Carefreespace

England & Wales · Charity number 1176459

Details

Other names	CAREFREEBREAKS, Carefree, Carefreebreaks
Status	Registered
Legal form	Charitable company
Company number	10933982
Registered	2017-12-28
Register	View on the Charity Commission register

Contact

Address	Carefreespace The Finsbury Business Centre Ltd 40 Bowling Green Lane London EC1R 0NE
Phone	02031372578
Email	info@carefreespace.org
Website	www.carefreespace.org

Activities

Objects: 2.1 THE OBJECTS OF THE CHARITY ARE:2.1.1 THE RELIEF OF NEED OF CARERS AND THOSE THEY CARE FOR, AND THEREFORE IMPROVING THEIR CONDITIONS OF LIFE; AND2.1.2 THE ADVANCEMENT OF HEALTH BY ADVANCING BOTH THE MENTAL AND PHYSICAL HEALTH OF CARERS, AND THOSE THEY CARE FOR.

Activities: Carefree harnesses the power of technology and the spirit of the shared society to support and sustainunpaid carers, the invisible workforce without which our social care system could not survive. In partnershipwith the hospitality industry and third sector organisations we are tackling one of the greatest socialchallenges of our time.

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Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** The General Public/mankind

Geography

- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£842,271	£684,021	£-84,919	8
2023-12-31	£431,349	£673,584	-	-
2022-12-31	£485,667	£500,658	-	-
2021-12-31	£337,449	£405,025	-	-
2020-12-31	£455,524	£447,983	-	-

Trustees

Name	Role	Appointed
Charles Michael Thomas Ricketts		2023-07-06
David Edward Myers		2021-07-08
Iain Campbell Mackay		2023-07-06
Jonathan Guy Ollerton Smith		2023-04-05
Karen Ngo		2023-07-06

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Carefreespace

England & Wales - Charity number 1176459

Accounts

Charity registration number 1176459 (England and Wales)

Company registration number 10933982

CAREFREESPACE

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

CAREFREESPACE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D. Myers J Smith K. Ngo I. Mackay C. Ricketts
Charity number	1176459
Company number	10933982
Registered office	The Finsbury Business Centre 40 Bowling Green Lane London England EC1R 0NE
Independent examiner	Andrew Subramaniam c/o HW Fisher Professional Services Limited Acre House 11-15 William Road London NW1 3ER United Kingdom

CAREFREESPACE

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CAREFREESPACE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, its Articles of Association adopted on 25 August 2017 (as amended on 14 December 2017) as defined by the Companies Act 2006 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) (effective 1 January 2019)".

Objectives and Activities

The charity's objects remain:

- the relief of need of unpaid carers and those they care for, and therefore improving their conditions of life; and
- the advancement of health by advancing both the mental and physical health of unpaid carers, and those they care for.

Carefree supports unpaid carers in need of vital respite for their mental health and wellbeing.

We do this by connecting them to accommodation across the UK donated at scale by the hospitality sector out of its excess capacity.

4.1 million people in the UK provide full-time, unpaid care to loved ones requiring help due to disability, frailty, illness, mental health problems or addiction (ONS 2021). Caring full-time is a complex and relentless job. People's mental health declines when they take on unpaid caring roles, with increased psychological distress across all age groups (University of London and UCL, 2023). Carers are twice as likely as non-carers to experience poor physical and mental health (Carers UK). The Carers Week Report 2023 found that 62% of unpaid carers said they needed support with health and wellbeing, and 30% stated their mental health was bad or very bad.

Sadly, there has been a staggering reduction in carers receiving respite or other forms of support for those they look after. Just 35,590 people received respite support in 2023-24, down 23% from 2019-20. Typical respite support often reflects an hour off, maybe a few, and very rarely an overnight break. However, Carefree has grown its breaks delivery by over four times since 2022, jumping from 1,545 breaks delivered to 6,354 in year. The need is palpable. Almost nine out of ten (87%) carers who have taken a break with Carefree say it would not have happened without this service. We are proud that our nationwide network ensures fair and equal access to respite breaks, addressing the postcode lottery of statutory care support.

Public Benefit

The Trustees confirm compliance with the requirements of Section 4 of the Charities Act 2011 and the public benefit guidance issued by the Charity Commission for England and Wales.

We believe that access to regular respite is a cornerstone of sustaining the health and wellbeing of the UK's unpaid carers. There are an estimated 1 million unsold hotel rooms in the UK every week. Since its incorporation, Carefree has distributed over £4 million of donated hotel stays to 15,000 carers nationwide. Our aim is to enable a system for every full-time unpaid carer to get a break when they need it.

Achievements and Performance

2024 Summary

2024 has been a groundbreaking year for our small charity - launching our first mainstream media campaign that garnered 3 million views on social media, raising over £600,000 in donations, and nearly doubling our rate of carer breaks delivery numbers to pass our 10,000 break milestone in Sept 2024.

Our strategic goal has been to see real economies of scale develop within our operation and business model. To that end, we achieved:

- A 42% growth in breaks delivery (6,354 breaks) for just a 2% increase in expenditure (£684,021 in 2024 vs. £673,584 in 2023).
- A 59% increase in our cost efficiency through reducing our cost of servicing each user from £183 in 2023 to £108 in 2024.

- A significant increase in our tech capacity, adding 11,504 new carers to our service (bringing our number of platform users to 30,000 people), whilst lowering our tech development and software cost spend by 12%, from £126,000 in 2023 to £111,204 in 2024.
- Strong customer service efficiency with our two-person team managing 36,909 support requests and 16,109 conversations through a blend of human support, automated messaging, and AI-driven self-service tools - achieving a 93.7% 5-star satisfaction rate.
- A multiplier impact ratio of x2.5 with £1.75m of gifted accommodation mobilised to carers for an operating cost of £684,021.

Direct feedback from carers using our service also cements this impact picture, with 94% reporting a wellbeing improvement, 84% citing improved coping ability and 76% saying that they feel more socially connected following their break. 68% hadn't had a break for more than a year, and 87% couldn't have taken a break without Carefree.

"We stayed only a 10-minute drive from home but that was fine. I felt if things didn't go well I could easily go home. I am feeling relaxed and able to cope better. This break also made me think I need to take care of my mental health too'. Susan, Parent carer to her son".

Operational Delivery and Service Innovations

Our annual membership scheme for Community Partners that refer carers to Carefree, achieved a near-100% renewal in 2024. Membership grew by 20%, bolstered by Department of Health and Social Care Accelerated Reform Fund investment for targeted expansion in Cornwall and Cambridgeshire.

Likewise, our network of hotel partners grew from 130 to 198 properties, with notable new collaborations including Atlas Hotels (the largest UK franchisee of Holiday Inn Express) and Greene King.

We also delivered a range of service innovations to improve the accessibility of our offer through:

- A Hidden Carer Pathway which connects carers who are not linked to existing services with local support after their break.
- An AI chatbot providing out-of-hours support to relieve pressure on staff capacity.
- A partnership with Vouchsafe, funded by Innovate UK, to enable the registration of carers without photo ID to reduce digital exclusion.
- Customised "Walls of Love" for live impact reporting, given to hotel and community partners for direct feedback from the carers they have helped.

Media & Advocacy: Change Happens Overnight

Our Change Happens Overnight campaign — a series of five emotive short films — brought the lived experiences of unpaid carers into public view. Featuring carers Alison, Casey, Kauser, Michael, and Seirian, the films captured the exhaustion, love, and transformation that define the caring role and the restorative power of respite.

Produced entirely pro bono by Presence, Hogarth Worldwide, Gramercy Park Studios, and a gifted creative crew, the campaign reached over 3 million viewers and generated 10,778 direct clicks to our platform.

The campaign's release coincided with our 10,000th break milestone and included media appearances such as an interview on BBC Radio London with our CEO and a carer beneficiary, further amplifying the conversation around carers' needs.

Financial Summary

Overall, Carefree's goal remains to become a majority self-sustaining charity by 2027.

Our mixed-income model is based on our ability to secure philanthropic support and social investment whilst we build up our earned income streams towards becoming a majority self-sustaining charity. We were grateful to receive new quasi-equity social investment from the Fredericks Foundation and blended finance from the Thrive Together Fund.

The £50,000 Fredericks Foundation social investment was made on a revenue participation basis, with the total repayment not exceeding £65,000 and repayments scheduled to commence in July 2025. Similarly, repayments on the £75,000 loan element of the blended finance we received from the Thrive Together Fund have a 12-month repayment holiday on the capital element of the financing; however, interest payments did commence from July 2024.

Carefree has budgeted for the repayment instalments that will fall due on all of the social investment that it's received to date.

