,109)	578,157	(328,967)
Reconciliation of funds	10				
Total funds brought forward		1,222,020	362,388	1,584,408	1,913,375
Total funds carried forward		1,840,286	322,279	2,162,565	1,584,408

All of the charity's activities are continuing. There were no gains or losses other than those shown above. The accompanying notes form part of these financial statements.

CHANGING FACES

REPORT OF THE TRUSTEES for the year ended 31st March 2021

CHANGING FACES

Company limited by guarantee

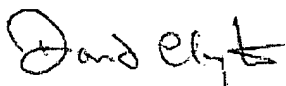
Registered Company, No: 02710440

BALANCE SHEET as at 31st March 2021

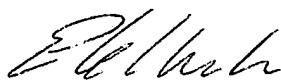
	Note	2021 £	2020 £
Fixed assets			
Tangible assets	7	14,830	18,372
Total fixed assets			
Current assets			
Debtors and prepayments	8	283,782	247,929
Cash at bank and in hand		2,101,451	1,589,829
Total current assets		2,385,233	1,837,758
Liabilities			
Creditors: amounts falling due within one year	9	(237,498)	(271,722)
Net current assets		2,147,735	1,566,036
Total net assets		2,162,565	1,584,408
Restricted income funds		322,279	362,388
Unrestricted funds:			
Designated funds		1,290,191	941,763
Free reserves		550,095	280,257
		1,840,286	1,222,020
Total funds	10	2,162,565	1,584,408

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board of Trustees and authorised for issue on 22 July 2021, and signed on their behalf by:



David Clayton
Chair of Trustees



Elissa Holme
Honorary Treasurer

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

CHANGING FACES

Company limited by guarantee

Registered Company No: 02710440

STATEMENT OF CASH FLOWS

	2021 £	2020 £
Cash Flows from operating activities:		
Net cash provided by/ (used in) operating activities (see below)	512,532	(271,150)
Cash flows from investing activities:		
Bank interest received	1,913	9,493
Payments to acquire tangible fixed assets	(2,283)	(12,352)
Net cash provided by/ (used in) investing activities	(910)	(2,859)
Change in cash and cash equivalents in the reporting period	511,622	(274,009)
Cash and cash equivalents at the beginning of the reporting period	1,589,829	1,863,838
Cash and cash equivalents at the end of the reporting period	2,101,451	1,589,829
Reconciliation of net income/(expenditure) to net cash flow from operating activities	2021 £	2020 £
Net income / (expenditure) for the year	578,157	(328,967)
Adjustments for:		
Depreciation charges	6,365	7,482
Bank interest received	(1,913)	(9,493)
(Increase) in debtors and prepayments	(35,853)	(80,995)
(Decrease)/increase in creditors	(34,224)	140,823
Net cash used in operating activities	512,532	(271,150)
Analysis of cash and cash equivalents	2021 £	2020 £
Cash at bank and in hand	2,101,451	1,589,829

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Changing Faces 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 notes.

Going Concern

No material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern have been identified by the Trustees and therefore these accounts have been prepared on a going concern basis.

The COVID-19 pandemic meant that from March 2020, Changing Faces was forced to restructure its activities, and services were affected by the lockdown and other restrictions. The Trustees of Changing Faces moved quickly to address the changing outlook, revising budgets for 2020/21 and 2021/22. The strategic plan was adjusted to reflect the changed operating and financial environment. The charity's staff structure and operating resources were reviewed and reconfigured to ensure they were appropriate for a changed operating environment.

Cashflow forecasts have been prepared based on the revised expectations, reflecting several different scenarios for 2021/22 and 2022/23. Trustees have examined these cashflow forecasts and are confident that Changing Faces has the financial resources to continue trading for the foreseeable future.

Income

All income is recognised once the Charity has entitlement, it is probable that income will be received, and the amount of income receivable can be measured reliably.

Legacy income is recognised when it is probable it will be received. Pecuniary legacies are recognised when probate is granted. Residuary legacies are recognised when either probate has been granted, or the estate has been finalised or notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate.

