

**CARF EUROPE**  
**(A company limited by guarantee)**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**Charity No: 1134454**  
**Company No: 06772442**

**Mercer  
&Hole**

**CARF EUROPE**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

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**CARF EUROPE**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**Reference and administrative information**

**Constitution**

CARF Europe is a company limited by guarantee which was incorporated on 12 December 2008. It became a registered charity on 23 February 2010 and is governed by its memorandum and articles of association.

Charity number: 1134454

Company number: 06772442

**Directors and Trustees**

The directors of the charitable company ("the charity") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year end were as follows:

C L Johnson  
D M Lehrfeld  
B J Boon

**Registered office**

Freeths LLP  
Routeo Office Park  
Davy Avenue  
Knowlhill  
Milton Keynes  
MK5 8HJ

**Independent examiner**

James Wooldridge MSci FCA  
Mercer & Hole LLP  
Chartered Accountants  
The Pinnacle  
170 Midsummer Boulevard  
Milton Keynes  
MK9 1BP

**CARF EUROPE  
YEAR ENDED 31 DECEMBER 2024**

**Report of the Trustees**

The Trustees present their report together with the financial statements of the charity for the year ended 31 December 2024.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 2019.

**Structure, Governance and Management**

The Trustees have full investment powers and authority for the company and investment decisions have been made in accordance with the Trustees wishes during the period.

The Trustees are appointed annually at the Annual General Meeting of the company by election. New Trustees are recommended by existing Trustees. Induction training is provided for all new Trustees, where appropriate, and all Trustees are encouraged to attend courses and conferences that would benefit them as Trustees.

The Trustees have taken steps to identify the major risks to which the charity is exposed and systems have been established to mitigate those risks.

**Objectives and Activities**

In setting out objectives and planning activities the Trustees have given due regard to the Charity Commission's guidance on public benefit.

The objects of the charity are to advance all purposes charitable under the law in England and Wales. The principal objectives of the charity are to promote and assist in the improvement of the quality of health and human services in Europe for the benefit of all persons in need of such services.

This is achieved by providing accreditation services at the request of health and human service providers. This benefits those who are seeking rehabilitation for a disability, treatment for addiction and substance abuse, home and community services, retirement living, or other health and human services to have confidence in their choice of provider.

**Achievements and performance**

Through accreditation, CARF assists service providers in improving the quality of their services, demonstrating value, and meeting internationally recognised organisational and program standards.

**CARF EUROPE  
YEAR ENDED 31 DECEMBER 2024**

**Report of the Trustees (Cont'd)**

**Achievements and performance (Cont'd)**

The accreditation process applies sets of standards to service areas and business practices during an on-site survey. Accreditation, however, is an ongoing process, signalling to the public that a service provider is committed to continuously improving services, encouraging feedback, and serving the community. Accreditation also demonstrates a provider's commitment to enhance its performance, manage its risk, and distinguish its service delivery.

**COVID 19**

The charity was impacted by the pandemic in 2020. For several weeks, beginning mid-March 2020, the charity was unable to conduct surveys due to the travel requirement of the traditional on-site process. During the months of April and May 2020, a cross-functional team developed a process to deliver "Digitally Enabled" surveys. The charity conducted its first digitally enabled survey in August 2020, with a total of six conducted by 2020 year end. The charity conducted another 13 digitally enabled surveys in 2021, and 5 in 2022, with one on-site survey being conducted in 2022. In 2023, the charity conducted a total of 10 surveys, with 4 being on site. The charity fully returned to the on-site survey process in 2024. Keeping the safety of surveyors and customers in mind, 1 of the 10 surveys was preformed digitally. The digitally enabled survey process has been received well, and customer satisfaction scores are at or near pre-pandemic levels. The charity believes it will be able to serve its customers utilizing this model as needed. The Trustees have no concerns with meeting financial obligations of the charity or with its ability to continue as a going concern for the next 12 months and beyond.

**Financial review**

The charity had a surplus of £23,220 (2023: deficit of £1,630) in the year and at the year end the charity had £161,478 of unrestricted funds carried forward (2023: £138,258).

**Reserves policy**

It is the policy of the charity to maintain unrestricted funds which are the reserves of the charity, and that these funds be sufficient to cover a minimum of one year of operating expenses. This provides sufficient funds for management, administrative and support costs.

The charity's reserves are reviewed on an annual basis.

**Related Parties**

The charity is currently funded by loans from an associated charity: the Commission on Accreditation or Rehabilitation Facilities (known as "CARF International").

**Post balance sheet events**

No matters or circumstances have arisen since the financial period end which significantly affected or may significantly affect the operations of the charity, the results of these operations or the state of affairs of the charity in the financial period subsequent to the financial year ended 31 December 2024.

**CARF EUROPE  
YEAR ENDED 31 DECEMBER 2024**

**Report of the Trustees (Cont'd)**

**Trustees' responsibilities in relation to the financial statements**

The Trustees (who are also directors of CARF Europe for the purposes of company law) are responsible for preparing the Trustees' Annual 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 that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 (FRS102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charitable company will continue in operation

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

By order of the Trustees:

 2/11/2025

C L Johnson  
Director

**CARF EUROPE  
YEAR ENDED 31 DECEMBER 2024**

**Independent Examiner's Report to the Trustees of CARF Europe**

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 December 2024 which are set out on pages 6 to 11.