2024 saw a 69% growth in our earned income from £125,793 in 2023 to £201,733. Our goal had been to grow our earned income to cover 31% of our operating costs in 2024, which we achieved, and we hope to see earned income rise to cover 38% of our costs by the end of 2025. Trustees acknowledge our deficit position at year-end, a result of the social investment carried by the organisation, and are confident in our ability to continue to meet our loan repayment obligations.

Carefree's earned and donated income for 2024 was £842,271, while expenditure stood at £684,021. Trustees monitor the cash position and financial forecasts very closely and confirm their continuing support for the charity. The Trustees have a reasonable expectation that the charity will have adequate resources to continue to grow its operations over the next 12 months. The Trustees thus continue to adopt the going concern basis of accounting in preparing the financial statements.

Fundraising

Despite the contraction in the wider grant sector, 2024 was a landmark year for Carefree, securing a one-off major corporate donation from Templeton Emerging Markets Investment Trust (TEMIT) for £288,155. We were also delighted to secure a mix of new and continued, unrestricted grants from D'Oyly Carte Charitable Trust, 1989 John Swire Charitable Trust, The Rayne Trust, The Sobell Foundation, Thrive Together Fund Grant, together totalling £369,405.

Additionally, key restricted income for this period included:

- City Bridge Foundation - £160,500 received in-year out of a £500,000 grant to convert £1.5m of donated hotel stays for 5,200 London-based carers over 3 years.
- Clothworkers Foundation - £8,700 towards a new website.
- Cornwall Council ARF Grant - £27,750 received in-year for a two-year project valued at £55,000 to expand Carefree's model in Cornwall.
- Innovate UK - £9,600 committed but not received in year for work with Vouchsafe to enable carers without photo ID to register with our service.

Though we have had our most successful fundraising year to date, we are very conscious of how difficult it will be to maintain that momentum in today's funding climate. Our top priority will be to continue to increase our funding runway to ensure our ability to invest in the additional resources (principally people, technology and awareness-raising) needed to scale the charity's reach and impact.

Risk Management

The Board's goal is to maintain a robust and transparent framework for forecasting, monitoring and addressing the risks faced by Carefree, notably those relevant to a tech digital charity offering innovative services during a period of intense economic & social pressures.

Trustees receive monthly updates from the CEO and provide effective oversight of the charity's activities to mitigate financial, staffing, operation and reputation risks facing the organisation through its quarterly board meetings. It is worth underlining the need to manage risks sensitively given the multitude of challenges faced by our beneficiaries.

As a small charity, it is incredibly important for us to make every endeavour to retain our existing talent. In 2024, in collaboration with our staff, we developed a new employee handbook that introduced a range of new policies centred on improving staff wellbeing and more flexible working.

In addition to meeting quarterly and conducting annual reviews of all of the organisation's policies and procedures, the Board kept a close eye on key risks and used a regularly updated Risks Scorecard to understand how these changed over time. In 2024, one of the charity's highest risks related to team capacity, as our CTO took adoption leave and our CEO also took a period of sick leave to recover from an operation. We also said goodbye to two members of staff, which required a careful restructuring of the team to maintain delivery and resilience. Alongside this, CP membership uptake fell below target, and funding risks remained a concern throughout the year. These pressures were eased towards the end of 2024 when, with the support of our Chair of Trustees, we secured a £288,155 donation from TEMIT, considerably strengthening our position going into 2025.

Financial Review

Our income was £842,271 (2023: 431,349) and expenditure was £684,021 (2023: £673,584), with £262,301 cash at bank in hand at year end to see us into 2025. This is inclusive of a £98,660 surplus in restricted income (2023: £30,859) and £183,579 deficit in unrestricted income (2023: deficit of £274,024).

Overall net assets stood at a deficit of £84,919 (2023: deficit of £243,165) based on new and existing social investment.

The charity's annual budgeting process is supplemented by a monthly update of performance and a review of the financial outlook for the next 12 months. Decisions were regularly made to manage the resources available including to defer staff recruitment and/or to obtain support on a short-term basis. The charity's principal cost is its people (55% of total expenditure) without whom Carefree would simply not have delivered so well. Accessing new funding, especially unrestricted, is especially difficult yet critical to match the necessary flexibility a young tech-based charity needs. Wherever cost-effective, the charity has outsourced supply to help maintain its options.

Our CEO continues to be a respected contributor to grantmakers, impact investors and other funding groups.

Reserves Policy

The reserve policy sets a goal for the charity to hold three months of average core expenses in the reserve. These expenses include people costs, premises costs, and professional services. The average of core expenses is calculated annually at the time the Budget for each year is established and agreed upon by the Trustees. Across 2024, the average monthly cost was £57,311. At year end, the charity had £209,369 in current assets less current liabilities for amounts falling due within one year, largely owing to repayments on our existing social investment. Trustees recognise the importance of balancing reserves generation against the repayment requirements of the social investment that we have received over the last three years, which is being proactively addressed through a combination of secured grants and growing earned income.

Aside from the operating reserve, no other reserves are currently deemed necessary or possible by the Trustees.

Structure, Governance and Management

Governing Document

The charity is controlled by its governing document; its Articles of Association adopted on 25 August 2017 (as amended on 14 December 2017) as defined by the Companies Act 2006.

Organisational Structure

The charity is governed by an independent Board that offers its time, skills and guidance without charge. The Board reviews business plans and resource deployment in the context of Carefree's Theory of Change and mission to promote social change. All policies are reviewed on an annual basis. The Board meets formally 4 x each year with additional support provided informally and reflecting the expertise and experience of our Trustees.

The recruitment of Trustees is undertaken on an open and competitive basis with due consideration of the needs of the charity and its beneficiaries. No new Trustees roles were created in 2024. The board has renewed its commitment to the Code of Governance for smaller charities.

The Board delegates day-to-day management of the charity to the Chief Executive and senior management. The senior managers are tasked with implementing the strategy and policies adopted, and within an annual budget approved by, the Trustees.

Senior management reports regularly to the Trustees on the activities undertaken in managing the charity with reports including updates on financial forecasts, the status of key risks and any safeguarding issues.

The Board has been especially focused on the sufficiency of the charity's resources. In approving this Report and accompanying financial statements and taking account of committed and prospective resources, the Board is satisfied that the charity is a going concern.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

D. Myers
J Smith
K. Ngo
I. Mackay
C. Ricketts

Executive team, Volunteers and Consultants

In 2024, Carefree had a small senior team supported by a few staff. Cognisant of the need to manage fixed costs, we elected to support the team with paid-for technology and fundraising consultancy. We also received significant support from the tech community with circa 21 software companies providing their tools at free or discounted rates.

The Trustees' report was approved by the Board of Trustees.

C. Ricketts
Trustee

Date: 10-09-2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees, who are also the directors of Carefreespace for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- 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; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

CAREFREESPACE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CAREFREESPACE

I report to the trustees on my examination of the financial statements of Carefreespace (the charity) for the year ended 31 December 2024.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 charity as required by section 386 of the Companies Act 2006.; or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or

4 the financial statements 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 financial statements 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 financial statements to be reached.

Andrew Subramaniam
c/o HW Fisher Professional Services Limited
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Dated: .....

CAREFREESPACE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income and endowments from:							
Donations and legacies	3	384,941	224,700	609,641	101,642	146,716	248,358
Charitable activities	4	151,408	-	151,408	87,043	-	87,043
Other trading activities	5	50,325	-	50,325	38,750	-	38,750
Investments	6	34	-	34	173	-	173
Other income	7	-	30,863	30,863	-	57,025	57,025
Total income		586,708	255,563	842,271	227,608	203,741	431,349
Expenditure on:							
Raising funds	8	30,642	-	30,642	55,054	-	55,054
Charitable activities	9	465,623	187,756	653,379	406,125	212,405	618,530
Total resources expended		496,265	187,756	684,021	461,179	212,405	673,584
Gross transfers between funds		-	-	-	(14,550)	14,550	-
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		90,443	67,807	158,250	(248,121)	5,886	(242,235)
Other recognised gains and losses							
Other gains or losses	13	2	(6)	(4)	(71)	(1)	(72)
Net movement in funds		90,445	67,801	158,246	(248,192)	5,885	(242,307)
Fund balances at 1 January 2024		(274,024)	30,859	(243,165)	(25,832)	24,974	(858)
Fund balances at 31 December 2024		(183,579)	98,660	(84,919)	(274,024)	30,859	(243,165)