Grants

Grants are accounted for as income when they are receivable. Where the grant making body specifies that amounts given should be utilised in a future accounting period, the income is deferred to that period. If certain conditions have to be fulfilled before the charity becomes entitled to the use of the grant, then the income is deferred until such conditions have been met.

Donated Assets

Donated assets are capitalised at a value equivalent to market value as at the date of donation.

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Raising funds are those costs incurred to raise donations and legacies and costs of trading activities. Charitable activities relates to costs incurred in delivering the charity's activities and services to its beneficiaries. Governance costs are those associated with incurred in meeting the constitutional and statutory requirements and is now apportioned on the same basis as support costs.

Cost Apportionment

A proportion of staff and indirect costs are attributed to activities on the following bases:

Staff	-	actual costs or level of activity engaged by staff
Indirect costs	-	level of activity engaged by staff

Leases

Rentals under operating leases are charged to the income and expenditure account as incurred.

Depreciation of Tangible Fixed Assets

Depreciation is provided on all tangible fixed assets so as to write them off over their anticipated useful lives at the following annual rates on a straight-line basis:

Office equipment	- 25%
Office furniture	- 20%
Computer equipment	- 25%

Additions to fixed assets costing less than £500, and those acquired from restricted income funds are written off in the year.

Pensions

The company operates a defined contribution pension scheme on behalf of its staff. Contributions are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme.

Employee benefits.

Short term benefits: Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits: Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Accounting estimates and judgements

In preparing the financial statements, the Trustees are required to make estimates and judgements. The matters below are considered to be the most important in understanding the judgements made and the uncertainties that could impact the amounts reported in the financial statements.

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

Legacy income

Legacy income requires judgement about the probability of receipt which affects the timing of income recognition. Legacy income is recognised when the Charity has established entitlement to a legacy, when the receipt of the legacy is probable and when the amount due can be estimated with sufficient accuracy.

Cost allocation

Support costs are allocated to charitable activities. Judgement is required in determining and applying the basis appropriate for each support activity.

Bad debt provision

The valuation of debtors is based on judgements about the probability of receipt of the amounts invoiced.

Valuation of assets and liabilities

Stocks

Stocks are valued at the lower of cost and net realisable value.

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.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Fund Accounting

Restricted Funds: The purpose and use of restricted funds are imposed by the donor or by the specific terms of the charity appeal.

Designated Funds: these funds have been allocated by the Trustees for anticipated use on specific projects.

Unrestricted Funds: These are funds available for use at the discretion of the Trustees in furtherance of the objectives of the charity.

Taxation

No provision has been made for taxation as the company's charitable status renders it exempt from UK direct taxation.

2. STATUS

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

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

3A INCOME ANALYSIS

	2021 Unrestricted	2021 Restricted	2021 Total	2020
	£	£	£	£
Legacies	514,136	-	514,136	85,002
Income from trusts and grants	598,970	625,351	1,224,321	1,016,737
Other donations	288,408	-	288,408	208,845
Income from fundraising activity	20,522	-	20,522	64,369
Charitable activities	8,332	-	8,332	180,748
Investment income	1,913	-	1,913	9,493
Total	1,432,281	625,351	2,057,632	1,565,194

Income from trusts and grants includes £137,858 (2020: £2,376) received through the government coronavirus furlough scheme. Legacy income includes estimated income for two legacies where the estates had not been distributed by the year end; all other known legacies were received in full before the end of the financial year.

3B INCOME FROM CHARITABLE ACTIVITIES

	2021 Unrestricted	2021 Restricted	2021 Total	2020 Total
	£	£	£	£
Skin camouflage services	8,332	-	8,332	179,773
Consultancy and training	-	-	-	975
Total	8,332	-	8,332	180,748

Skin Camouflage activities were paused during the pandemic. The income recorded above relates to the over-provision against potential bad debts in previous years.