**Responsibilities and basis of report**

As the charity Trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

*Signed:*

James Wooldridge MSci FCA  
For and on behalf of Mercer & Hole LLP  
Chartered Accountants  
The Pinnacle, 170 Midsummer Boulevard, Milton Keynes, MK9 1BP

*Date*

# CARF EUROPE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	General £	Restricted £	Total 2024 £	Total 2023 £
<b><u>Income</u></b>					
<b>Income from charitable activities</b>					
Survey fee income		202,504	-	202,504	171,683
Application fee income		6,913	-	6,913	8,710
<b>Total income</b>		<u>209,417</u>	<u>-</u>	<u>209,417</u>	<u>180,393</u>
<b><u>Expenditure</u></b>					
<b>Expenditure on charitable activities</b>					
Surveyor costs	5	79,250	-	79,250	46,775
Other costs	5	2,363	-	2,363	2,271
<b>Other expenditure</b>	5	<u>104,585</u>	<u>-</u>	<u>104,585</u>	<u>132,977</u>
<b>Total expenditure</b>		<u>186,198</u>	<u>-</u>	<u>186,198</u>	<u>182,023</u>
<b>Net income/(expenditure) and movement in funds</b>		<u>23,220</u>	<u>-</u>	<u>23,220</u>	<u>(1,630)</u>
<b>Total funds brought forward</b>		138,258	-	138,258	139,888
<b>Total funds carried forward</b>		<u>161,478</u>	<u>-</u>	<u>161,478</u>	<u>138,258</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derives from continuing activities.

The notes on pages 8 to 11 form part of these financial statements.



**CARF EUROPE**  
**BALANCE SHEET AS AT 31 DECEMBER 2024**

	Note	2024	2023
		£	£
<b>Current Assets</b>			
Prepayments		993	2,642
Cash at bank and in hand		522,991	495,361
Debtors		-	784
		<hr/>	<hr/>
Total current assets		523,984	498,787
<b>Creditors: Amounts falling due within one year</b>	<b>6</b>	362,506	360,529
		<hr/>	<hr/>
<b>Net current assets</b>		<u>161,478</u>	<u>138,258</u>
<b>Net assets</b>		<u>161,478</u>	<u>138,258</u>
<b>Represented by:</b>			
Unrestricted funds		<u>161,478</u>	<u>138,258</u>
<b>Total charity funds</b>		<u>161,478</u>	<u>138,258</u>


For the year ended 31 December 2024 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Trustees on ..... and were signed on its behalf by:

 2/11/2025  
C L Johnson

Director

Charity number: 1134454  
Company number: 06772442

The notes on pages 8 to 11 form part of these financial statements

**CARF EUROPE**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. Accounting policies**

**Basis of preparation**

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The Trustees have taken advantage of the exemption in FRS102 from including a cashflow statement in the financial statements on the grounds that the organisation is small.

**Income**

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income invoiced in advance of accreditation services is deferred until the criteria for income recognition are met.

**Expenditure**

Expenditure is included in the SOFA on an accruals basis, inclusive of any VAT which cannot be recovered.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

**Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

**CARF EUROPE**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**

**Cash at bank and in hand**

Cash at bank and cash in hand include cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Creditors and provisions**

Creditors and provisions are recognised where the company 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.

**Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2. Legal status of the charity**

The charity is a private company limited by guarantee incorporated in England and Wales and has no share capital. The liability of each member in the event of winding up is limited to £1.

**3. Taxation**

The company considers it is entitled to exemption from income tax under Section 505 Income and Corporation Taxes Act 1988 as it was established for charitable purposes only.

**4. Staff numbers and Trustees**

The average monthly number of persons (including directors) employed by the company during the year was 0 (2023 – 0).

There was no Trustees' remuneration during the financial year. No expenditure was reimbursed to Trustees during the year.

**CARF EUROPE**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**

**5. Analysis of total expenditure**

**Expenditure on charitable activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Surveyor costs</b>		
Surveyor fees	13,093	14,232
Travel	63,167	29,752
General surveyor costs	2,990	2,791
	<u>79,250</u>	<u>46,775</u>

**Other costs**

Bank charges	<u>2,363</u>	<u>2,271</u>
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**Other expenditure**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Management fees	90,363	85,209
Licensure fees	10,596	8,730
Telephone	390	60
Exhibit expenses	-	15,542
Accountancy	2,040	1,980
Legal fees	476	463
Office supplies	230	230
Consultants	2,054	4,454
Rent	4,117	3,846
Bad debt/write off	66	110
Exchange rate	(5,747)	12,353
(gains)/losses		
	<u>104,585</u>	<u>132,977</u>

**6. Creditors: amounts falling due in less than one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Amount due to associated charity	352,636	329,831
Trade creditors	7,870	4,622
Accruals and deferred income	2,000	26,076
	<u>362,506</u>	<u>360,529</u>

**CARF EUROPE**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**

**7. Movement in funds**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
At 1 January 2024	138,258	139,888
Net movement in funds	23,220	(1,630)
At 31 December 2024	<u>161,478</u>	<u>138,258</u>

**8. Related parties**

The charity is currently funded by an associated charity: the Commission on Accreditation or Rehabilitation Facilities (known as "CARF International"). At the year end the associated charity was owed £352,636 (2023: £329,831 ). CARF Europe have a management agreement and license agreement with CARF International. An amount of £90,363 (2023: £85,209) and £10,596 (2023: £8,730) respectively was charged to CARF Europe during the year.

**9. Net income/expenditure for the year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
This is stated after charging Independent Examiner's fees	<u>2,040</u>	<u>1,980</u>