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CAREFREESPACE

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	**14**		980		4,252
Current assets					
Debtors	**15**	39,371		8,308	
Cash at bank and in hand		262,301		55,686	
		301,672		63,994	
Creditors: amounts falling due within one year	**17**	(92,303)		(76,471)	
Net current assets/(liabilities)			209,369		(12,477)
Total assets less current liabilities			210,349		(8,225)
Creditors: amounts falling due after more than one year	**18**		(295,268)		(234,940)
Net liabilities			(84,919)		(243,165)
Income funds					
Restricted funds	**20**		98,660		30,859
Unrestricted funds			(183,579)		(274,024)
			(84,919)		(243,165)

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2024.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 10 Sept 2025

C. Ricketts
Trustee

Company Registration No. 10933982

1 Accounting policies

Charity information

Carefreespace is a private company limited by guarantee incorporated in England and Wales. The registered office is The Finsbury Business Centre, 40 Bowling Green Lane, London, England, EC1R 0NE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, its Articles of Association adopted on 25 August 2017 (as amended on 14 December 2017) as defined by the Companies Act 2006, the Companies Act 2006 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

Trustees accept the deficit position at year-end, largely owing to repayments on our existing social investment that will fall due over the next seven years. Carefree has budgeted for these repayments, and with close monitoring of the organisation's cash position and financial forecasts, trustees confirm their continuing support for the charity. As of the date of these accounts, the trustees have a reasonable expectation that the charity will have adequate resources to continue to grow its operations over the coming year. The trustees thus continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

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

These comprise the costs associated with attracting voluntary income, sourcing earned income and investment management costs; and also the costs incurred by the charity in the delivery of its activities and services in the furtherance of its objects, including the governance costs

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1 Accounting policies **(Continued)**

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	£	£	£	£	£	£
Donations and gifts	304,941	-	304,941	2,142	-	2,142
Grants	80,000	224,700	304,700	99,500	146,716	246,216
	384,941	224,700	609,641	101,642	146,716	248,358

4 Charitable activities

	2024	2023
	£	£
Administrative fee income	151,408	87,043

5 Other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Membership subscriptions	50,325	38,750

6 Investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	34	173

7 Other income

	Restricted funds 2024 £	Restricted funds 2023 £
Tech discounts received	30,863	57,025

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Fundraising and publicity		
Other fundraising costs	1,750	26,355
Staff costs	28,892	28,699
Fundraising and publicity	30,642	55,054

9 Charitable activities

	2024	**2023**
	£	**£**
Staff costs	362,460	326,277
Advertising and marketing	61,287	47,005
Consulting	50,149	33,489
Tech development	29,142	14,250
IT Software and consumables	82,260	114,173
Telephone and internet	424	500
Rent	9,431	33,908
Subscriptions, training and research	2,033	4,254
Subsistence, travel and meetings	11,495	7,067
	608,681	580,923
Share of support costs (see note 10)	30,423	19,938
Share of governance costs (see note 10)	14,275	17,669
	653,379	618,530
Analysis by fund		
Unrestricted funds	465,623	406,125
Restricted funds	187,756	212,405
	653,379	618,530

10 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Depreciation	6,134	-	6,134	5,418	-	5,418
Bank charges	9,205	-	9,205	4,131	-	4,131
Postage, printing and office supplies	1,476	-	1,476	820	-	820
Insurance	4,406	-	4,406	4,253	-	4,253
Bank revaluation	408	-	408	739	-	739
Interest on loan	6,061	-	6,061	3,398	-	3,398
Recruitment expense	500	-	500	1,179	-	1,179
Bad debt	2,233	-	2,233	-	-	-
Accountancy/ bookkeeping	-	13,153	13,153	-	17,619	17,619
Legal and professional	-	1,122	1,122	-	50	50
	30,423	14,275	44,698	19,938	17,669	37,607
Analysed between						
Charitable activities	30,423	14,275	44,698	19,938	17,669	37,607

Governance costs totaling £13,153 (2023: £17,619) include payments to the independent examiner for independent examination.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the current or prior year.

12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	7	6

Employment costs	2024 £	2023 £
Wages and salaries	344,987	313,636
Social security costs	39,657	34,908
Other pension costs	6,708	6,432
	391,352	354,976

13 Other gains or losses

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	**2024**	**2024**	2023	2023	2023
	£	**£**	**£**	£	£	£
Foreign exchange gains/(losses)	2	(6)	(4)	(71)	(1)	(72)

14 Tangible fixed assets

	Computers
	£
Cost	
At 1 January 2024	21,674
Additions	2,862
At 31 December 2024	24,536
Depreciation and impairment	
At 1 January 2024	17,422
Depreciation charged in the year	6,134
At 31 December 2024	23,556
Carrying amount	
At 31 December 2024	980
At 31 December 2023	4,252

15 Debtors

	2024	**2023**
Amounts falling due within one year:	**£**	**£**
Trade debtors	33,540	-
Other debtors	1,716	750
Prepayments and accrued income	4,115	7,558
	39,371	8,308

16 Loans and overdrafts

	2024	2023
	£	£
Evergreen Director Loan	36,500	36,500
Loan from Postcode Innovation Trust	198,439	246,488
Loan from Thrive Together Fund	76,500	-
Loan from Fredericks Foundation	50,000	-
	361,439	282,988
Payable within one year	66,171	48,048
Payable after one year	295,268	234,940

Postcode Innovation Trust holds a floating charge over the company's assets in respect of its loans to the organisation. It's first instalment of blended finance was given on a 3% interest rate, whilst its £150k investment in 2023 was given on a 0% interest basis. As the repayments against this social investment will be continuing until 2029 it is categorised as a long-term creditor in Carefree's year-end accounts. This contributes to a negative equity position for the charity.

The evergreen director loan provided by former chair Sarah Philbrick was given on a 0% basis with the conditions that it be repaid within 7 years if: (i) Carefree is compliant with all its financial obligations over the past 12 months, (ii) has sufficient funds for the next 3 months and obtained funding commitments to meet the next 6 months of its current year budget, and (iii) Carefree expects to meet any repayment obligations falling due in the next 12 months.

The £50,000 Fredericks Foundation social investment was made on a revenue participation basis, with the total repayment not exceeding £65,000 and repayments scheduled to commence in July 2025.

£75,000 loan element of the blended finance received from the Thrive Together Fund have a 12-month repayment holiday on the capital element of the financing. However, interest payments did commence from July 2024.

17 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Loan from Postcode Innovation Trust		48,745	48,048
Loan from Fredericks Foundation		5,845	-
Loan from Thrive Together Fund		11,581	-
Other taxation and social security		9,041	9,964
Deferred income	19	11,165	6,600
Other creditors		2,141	6,153
Accruals		3,785	5,706
		92,303	76,471

18 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Evergreen Director Loan	36,500	36,500
Loan from Postcode Innovation Trust	149,694	198,440
Loan from Thrive Together Fund	64,919	-
Loan from Fredericks Foundation	44,155	-
	295,268	234,940

Postcode Innovation Trust holds a floating charge over the company's assets in respect of its loans to the organisation. It's first instalment of blended finance was given on a 3% interest rate, whilst its £150k investment in 2023 was given on a 0% interest basis. As the repayments against this social investment will be continuing until 2029 it is categorised as a long-term creditor in Carefree's year-end accounts. This contributes to a negative equity position for the charity.

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£75,000 loan element of the blended finance received from the Thrive Together Fund have a 12-month repayment holiday on the capital element of the financing. However, interest payments did commence from July 2024.

19 Deferred income

	2024	2023
	£	£
Other deferred income	11,165	6,600

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

		Movement in funds				Movement in funds		
	Balance at 1 January 2023	Incoming resources	Resources expended	Transfers	Balance at 1 January 2024	Incoming resources	Resources expended	Balance at 31 December 2024
	£	£	£	£	£	£	£	£
National Lottery Digital Funds	9,974	64,091	(88,220)	14,155	-	-	-	-
Tech Discounts	-	57,025	(57,025)	-	-	30,863	(30,863)	-
The Prudence Trust	15,000	-	(15,395)	395	-	-	-	-
City Bridge Trust	-	77,625	(50,266)	-	27,359	160,500	(117,059)	70,800
Eveson Trust	-	5,000	(1,500)	-	3,500	-	(3,500)	-
Clothworkers Foundation	-	-	-	-	-	8,700	(8,695)	5
Accelerating Reform Fund	-	-	-	-	-	55,500	(27,645)	27,855
	24,974	203,741	(212,406)	14,550	30,859	255,563	(187,762)	98,660

City Bridge Foundation (fomerly City Bridge Trust) - multi-year grant to mobilise donated hotel stays to London-based carers.

Eveson Trust - grant to expand our reach in the West Midlands.

Clothworkers Foundation - The grant of £8,700 from the Clothworkers' Foundation was awarded to support Carefree's digital capacity by funding the development of a new website, enabling to better serve unpaid carers and partners through improved accessibility and functionality.