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

4A ANALYSIS OF TOTAL EXPENDITURE

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
Charitable activities				
Service Innovation				
Wellbeing	183,417	316,080	499,497	387,627
Skin camouflage services	168,899	14,908	183,807	334,356
Education	18,365	56,809	75,174	242,155
	370,681	387,797	758,478	964,138
Championing the Voice				
Communications	85,512	241,598	327,110	339,041
Scotland	122,241	24,239	146,480	280,424
	578,434	653,634	1,232,068	1,583,603
Cost of raising funds				
Fundraising costs	235,581	11,826	247,407	310,557
Total	814,015	665,460	1,479,475	1,894,160

Included in the above are governance costs of £33,336 (2020: £33,145).

4B DIRECT AND SUPPORT COSTS

	2021 Direct costs £	2021 Support costs £	2021 Total £	2020 Total £
Charitable activities				
Changing lives				
Wellbeing	441,149	58,348	499,497	387,627
Skin camouflage services	165,252	18,555	183,807	334,356
Education	70,808	4,366	75,174	242,155
	677,209	81,269	758,478	964,138
Changing Minds				
Communications	302,625	24,485	327,110	339,041
Scotland office	139,386	7,094	146,480	280,424
	1,119,220	112,848	1,232,068	1,583,603
Cost of raising funds				
Fundraising costs	220,210	27,197	247,407	310,557
	1,339,430	140,045	1,479,475	1,894,161

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

4C SUPPORT COSTS ALLOCATION

	Premises costs £	Office costs £	Staff and volunteer costs £	Depreciation £	2021 Total £	2020 Total £
Charitable activities						
Changing lives						
Wellbeing	6,191	43,938	5,567	2,652	58,348	50,866
Skin camouflage services	1,969	13,973	1,770	843	18,555	41,886
Education	463	3,288	417	198	4,366	14,729
Changing Minds						
Communications	2,598	18,438	2,336	1,113	24,485	15,079
Scotland office	753	5,342	676	323	7,094	31,654
Cost of raising funds						
Fundraising costs	2,886	20,480	2,595	1,236	27,197	24,182
	14,860	105,459	13,361	6,365	140,045	178,396

Support costs are allocated on a per capita basis, related to the average WTE staff employed in each activity, taking into account the contribution of self-employed contractors and the effects of staff furloughs. The restrictions imposed on operations as a result of the pandemic particularly affected activities in skin camouflage services, education and services managed from our Scotland Office, accounting for the lower allocation of support costs in these areas.

5. NET MOVEMENT IN FUNDS

	2021 £	2020 £
The result for the year is stated after charging:		
Auditor's remuneration – audit	10,000	10,860
Depreciation of fixed assets	6,365	7,482
Operating Leases	<u>826</u>	<u>2,399</u>

5. EMPLOYEES

Total remuneration

	2021 £	2020 £
Wages and salaries	853,417	985,286
Social security costs	88,772	104,219
Pension costs	50,177	57,879
Redundancy costs	1,998	-
Ex gratia payment	-	12,000
	994,364	1,159,384

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

6. EMPLOYEES (Continued)

Average number of employees

The average number of people (full time equivalent) employed by the company during the year was as follows:

	2021	2020
	FTE	FTE
Wellbeing	5.7	5.0
Skin camouflage	3.5	4.2
Education	0.7	1.5
Communications	1.2	1.5
Scotland Office	2.7	3.1
Administration	5.0	5.4
Fundraising	2.3	2.4
	21.1	23.1

The average number of staff employed during the year was as follows:

	2021	2020
	Number	Number
	25	26

Remuneration of higher paid staff

The number of employees whose emoluments exceeded £60,000 per annum was:

	2021	2020
£60,000 - £70,000	3	2
£80,000 - £90,000	1	-
£90,000- £100,000	-	1
£100,000-£110,000	-	1

Remuneration of key management personnel

Total remuneration of key management personnel for the year, including employer pension contributions and employer National Insurance contributions was £229,516 (2020: £347,113). Key management personnel are the charity's leadership team, comprising the CEO, the Director of Fundraising and Communications and the Director of Finance and Resources.