Accelerating Reform Fund - The Accelerating Reform Fund was awarded to Carefree to deliver the Carer Breaks Initiative in Cornwall, supporting unpaid carers to access short breaks as part of the government's programme to accelerate reforms in adult social care.

21 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 December 2024 are represented by:						
Tangible assets	980	-	980	4,252	-	4,252
Current assets/(liabilities)	209,369	-	209,369	(12,477)	-	(12,477)
Long term liabilities	(393,928)	98,660	(295,268)	(265,799)	30,859	(234,940)
	(183,579)	98,660	(84,919)	(274,024)	30,859	(243,165)

22 Related party transactions

There were no disclosable related party transactions during the current or prior year.

Carefreespace

England & Wales - Charity number 1176459

Accounts

Charity Registration No. 1176459

Company Registration No. 10933982 (England and Wales)

CAREFREESPACE

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

CAREFREESPACE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D. Myers	
	J Smith	(Appointed 5 April 2023)
	K. Ngo	(Appointed 6 July 2023)
	I. Mackay	(Appointed 6 July 2023)
	C. Ricketts	(Appointed 6 July 2023)
Charity number	1176459	
Company number	10933982	
Registered office	The Finsbury Business Centre 40 Bowling Green Lane London England EC1R 0NE	
Independent examiner	Andrew Subramaniam c/o HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom	

CAREFREESPACE

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CAREFREESPACE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, its Articles of Association adopted on 25 August 2017 (as amended on 14 December 2017) as defined by the Companies Act 2006 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) (effective 1 January 2019)".

Objectives and activities

The charity's objects are:

- the relief of need of unpaid carers and those they care for, and therefore improving their conditions of life; and
- the advancement of health by advancing both the mental and physical health of unpaid carers, and those they care for.

Carefree supports unpaid carers in need of vital respite for their mental health and wellbeing.

We do this by connecting them to accommodation across the UK donated at scale by the hospitality sector out of its excess capacity.

4.1 million people in the UK provide full-time, unpaid care to loved ones requiring help due to disability, frailty, illness, mental health problems or addiction (ONS 2021). Caring full-time is a complex and relentless job. People's mental health declines when they take on unpaid caring roles, with increased psychological distress across all age groups (University of London and UCL, 2023). Carers are twice as likely as non-carers to experience poor physical and mental health (Carers UK). The Carers Week Report 2023 found that 62% of unpaid carers said they needed support with health and wellbeing, and 30% stated their mental health was bad or very bad.

At the same time, there are 1 million unsold hotel rooms every week. Since its incorporation, Carefree has distributed £1.65m of donated hotel stays to 6000 carers nationwide. Our aim is to enable a system for every full-time unpaid carer to get a break when they need it.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

We believe the first step towards a sustainable health and social care system is enabling carers to get the break they need.

Our core focus is to identify unpaid carers in need of personal time away from their caring responsibilities through our self-referral pathway, to build out a network of third-sector partner organisations that can refer such carers to Carefree, and to encourage accommodation providers to donate and host short stays for carers.

Achievements and performance

2023 Summary

"***This is the best gift to give to a carer and was so needed. It's changed my life.***"
- Gabrielle, who took a break at The Chesford Grange Hotel.

Carefree's growth continued to accelerate through 2023, demonstrating the economies of scale that can be achieved through our tech-led approach to reaching carers and connecting them to donated break opportunities.

Key achievements included:

- More than doubling our rate of carer breaks delivery from 1,497 in 2022 to 3,661 in 2023, which equates to over £1m of gifted inventory mobilised.
- Growing our carer reach from 8,091 to 18,379 verified carers through our self-referral pathway and network of Community Partner organisations (CPs).

- Expanding our hotel supply from 90 to 130 hotel properties which are donating inventory on a rolling basis.
- Reducing our unit beneficiary cost from £334 to £183 in 2023.

Our team also demonstrated their ability to effectively navigate risk and protect service delivery. In mid-January, Carefree's travel-tech partner announced that they were pulling their main product for connecting us to hotel inventory that the Breaks Hub had been built on top of. Although this sudden shift posed a significant challenge for Carefree, the choice to switch to a predominantly no-code setup has brought a whole new level of independence and control over the operation. We are now able to customise our platform to individual hotel partner requirements, build more operational efficiencies by marrying together our Breaks Hub with our customer service infrastructure and have seen our working relationships with hotels deepen, as they are much bigger fans of interacting with us directly rather than via a third-party software provider.

Carefree's mixed-income model is based on our ability to secure philanthropic support and social investment whilst we build up our earned income streams towards becoming a majority self-sustaining charity. We were grateful to receive further social investment from the Postcode Innovation Trust (PIT) in 2023 to begin diversifying our earned income streams and successfully introduce an annual tiered membership offer for our CPs in Q4. This bolstered our in-year earned income by £38,750 to £125,793, which included income generated through the £25 break admin fee.

19% of our operating costs were covered by our earned income. As of the date of these accounts, we have increased this ratio to 31% in 2024 and aim to reach 38% by the end of the year. Trustees acknowledge our deficit position at year-end based on the social investment carried by the organisation and are confident in our ability to continue to meet our repayment schedule for this loan financing.

Carefree's income for 2023 was £431,349, while expenditure stood at £673,584. Trustees monitor the cash position and financial forecasts very closely and confirm their continuing support for the charity. The trustees have a reasonable expectation that the charity will have adequate resources to continue to grow its operations over the next 12 months. The trustees thus continue to adopt the going concern basis of accounting in preparing the financial statements.

How did carers receive support?

Community and self-referrals

Over 50% of our current 18,379 users signed up in 2023 alone. This is comprised of 5484 self-referrals and 4973 referrals from our Community Partners.

The third version of our self-referral pathway went online in June and strongly illustrates our user demographic, with over 90% of sign-ups identifying as female and 74% as parent carers.

Word of mouth proved to be one of our strongest routes for how carers hear about us (30%), alongside sign-posting by community partners (27%) and social media (34%).

This prompted us to experiment with a small paid social media campaign, alongside in-person and online workshops, to reach more young adult carers, which was funded by The Prudence Trust.

"*I think opportunities like these are amazing for young carers like myself. It may seem like something little, but it made a huge difference to my mental health and improved my mood drastically. I didn't think one trip away from home would have me feeling ecstatic, but that's exactly how I felt*." Khadeza, who stayed at DoubleTree by Hilton London ExCeL.

This project increased the number of young adult carers we're servicing to 455, with 83 booking a break in 2023.
Our 2024 focus will be to develop new signposting functionality for hidden carers that self-refer to other support services and to sign up an additional 14,400 carers via our existing pathways.

Customer service

Investments in our customer service infrastructure have enabled us to manage this increase in service users efficiently. For example, our Intercom system enabled us to send 198,567 proactive communications to carers and resolve 21,885 incoming support requests through a combination of self-serve and human support provided by our small customer service team. Moreover, 92.4% of users who received assistance from our Customer Support Team gave a 5-star rating.

Breaks Delivery

64% of all breaks delivered by the organisation in the past 6 years since incorporation have occurred in 2023.

We grew from 90 to 130 hotel partners in-year and with a broader spread of geographic locations, it is becoming easier and more accessible for a carer to find a break that suits them. New hotel partners that signed up in 2023 include Greene King, Nobu Shoreditch, Imperial Hotels London & St Giles.

Our existing hotel partners also chose to expand their commitments, fuelling our ability to deliver 3,661 breaks across the year, not counting the 759 cancellations by carers who have been assigned a break credit to enable them to rebook. We are incredibly grateful to: 4C Hotel Group, Axiom Hospitality, Bespoke Hotels, Cycas Hospitality, Rookery Hall Hotel & Spa, Sleeperz Hotels, Village Hotels and The Q Hotel Collection for their immense generosity in this regard.

The collective value of the gifted inventory donations came to £1,006,775. In 2024, we hope to double this figure and see 7000 carers book a break through Carefree.

Carer feedback

"***When I arrived and looked round and saw how beautiful the place was, I cried. I cried because I felt understood and valued. Someone who donated that beautiful break must have understood somewhere in their life that caring is a tough job. For those few hours, I left it all behind. I felt human and valued. So thank you from the bottom of my heart to whoever said, 'Yes, let's release these rooms***'."

- Mary, an unpaid carer who stayed at Crewe Hall.

Each break makes a significant and positive impact on the lives of carers, with reported improvements in wellbeing, ability to cope with day-to-day responsibilities, personal relationships, including the cared for person, and a reduction in overall social isolation. Out of 1923 survey respondents, carers reported that:

- 88% couldn't have taken a break without Carefree
- 86% were able to cope following their break (as compared to 10% before their break)
- 95% reported improved wellbeing
- 76% said they felt less socially isolated
- 9/10 average score for ease of use of our Breaks Hub

Community Partner Monetisation

One of our biggest and toughest projects in 2023 was to convert our overall network of community referral partners to paying members, through an introduction of a tiered annual membership fee tied to the annual turnover of their organisation.

We worked with 12 organisations to design and develop a membership offer that would work for them. After testing various pricing approaches, we landed on charging Community Partners a flat 0.1% of the turnover of their carer services. I.e. an organisation with a turnover of £500k would pay £500 a year to refer as many carers as they like with no cap on the number of breaks that could be booked to ensure that they see a significant return on investment. Each break donated by a hotel partner has a commercial rate card value of £275, so even if only 10 carers referred book a break, that is still unlocking £2750 of additional financial value for their organisation.

To support the roll-out of the membership fee, we launched an entirely new Community Partner App with live impact reporting, which has been very positively received, and we'll continue to build out in 2024.

Overall we managed to convert 42 CP memberships in 2023 worth £38,750. Ideally, we would like to grow to 60 organisations in 2024 and increase this revenue stream by 50%.

Fundraising

Overall Carefree's goal remains to become a majority self-sustaining charity by 2027.

In 2023 we continued to pursue this goal by increasing our earned revenue and securing new grant and social investment commitments to scale up the charity's ongoing activities.

We successfully tripled our earned income from £41,724.68 to £125,793 in-year and were delighted to secure new, unrestricted support from: The Astor Foundation, THE CPF Trust, The Fitton Trust, The Pears Foundation Charitable Trust, Esmee Fairbairn Foundation, John Swire 1989 Charitable Trust and Modiano foundation totalling £100,000.

Additional key restricted income for this period included:

- National Lottery Community Fund Grants - £64,091, covering core staff salaries and IT software.
- City Bridge Foundation - £77,625 received in-year out of a £500k grant to convert £1.5m of donated hotel stays into breaks for 5,200 London-based unpaid carers over three years.
- Eveson Trust - £5000 towards supporting carers in the areas of Herefordshire, Worcestershire, Sutton Coldfield, Wolverhampton, Walsall, Sandwell, Dudley, Solihull, Birmingham and Coventry to get a break.

Nonetheless, we have continued to experience an incredibly challenging fundraising context for an organisation that is increasing in size as quickly as ours is and pursued a second round of social investment for the organisation to enable us to launch CP monetisation to diversify our revenue streams and provide increased working capital to help us manage cash flow.

We were lucky to secure extremely favourable arrangements with PIT and our former Chair of Trustees, Sarah Philbrick, who made an evergreen loan to the organisation for £36,500 at a 0% interest rate. Likewise, with PIT, the £150k loan was made on a 0% interest basis with a 12-month repayment holiday and a 6-year repayment term.

Carefree has budgeted for the repayment instalments that will fall due on its Postcode Innovation Trust social investment.

Our top priority is still to increase our funding runway. This will assure us to invest in the additional resources (principally people and awareness-raising) needed to scale the charity's reach and impact.

We aim to achieve this through the continued growth of our trading income, new corporate partnerships and additional social investment in 2024.

With regards to corporate partnerships, we are very grateful to Presence for their pro-bono time and Gramercy Park Studios for donating the post-production of a commercial ad campaign that we filmed in 2023 for release in 2024. This campaign will no doubt boost Carefree's ability to attract new individual and corporate supporters.

Shared learnings

Public Talks
With expertise spanning digital innovation, service design, data and impact evaluation, our team regularly participated in various third-sector conferences and programmes to share best practices with our peers. Key talks included, 'How we built our V3 platform' for the Scottish Council of Voluntary Organisations and an 'At the Forefront' talk for the Fore Trust.

Shared Digital Guides
We've contributed service recipes, case studies and other 'how to' guides to CAST's Shared Digital Guides, which is a website designed to support digital take-up within the charity sector.

In addition, through our many partnerships with no-code companies that offer us discounts for the use of their products, we've also been creating guides on how we use their applications within our service delivery to share with other charities experimenting with these approaches.

Risk Management

The Board's goal is to maintain a robust and transparent framework for forecasting, monitoring and addressing the risks faced by Carefree, notably those relevant to a tech digital charity offering innovative services during a period of intense economic & social pressures.

Trustees receive monthly updates from the CEO and provide effective oversight of the charity's activities to mitigate financial, staffing, operation and reputation risks facing the organisation through its quarterly board meetings. It is worth underlining the need to manage risks sensitively given the multitude of challenges faced by our beneficiaries.

After sweeping many third and travel sector awards in 2022, the board is pleased to again see Carefree shortlisted for the Third Sector Digital Charity of the Year award, which is given in 2024 for 2023 activities.

In addition to meeting quarterly and conducting annual reviews of all of the organisation's policies and procedures, the Board kept a close eye on key risks and used a regularly updated Risks Scorecard to understand how these changed over time. For example: balancing the supply and location of breaks inventory with the demand from carers; achieving sufficient staffing to maintain excellent customer service; sourcing the expertise to create, implement and sustain an innovation-rich tech platform with its associated services; managing the styling and tone of our platform content to make it easy and safe for carers to navigate. All these risks, in addition to the crucial funding risk, have been well managed across the year and learnings shared. As needed, the Board has actively supported the CEO in cost-cutting efforts to extend the organisation's funding runway as we awaited new funding outcomes.

In 2024 we plan to do an overhaul of our staff handbook to better reflect the culture and working practices that have evolved within Carefree over the past few years and to formally place taking care of the wellbeing of our staff at the centre of our employment practice.

Financial review

The year was characterized by ensuring that, regardless, the charity continued to live within its means. Overall, income was £431,349 (2022: £485,667) and expenditure £673,584 (2022: £500,658). The deficit to be carried forward at year-end was £243,165 (2022: £858) which included surplus from restricted income of £30,859 (2022: £24,974) applicable only to specific activities and deficit from unrestricted funds of £274,024 (2022: £25,832). Income was lower than budget; in response, expenditure was deferred or cut. Inevitably this translated to fewer breaks being offered and taken and less spend being possible for fundraising, marketing and profile raising. As ever, our dedicated and expert staff worked at maximum stretch which is not tenable indefinitely; overall remuneration was increased within the limits judged affordable.

The charity's annual budgeting process is supplemented by a monthly update of performance and a review of the financial outlook for the next 12 months. Decisions were regularly made to manage the resources available including to defer staff recruitment and/or to obtain support on a short-term basis. The charity's principal cost is its people (52% of total expenditure) without whom Carefree would simply not have delivered so well. Accessing new funding, especially unrestricted, is especially difficult yet critical to match the necessary flexibility a young tech charity needs. Wherever cost-effective, the charity has outsourced supply to help maintain its options.

Our CEO continues to be a respected contributor to grantmakers, impact investors and other funding groups.

Reserves policy

The reserve policy sets a goal for the charity to hold three months of average core expenses in the reserve. These expenses include people costs, premises costs, and professional services. The average of core expenses is calculated annually at the time the Budget for each year is established and agreed upon by the trustees. Across 2023 the average monthly cost was £55,702. At yearend, the charity had £63,994 in current assets and a deficit of £12,477 for amounts falling due within one year, largely owing to repayments on our existing social investment. Trustees recognise the importance of balancing reserves generation against the repayment requirements of the social investment that we have received over the last three years, which is being proactively addressed through a combination of secured grants and growing earned income.

Aside from the operating reserve, no other reserves are currently deemed necessary or possible by the Trustees.

Structure, governance and management

Governing document

The charity is controlled by its governing document; its Articles of Association adopted on 25 August 2017 (as amended on 14 December 2017) as defined by the Companies Act 2006.

Organisational structure

The charity is governed by an independent Board that offers its time, skills and guidance without charge. The Board reviews business plans and resource deployment in the context of Carefree's Theory of Change and mission to promote social change. All policies are reviewed on an annual basis. The Board meets formally 4 x each year with additional support provided informally and reflecting the expertise and experience of our trustees.

The recruitment of trustees is undertaken on an open and competitive basis with due consideration of the needs of the charity and its beneficiaries. In line with our Articles of Association, after 6 years of chairing the charity, Sarah Philbrick passed the torch to our Co-Founder Charlie Ricketts. Elizabeth Blewett who had also been with us since the beginning stepped down and three new trustees were appointed, with a well-aligned range of experience, expertise and networks. The board has renewed its commitment to the Code of Governance for smaller charities.

Elizabeth Blewett who had also been with us since the beginning stepped down as well as our other co-founder James Ricketts, who had served on the board for three years. Three new trustees were appointed, with a well-aligned range of experience, expertise and networks. The board has renewed its commitment to the Code of Governance for smaller charities.