Employer pension contributions of £11,514 (2020: £17,331) were made to a defined contribution scheme on behalf of the key management personnel above.

Board of Trustees members' expenses

None of the Trustees received any remuneration in the year (2020: none). No Trustees received reimbursement of expenses during the year (2020: £1,272). The charity maintains liability insurance covering members of the Board of Trustees in their capacity as directors.

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

7. TANGIBLE ASSETS

	Office Furniture £	Office Equipment £	Computer Equipment £	Total £
COST				
At 1 st April 2020	7,295	6,912	24,757	38,964
Additions			2,823	2,823
Disposals	(7,295)	(6,912)	(3,000)	(17,207)
At 31 st March 2021	-	-	24,580	24,580
DEPRECIATION				
At 1 st April 2020	7,295	6,912	6,385	20,592
Charge for the year	0	0	6,365	6,365
Disposals	(7,295)	(6,912)	(3,000)	(17,207)
At 31 st March 2021	-	-	9,750	9,750
NET BOOK VALUE				
At 31 st March 2021	-	-	14,830	14,830
At 31 st March 2020	-	-	18,372	18,372

8. DEBTORS

	2021 £	2020 £
Trade debtors	-	13,116
Prepayments and accrued income	283,182	232,259
Other debtors	600	2,554
	283,782	247,929

In 2021, accrued income includes receipts due in respect of two legacies. The sums due include estimated values. For one of these legacies, an interim distribution was received in May 2021, and a further distribution is expected, but since there is insufficient information to accurately estimate the value of the final distribution, only the value of the May 2021 distribution is accrued above. For the other legacy, a best estimate of likely income has been accrued.

In 2020, accrued income includes three significant trust donations which were awarded in 2019/20 and where receipt was delayed due to the pandemic.

9. CREDITORS: Amounts due within one year

	2021 £	2020 £
Trade creditors	53,306	63,600
Accruals and deferred income	152,945	175,777
Employer pension contributions	7,776	7,492
Other taxes and social security	23,471	24,853
Other creditors	-	-
	237,498	271,722

In 2020 and 2021, deferred income includes a grant of £100,000 representing the second year of a two-year grant where the income was received in advance and where the progress of the project was delayed due to the pandemic.

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

10. FUNDS

	Unrestricted funds	Restricted funds	Total
	£	£	£
Balance at 1 st April 2020	1,222,020	362,388	1,584,408
Net income/(expenditure)	618,266	(40,109)	578,157
Balance at 31 st March 2021	1,840,286	322,279	2,162,565
Analysis of net assets between funds			
Tangible fixed assets	14,830	-	14,830
Net current assets	1,825,456	322,279	2,147,735
	1,840,286	322,279	2,162,565

The restricted funds of the charity comprise:

	At 1 April 2020	Income	Expenditure	At 31 March 2021
	£	£	£	£
Face equality in schools	83,074	-	(65,276)	17,798
Face it together	31,516	51,291	(82,807)	-
Scotland Youth Engagement	18,666	52,936	(36,117)	35,485
Psycho-social support for children and young people	9,514	57,136	(52,203)	14,447
Support for adults with a visible difference	28,216	45,465	(54,378)	19,303
Support for children and young people with a visible difference	86,153	-	(35,086)	51,067
Changing attitudes to visible difference in Scotland	43,005	-	(43,005)	-
Website development	62,244	-	(62,244)	-
COVID response, visible difference, wellbeing	-	51,980	(51,980)	-
COVID response, visible difference, mental health	-	48,797	(48,797)	-
COVID response, visible difference, young people	-	94,524	(85,499)	9,025
Support for armed forces personnel and veterans	-	30,000	(15,380)	14,620
Counselling support, new ways of working	-	123,000	(8,518)	114,482
Rebuilding skin camouflage service	-	9,949	(6,817)	3,132
Hate Crimes awareness	-	10,273	(10,273)	-
Rebuilding skin camouflage service, Scotland	-	50,000	(7,080)	42,920
	362,388	625,351	665,460	322,279

Restricted funds

Face Equality in Schools is a three-year project to design, create and evaluate materials for use in schools and further education colleges.