The Board delegates day-to-day management of the charity to the Chief Executive and senior management. The senior managers are tasked with implementing the strategy and policies adopted, and within an annual budget approved by, the Trustees.

Senior management reports regularly to the trustees on the activities undertaken in managing the charity with reports including updates on financial forecasts, the status of key risks and any safeguarding issues.

The Board has been especially focused on the sufficiency of the charity's resources. In approving this Report and accompanying financial statements and taking account of committed and prospective resources, the Board is satisfied that the charity is a going concern.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

E. Blewett	(Resigned 8 December 2023)
J. Khan	(Resigned 5 April 2023)
S.M.L. Philbrick	(Resigned 8 December 2023)
J. Ricketts	(Resigned 8 December 2023)
D. Myers	
J Smith	(Appointed 5 April 2023)
K. Ngo	(Appointed 6 July 2023)
I. Mackay	(Appointed 6 July 2023)
C. Ricketts	(Appointed 6 July 2023)

Executive team, Volunteers and Consultants
In 2023, Carefree had a small senior team supported by a few staff. Cognisant of the need to manage fixed costs, we elected to support the executive team with paid-for technology and fundraising consultancy. We also receive significant support from the tech community with circa 44 software companies providing their tools at free or discounted rates.

The Trustees' report was approved by the Board of Trustees.

.....

C. Ricketts
Trustee
Dated: 24/09/2024

CAREFREESPACE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also the directors of Carefreespace for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

CAREFREESPACE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CAREFREESPACE

I report to the trustees on my examination of the financial statements of Carefreespace (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 charity as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements 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 financial statements 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 financial statements to be reached.

Andrew Subramaniam

Andrew Subramaniam
c/o HW Fisher LLP
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Dated: 26 Sep 2024

CAREFREESPACE

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	**Unrestricted funds 2023** £	**Restricted funds 2023** £	**Total 2023** £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income and endowments from:							
Donations and legacies	**3**	101,642	146,716	248,358	205,272	204,559	409,831
Charitable activities	**4**	87,043	-	87,043	41,725	-	41,725
Other trading activities	**5**	38,750	-	38,750	-	-	-
Investments	**6**	173	-	173	1,250	-	1,250
Other income	**7**	-	57,025	57,025	430	32,431	32,861
Total income		227,608	203,741	431,349	248,677	236,990	485,667
Expenditure on:							
Raising funds	**8**	55,054	-	55,054	37,046	-	37,046
Charitable activities	**9**	406,125	212,405	618,530	215,491	248,121	463,612
Total resources expended		461,179	212,405	673,584	252,537	248,121	500,658
Net gains/(losses) on investments	**13**	-	-	-	(2,462)	-	(2,462)
Net outgoing resources before transfers		(233,571)	(8,664)	(242,235)	(6,322)	(11,131)	(17,453)
Gross transfers between funds		(14,550)	14,550	-	-	-	-
Net (outgoing)/incoming resources		(248,121)	5,886	(242,235)	(6,322)	(11,131)	(17,453)
Other recognised gains and losses							
Other gains or losses	**14**	(71)	(1)	(72)	29	(7)	22
Net movement in funds		(248,192)	5,885	(242,307)	(6,293)	(11,138)	(17,431)
Fund balances at 1 January 2023		(25,832)	24,974	(858)	(19,539)	36,112	16,573
Fund balances at 31 December 2023		(274,024)	30,859	(243,165)	(25,832)	24,974	(858)

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CAREFREESPACE

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	15		4,252		3,281
Current assets					
Debtors	16	8,308		20,372	
Cash at bank and in hand		55,686		100,258	
		63,994		120,630	
Creditors: amounts falling due within one year	18	(76,471)		(32,090)	
Net current (liabilities)/assets			(12,477)		88,540
Total assets less current liabilities			(8,225)		91,821
Creditors: amounts falling due after more than one year	19		(234,940)		(92,679)
Net liabilities			(243,165)		(858)
Income funds					
Restricted funds	21		30,859		24,974
Unrestricted funds			(274,024)		(25,832)
			(243,165)		(858)

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 24/09/2024

.....

C. Ricketts
Trustee

Company Registration No. 10933982

1 Accounting policies

Charity information

Carefreespace is a private company limited by guarantee incorporated in England and Wales. The registered office is The Finsbury Business Centre, 40 Bowling Green Lane, London, England, EC1R 0NE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, its Articles of Association adopted on 25 August 2017 (as amended on 14 December 2017) as defined by the Companies Act 2006, the Companies Act 2006 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

Trustees accept the deficit position at year-end, largely owing to repayments on our existing social investment that will fall due over the next seven years. Carefree has budgeted for these repayments, and with close monitoring of the organisation's cash position and financial forecasts, trustees confirm their continuing support for the charity. As of the date of these accounts, the trustees have a reasonable expectation that the charity will have adequate resources to continue to grow its operations over the coming year. The trustees thus continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

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

These comprise the costs associated with attracting voluntary income, sourcing earned income and investment management costs; and also the costs incurred by the charity in the delivery of its activities and services in the furtherance of its objects, including the governance costs

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1 Accounting policies **(Continued)**

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	**Restricted funds**	**Total**	Unrestricted funds	Restricted funds	Total
	2023	**2023**	**2023**	2022	2022	2022
	£	**£**	**£**	£	£	£
Donations and gifts	2,142	-	2,142	43,372	-	43,372
Grants	99,500	146,716	246,216	161,900	204,559	366,459
	101,642	146,716	248,358	205,272	204,559	409,831

4 Charitable activities

	2023	**2022**
	£	**£**
Administrative fee income	87,043	41,725

5 Other trading activities

	Unrestricted funds	Total
	2023	2022
	£	£
Membership subscriptions and sponsorships which are in substance a payment for goods and services	38,750	-

6 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Income from listed investments	-	1,250
Interest receivable	173	-
	173	1,250

7 Other income

	Restricted funds	Unrestricted funds	Restricted funds	Total
	2023	2022	2022	2022
	£	£	£	£
Tech discounts received	57,025	-	32,431	32,431
Other income	-	430	-	430
	57,025	430	32,431	32,861

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Fundraising and publicity		
Other fundraising costs	26,355	16,421
Staff costs	28,699	20,625
Fundraising and publicity	55,054	37,046

9 Charitable activities

	2023	**2022**
	£	**£**
Staff costs	326,277	286,618
Advertising and marketing	47,005	11,174
Consulting	33,489	3,795
Tech development	14,250	11,712
IT Software and consumables	114,173	73,709
Telephone and internet	500	1,332
Rent	33,908	32,513
Subscriptions, training and research	4,254	4,909
Subsistence, travel and meetings	7,067	5,771
	580,923	431,533
Share of support costs (see note 10)	19,938	14,663
Share of governance costs (see note 10)	17,669	17,416
	618,530	463,612
Analysis by fund		
Unrestricted funds	406,125	215,491
Restricted funds	212,405	248,121
	618,530	463,612

10 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Depreciation	5,418	-	5,418	3,821	-	3,821
Bank charges	4,131	-	4,131	1,868	-	1,868
Postage, printing and office supplies	820	-	820	1,365	-	1,365
Insurance	4,253	-	4,253	3,200	-	3,200
Bank revaluation	739	-	739	-	-	-
Interest on loan	3,398	-	3,398	3,778	-	3,778
Recruitment expense	1,179	-	1,179	631	-	631
Accountancy/ bookkeeping	-	17,619	17,619	-	16,852	16,852
Legal and professional	-	50	50	-	564	564
	19,938	17,669	37,607	14,663	17,416	32,079
Analysed between						
Charitable activities	19,938	17,669	37,607	14,663	17,416	32,079

Governance costs totaling £17,619 (2022: £16,852) include payments to the independent examiner for independent examination.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the current or prior year.