Face it together is a two-year project to support people living with visible difference.

Scotland Youth Engagement is a multi-year project to support children and young people campaigning for face equality in Scotland.

Psycho-social support for children and young people is a multi-year project to support children and young people living with visible difference in Sheffield and the Humber.

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

Support for adults with a visible difference is a grant funding psychosocial support practitioner.

Support for children and young people with a visible difference is a grant provided to set up a psycho-social support framework.

Changing attitudes to visible difference in Scotland is a grant funding an awareness campaign in Scotland.

Website development is a grant which covers the third-party costs of creating a new website.

Visible difference COVID response, wellbeing was a short-term grant funding elements of the changed way of working arising from the COVID-19 crisis

Visible difference COVID response, mental health was a short-term grant funding services and products related to mental health issues arising from the COVID-19 crisis

Visible difference COVID response, young people funded service redesign arising from the COVID-19 crisis and particularly targeted at children and young people

Visible difference support for armed forces personnel is a grant that funds support for armed forces personnel and veterans

Visible difference support, new ways of working is a grant to develop and embed new approaches to supporting people with visible differences

Rebuilding skin camouflage service is a grant funding the work to set up skin camouflage clinics, both face to face and digital, after the pandemic.

Hate Crimes awareness is a project to provide social media resources to combat hate crimes arising from visible difference.

Rebuilding skin camouflage service, Scotland is a grant funding the work to set up skin camouflage clinics, both face to face and digital, after the pandemic in Scotland

The unrestricted funds of the charity comprise:

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
Designated funds	941,763	-	(51,572)	400,000	1,290,191
Free reserves	280,257	1,432,281	(762,443)	(400,000)	550,095
	1,222,020	1,432,281	(814,015)	-	1,840,286

Unrestricted reserves: designated reserves

The Trustees have approved investment from the designated fund towards investments in the necessary infrastructure, both digital and physical, to support Changing Faces' operations.

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

11. COMMITMENTS UNDER OPERATING LEASES

As at 31st March 2019, the company had annual commitments under non-cancellable operating leases as set out below:

	2021 £	2020 £
Operating lease payments due:		
Within one year	236	1,603
In one to two years	-	236
	<hr/> 236	<hr/> 1,839

12. PENSIONS

The company operates a defined contribution scheme in respect of salaried employees. Contributions are charged in the accounts as incurred and there were no outstanding or proposed contributions as at the balance sheet date. Pension costs charged in the year were £50,178 (2020: £57,879).

13. RELATED PARTY TRANSACTIONS

No payments were made to related parties in the current or preceding year.

2020 COMPARATIVES

14. INCOME ANALYSIS 2020

	2020 Unrestricted £	2020 Restricted £	2020 Total £
Legacies	85,002	-	85,002
Income from trusts and grants	401,640	615,097	1,016,737
Other donations	208,845	-	208,845
Income from fundraising activity	64,369	-	64,369
Trading activities	-	-	-
Charitable activities	180,748	-	180,748
Investment income	9,493	-	9,493
Total	<hr/> 950,097	<hr/> 615,097	<hr/> 1,565,194

15. INCOME FROM CHARITABLE ACTIVITIES 2020

	2020 Unrestricted £	2020 Restricted £	2020 Total £
Skin camouflage services	179,773	-	179,773
Consultancy and training	975	-	975
Total	<hr/> 180,748	<hr/> -	<hr/> 180,748

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

16. ANALYSIS OF TOTAL EXPENDITURE 2020

	2020 Unrestricted £	2020 Restricted £	2020 Total £
Charitable activities			
Service Innovation			
Wellbeing	187,093	200,534	387,627
Skin camouflage services	324,508	9,848	334,356
Education	117,345	124,810	242,155
	628,946	335,192	964,138
Championing the Voice			
Communications	268,034	71,008	339,042
	268,034	71,008	339,042
Scotland	196,022	84,402	280,424
	1,093,002	490,602	1,583,604
Cost of raising funds			
Fundraising costs	305,629	4,928	310,557
Total	1,398,631	495,530	1,894,161