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	6	6

Employment costs	2023 £	2022 £
Wages and salaries	313,636	270,039
Social security costs	34,908	31,222
Other pension costs	6,432	5,982
	354,976	307,243

13 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Revaluation of investments	-	(2,462)

14 Other gains or losses

	Unrestricted funds	**Restricted funds**	**Total**	Unrestricted funds	Restricted funds	Total
	2023	**2023**	**2023**	2022	2022	2022
	£	**£**	**£**	£	£	£
Foreign exchange gains/(losses)	(71)	(1)	(72)	(29)	7	(22)

15 Tangible fixed assets

	Computers
	£
Cost	
At 1 January 2023	15,285
Additions	6,389
At 31 December 2023	21,674
Depreciation and impairment	
At 1 January 2023	12,004
Depreciation charged in the year	5,418
At 31 December 2023	17,422
Carrying amount	
At 31 December 2023	4,252
At 31 December 2022	3,281

16 Debtors

	2023	**2022**
Amounts falling due within one year:	**£**	**£**
Other debtors	750	461
Prepayments and accrued income	7,558	19,911
	8,308	20,372

17 Loans and overdrafts

	2023	2022
	£	£
Evergreen Director Loan	36,500	-
Loan from Postcode Innovation Trust	246,488	115,051
	282,988	115,051
Payable within one year	48,048	22,372
Payable after one year	234,940	92,679

Postcode Innovation Trust holds a floating charge over the company's assets in respect of its loans to the organisation. It's first instalment of blended finance was given on a 3% interest rate, whilst its £150k investment in 2023 was given on a 0% interest basis. As the repayments against this social investment will be continuing until 2029 it is categorised as a long-term creditor in Carefree's year-end accounts. This contributes to a negative equity position for the charity.

The evergreen director loan provided by former chair Sarah Philbrick was given on a 0% basis with the conditions that it be repaid within 7 years if: (i) Carefree is compliant with all its financial obligations over the past 12 months, (ii) has sufficient funds for the next 3 months and obtained funding commitments to meet the next 6 months of its current year budget, and (iii) Carefree expects to meet any repayment obligations falling due in the next 12 months.

18 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Loan from Postcode Innovation Trust		48,048	22,372
Other taxation and social security		9,964	-
Deferred income	**20**	6,600	-
Other creditors		6,153	1,295
Accruals		5,706	8,423
		76,471	32,090

19 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Evergreen Director Loan	36,500	-
Loan from Postcode Innovation Trust	198,440	92,679
	234,940	92,679

Postcode Innovation Trust holds a floating charge over the company's assets in respect of its loans to the organisation. It's first instalment of blended finance was given on a 3% interest rate, whilst its £150k investment in 2023 was given on a 0% interest basis. As the repayments against this social investment will be continuing until 2029 it is categorised as a long-term creditor in Carefree's year-end accounts. This contributes to a negative equity position for the charity.

The evergreen director loan provided by former chair Sarah Philbrick was given on a 0% basis with the conditions that it be repaid within 7 years if: (i) Carefree is compliant with all its financial obligations over the past 12 months, (ii) has sufficient funds for the next 3 months and obtained funding commitments to meet the next 6 months of its current year budget, and (iii) Carefree expects to meet any repayment obligations falling due in the next 12 months.

20 Deferred income

	2023	2022
	£	£
Other deferred income	6,600	-

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds			Movement in funds			
	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 1 January 2023	Incoming resources	Resources expended	Transfers	Balance at 31 December 2023
	£	£	£	£	£	£	£	£
	Restated							
National Lottery Digital Funds	2	189,559	(179,587)	9,974	64,091	(88,220)	14,155	-
Postcode Innovation Trust	36,110	-	(36,110)	-	-	-	-	-
Tech Discounts	-	32,431	(32,431)	-	57,025	(57,025)	-	-
The Prudence Trust	-	15,000	-	15,000	-	(15,395)	395	-
City Bridge Trust	-	-	-	-	77,625	(50,266)	-	27,359
Eveson Trust	-	-	-	-	5,000	(1,500)	-	3,500
	36,112	236,990	(248,128)	24,974	203,741	(212,406)	14,550	30,859

National Lottery Digital Fund - Grant towards Carefree's tech platform and the salaries of our CTO and Director of Sustainability and Impact.

The Prudence Trust - Grant to pilot a project with young carers to support their mental health.

City Bridge Foundation (fomerly City Bridge Trust) - multi-year grant to mobilise donated hotel stays to London-based carers.

Eveson Trust - grant to expand our reach in the West Midlands.

22 Analysis of net assets between funds

	Unrestricted funds	**Restricted funds**	**Total**	Unrestricted funds	Restricted funds	Total
	2023	**2023**	**2023**	2022	2022	2022
	£	**£**	**£**	£	£	£
Fund balances at 31 December 2023 are represented by:						
Tangible assets	4,252	-	4,252	3,281	-	3,281
Current assets/(liabilities)	(12,477)	-	(12,477)	63,566	24,974	88,540
Long term liabilities	(265,799)	30,859	(234,940)	(92,679)	-	(92,679)
	(274,024)	30,859	(243,165)	(25,832)	24,974	(858)

23 Related party transactions

There were no disclosable related party transactions during the current or prior year.

Carefreespace

England & Wales - Charity number 1176459

Accounts

Charity Registration No. 1176459

Company Registration No. 10933982 (England and Wales)

CAREFREESPACE

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

SATURDAY
ACAQQMEW
A10 26/08/2023 #152
COMPANIES HOUSE

CAREFREESPACE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E. Blewett	
	S.M.L. Philbrick	
	J. Ricketts	
	D. Myers	
	J Smith	(Appointed 5 April 2023)
	K. Ngo	(Appointed 6 July 2023)
	I. Mackay	(Appointed 6 July 2023)
	C. Ricketts	(Appointed 6 July 2023)
	J. Khan	(Resigned 5 April 2023)
Charity number	1176459	
Company number	10933982	
Registered office	The Finsbury Business Centre 40 Bowling Green Lane London England EC1R 0NE	
Independent examiner	Andrew Subramaniam c/o HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom	

CAREFREESPACE

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CAREFREESPACE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, its Articles of Association adopted on 25 August 2017 (as amended on 14 December 2017) as defined by the Companies Act 2006 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) (effective 1 January 2019)".

Objectives and activities
The charity's objects are:

- the relief of need of unpaid carers and those they care for, and therefore improving their conditions of life; and
- the advancement of health by advancing both the mental and physical health of unpaid carers, and those they care for.

Carefree supports unpaid carers in need of vital respite for their mental health and wellbeing.

We do this by connecting them to accommodation across the UK donated at scale by the hospitality sector out of its excess capacity.

There are 1 million unsold hotel rooms every week. In 2022 we distributed an estimated £386,000 worth of donated hotel stays to 1,545 full time unpaid carers nationwide and are on track to mobilise a further £1m of gifted inventory in 2023.

Our aim is to enable a system for every full-time unpaid carer to get access to an annual break. The recent census found that there are 5.7 million unpaid carers across England and Wales, with 1.5m providing over 50 hours of care a week.

"Against a backdrop of increasing demand for social care, reduced state provision. The role and contribution of carers to health and social care is critical. Maintaining the mental and physical health and wellbeing of carers is therefore essential." Public Health England, 2021.

80% of home care in the UK is provided by unpaid carers who are twice as likely as non-carers to experience poor physical and mental health. 85% of our users have not had time-off to look after themselves for more than a year, half for more than three years.

We believe that the first step towards a sustainable health and social care system is enabling carers to get the break that they need.

Public benefit
The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Our core focus is to identify unpaid carers in need of personal time away from their caring responsibilities, to build out a network of third-sector partner organisations that can refer such carers to Carefree, and to encourage accommodation providers to donate and host short stays for carers.

Achievements and performance
2022 Summary

"A Carefree break improves mental health and makes it easier to care; it's like pressing a reset button." - Jacqueline, unpaid carer.

Carefree has matured this year into a multi-award-winning organisation that is truly changing the landscape for how unpaid carers can gain access to an annual break.

We've delivered:

- An eightfold increase in breaks delivery from 200 in 2021 to 1,545 in 2022
- A 60% increase in Community Partnerships from 70 to 114 referral organisations to ensure hyper-local access to Carefree's offer.
- Growth from 2,400 to 8,091 verified carers using our platform to access an annual break
- Sign-up of an additional 24 hotels across the UK

2022 Awards and Recognition

- Best Technology Project, Travolution Awards
- Best Digital Innovation, Business Charity Awards
- Highly Commended, Small Charity Big Achiever, Third Sector Awards
- Shortlisted, People and Communities, SKIFT IDEA Awards

Despite these successes, and as experienced by many charities, 2022 was also another incredibly challenging year. Shortfalls in budgeted funding caused a reduction in planned resourcing, for example in marketing and communications activities and much needed staff hires. Further, the longer term consequences of the pandemic were still being felt: the ability of carers to commit to and take a break was often constrained by a natural caution as well as continuing difficulty in making arrangements for the person they care for. This can be revealed in what we refer to as the 'conversion' rate, namely the proportion of carers who register on our platform relative to the number who actually take a break.

Carefree's income in 2022 totalled £485,667 (2021: £337,449) and expenditure £500,658 (2021: £405,025). A deficit of £858 (2021: surplus of £16,573) was carried forward to 2023.