17. DIRECT AND SUPPORT COSTS 2020

	2020 Direct costs £	2020 Support costs £	2020 Total £
Charitable activities			
Changing lives			
Wellbeing	336,762	50,865	387,627
Skin camouflage services	292,470	41,886	334,356
Education	227,426	14,729	242,155
	856,658	107,480	964,138
Changing Minds			
Communications	323,962	15,080	339,042
	323,962	15,080	339,042
Scotland office	248,770	31,654	280,424
	1,429,390	154,214	1,583,604
Cost of raising funds			
Fundraising costs	286,375	24,182	310,557
	1,715,765	178,396	1,894,161

18. SUPPORT COSTS ALLOCATION 2020

CHANGING FACES

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

	Premises costs £	Office costs £	Staff and volunteer costs £	Depreciation £	2020 Total £
Charitable activities					
Changing lives					
Wellbeing	11,536	32,836	4,360	2,133	50,865
Skin camouflage services	9,499	27,039	3,591	1,757	41,886
Education	3,340	9,508	1,263	618	14,729
Changing Minds					
Communications	3,420	9,735	1,293	632	15,080
Scotland office	7,179	20,434	2,713	1,328	31,654
Cost of raising funds					
Fundraising costs	5,484	15,611	2,073	1,014	24,182
	40,458	115,163	15,293	7,482	178,396

Support costs are allocated on a per capita basis, related to the average WTE staff employed in each activity.

19. FUNDS 2020

	Unrestricted funds £	Restricted funds £	Total £
Balance at 1 st April 2019	1,641,701	271,674	1,913,375
Net income/(expenditure) before transfers	(419,681)	90,714	(328,967)
Balance at 31 st March 2020	<u>1,222,020</u>	<u>362,388</u>	<u>1,584,408</u>
Analysis of net assets between funds			
Tangible fixed assets	18,372	-	18,372
Net current assets	1,203,648	362,388	1,566,036
	<u>1,222,020</u>	<u>362,388</u>	<u>1,584,408</u>

CHANGING FACES

REPORT OF THE TRUSTEES for the year ended 31st March 2021

ADMINISTRATIVE DETAILS

Address

Registered Office: Changing Faces, 10 Queen Street Place, London EC4R 1AG

Postal address: PO box 76751, London WC1A 9QR

Website: www.changingfaces.org.uk

Trustees

The following Trustees served between 1st April 2020 and 31 March 2021

David Clayton (Chairman) ** ***

Mark Landon (Company Secretary and Deputy Chairman) ***

Elissa Holme * ** (Hon Treasurer)

Susan Harrison * * (Chair of the Audit and Risk Committee)**

John Ashcroft (appointed July 2021)

Tiwonge Chipeta (appointed July 2021)

Prof Tony Cline (resigned October 2020)

Bridget Gardiner ** ***

Helen Gravestock *

Monica Gizzi (appointed July 2021)

Emma Howard

Victoria Hunt

Farhana Kapasi ***

Nicholas Lee

Richard Morris (deceased 2020)

Nicola Sawford (resigned October 2020)

Andrew Thompson

Chris Walker FRCS (resigned October 2020)

Members of Board Committees:

*** Audit and Risk Committee**

**** Finance Committee**

***** Nominations Committee**

Patrons

Sir Christopher Benson

Rory Bremner

Michelle Dockery

Lord Fellowes of West Stafford

Jan Ravens

Fiona Squire

Benjamin Zephaniah

Solicitors

Stone King LLP, Boundary House, 91 Charterhouse Street, London EC1M 6HR

Auditor

Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

Bankers

Lloyds Bank plc, Law Courts, PO Box 1000, BX1 1LT