Trustees accept the small deficit position at year-end and will seek to address it in the current financial year. Trustees monitor the cash position and financial forecasts very closely and confirm their continuing support for the charity. As of the date of these accounts, the trustees have a reasonable expectation that the charity will have adequate resources to continue to grow its operations over the coming year. The trustees thus continue to adopt the going concern basis of accounting in preparing the financial statements.

The charity's ambition and determination to achieve its purposes and to transform the well-being of the UK's unpaid carers is undiminished. We have embarked on 2023 with confidence - and evidence - that our services meet the needs not only of carers but also of our other major stakeholders, namely our Community and our Hospitality Partners.

Unpaid carers

" "The simplicity and the speed carers can access the breaks is incredible. For carers to have something to look forward for themselves is invaluable and it's amazing what a lift it gives them, as they forget how important they are." - Christine, Northamptonshire Carers.

Strategic Goal

To afford every full-time unpaid carer the opportunity of a short break from their caring responsibilities.

2022 Objectives

Following the launch of our V2 Platform in Nov 2021, our objective was to distribute as many breaks as we could to unpaid carers dealing with the impacts of the pandemic.

We focused on proactive outreach, enhanced customer support and the scaling up of our self-referral and Community Partner referral pathways to get more full-time, unpaid carers connected to our service.

2022 Achievements & Impact

In 2022, 5,835 unpaid carers registered with Carefree, taking our total at the end of the year to 8,091 verified carers. Almost 3,000 of those new carers signed-up via our self-referral route, the other 2,800+ were referred by our amazing Community Partners. 45 new partner organisations signed up in the year, taking the total number of organisations that can refer to Carefree to an impressive 114.

Most importantly, 1,545 carers benefited from a break. 88% said they could not have taken a break without our service, 96% reported an improvement in their wellbeing and after a Carefree break, 8 times more carers felt able to cope with their caregiving role.

Next Steps

In 2023, we are planning to facilitate 4,000 carers breaks and sign-up a further 6,000 carers to our service.

1 in 5 carers that self-refer to Carefree are not known to their Local Authority or local Carer Support Organisation. Thanks to some pilot funding from The Prudence Trust we will be able to focus our efforts identifying young adult carers in need of our support to improve their mental health and wellbeing. In addition, we will work to deepen our relationships with existing Community Partners and launch new online campaigns to increase our self-referral numbers.

Hospitality Partners

"I would encourage all hotels to become involved in this. The more partners we have, the more accommodation we can share with carers who need this gift for their wellbeing." Philip Gardner, Commercial Director, The Q Hotels Collection

Strategic Goal

To source excess capacity from the hospitality industry such that vacant accommodation can be transformed into both a charitable asset and support the providers' ESG goals.

2022 Objectives

To build a sustainable accommodation pipeline through new acquisition, and leverage of current Hospitality Partners.

2022 Achievements & Impact

In 2022, we mobilised an estimated £386,000 of donated hotel stays to unpaid carers all across the UK thanks to the generosity of: 4C Hotel Group, Axiom Hospitality, Bespoke Hotels, Cottesmore Hotel, Cycas Hospitality, Holiday Inn Corby, Sleeperz Hotels, The Q Hotels Collection, Rockery Hall, and Village Hotels.

Next Steps

In 2023 we will focus on expanding our range of Hospitality Partners to increase the number of break opportunities we are able to provide carers with. We plan to create more functionality within our platform to embed our working relationships with our Hospitality Partners so they can, for example, access live impact reporting, more easily manage their gifted inventory and refer employees with caring responsibilities to our initiative.

Technology

Strategic Goal

To create an automated platform that facilitates carer verification and multi-channel access to donated accommodation for carers and real-time impact reporting for our stakeholders.

2022 Objectives

To optimise our V2 Platform to maximise 'conversion' of carers, to increase breaks offered and taken and use live-user feedback to embed service improvements.

2022 Achievements & Impact

It was - and is - a complex journey to operationalise the generous offers of accommodation received from across the hospitality industry. It involves building customised digital pathways for the release of inventory with multiple hotel groups and has meant a staged release of gifted inventory over the year. In turn this slowed the conversion rate of carers registered with us booking a break over this period. However with the technical build complete we have since seen a strong uptick in bookings, delivering over 1000 breaks within the first four months of 2023, compared to 1,545 in all of 2022.

Next Steps
In 2023 we aim to continue optimisation of our breaks hub to maximise 'conversion' of carers making a greatly increased number of breaks bookings. We will also continue to invest in our tech platform to add functionality to Hotel & Community Partner online member spaces to embed partnership working across organisations' systems.

Communications and Marketing
Strategic Goal
To create a dynamic charity brand that evokes support from across society for unpaid carers to get access to an annual break.

2022 Objectives
To use digital marketing to identify and connect hidden carers to a break.

2022 Achievements & Impact
In 2022, almost 40% of the carers that signed up with Carefree (over 1,500 people) cited social media as how they heard about us.

And a quarter of those stated that they were not known to their local Carer Support Organisation or Local Authority.
As Carefree continues to grow its reach and engagement across the UK we project to identify thousands more 'hidden' or 'disenfranchised' unpaid carers.

Next Steps
To expand our comms capacity through a dedicated staff hire and secure more mainstream press coverage for our organisation's work.

Fundraising
Strategic Goal
- To achieve a majority self-sustaining operation by 2027.

2022 Objectives
To establish our primary earned income stream through breaks delivery and secure new grant and donor commitments to enable the charity's ongoing activities and scale-up.

2022 Achievements & Impact
Importantly for proving Carefree's long-term model, carers successfully booked breaks and paid the £25 administration fee, resulting in £41,724.68 earned income in 2022.

Overall, 2022 continued to present a very difficult fundraising context. However, we were delighted to secure new, unrestricted support of £161,900 from: D'Oyly Carte Charitable Trust, Dulverton Trust, Englefield Charity, Fitton Trust, The Fore, Garfield Weston, John Swire 1989 Charitable Trust, Pears Foundation and Rayne Trust.

Additionally, key restricted income received in the period included:
(i) National Lottery Community Fund Grants - £189,559, covering core staff salaries and IT software.
(ii) The Prudence Trust - £15k for a pilot project to get more young carers signed up to Carefree's service.

We also ran a successful public fundraising campaign through The Big Give Christmas Challenge that raised £23,286 for the charity.

Next Steps
Having taken on increased social investment from The Postcode Innovation Trust, to help accelerate the roll-out of our services, our top priority is still to increase our funding runway. This will give us the assurance to invest in the additional resources (principally people and awareness-raising) needed to scale the charity's reach and impact.

We aim to achieve increased funding through a combination of new public donations and the diversification of our trading income sources. To this end, in 2023, we plan to launch a new Community Partner offer and will be seeking new corporate partnerships to aid our public fundraising efforts.

Carefree has budgeted for the repayment installments that will due on its Postcode Innovation Trust social investment.

Risk Management
Strategic Goal
To maintain a robust and transparent framework for forecasting, monitoring and addressing the risks faced by Carefree, notably those relevant to a tech digital charity offering innovative services during a period of intense economic & social pressures.

2022 Objectives
To provide effective oversight and maintain the highest standards in all of the charity's activities and mitigate financial, staffing, operational and reputational challenges facing the organisation. It is worth underlining the need to manage risks sensitively given the multitude of challenges faced by our beneficiares.

2022 Achievements & Impact
The Board is proud to see the organisation gain the awards recognition it deserves for its digital innovation and achievements as a small charity delivering big impact for thousands of carers. Securing these achievements also depends on an active and agile approach to risk management.

In addition to meeting quarterly and conducting annual reviews of all of the organisation's policies and procedures, the Board kept a close eye on key risks and used a regularly updated Risks Scorecard to understand how these changed over time. For example: balancing the supply and location of breaks inventory with the demand from carers; achieving sufficient staffing to maintain excellent customer service; sourcing the expertise to create, implement and sustain an innovation-rich tech platform with its associated services; managing the styling and tone of our platform content to make it easy and safe for carers to navigate. All these risks, in addition to the crucial funding risk, have been well managed across the year and learnings shared. As needed, the Board has actively supported the CEO in cost-cutting efforts to extend the organisation's funding runway as we awaited new funding outcomes. It has also provided additional mentorship to an overstretched staff team who delivered an eightfold increase in delivery without the flexibility to expand the organisation's headcount.

Next Steps
In 2023 anticipating and managing risk will remain a high priority for the Board and senior management. We are keen to significantly raise the charity's visibility and this will create higher reputational risks. With much larger numbers of carers booking breaks through our platform we will also be vigilant in managing their needs and expectations. Reporting back to all our stakeholders in a timely and value-added way will help manage risks associated with supply and demand. Whenever possible, we are committing additional time and expertise to securing new funds - reducing this risk will have a transformative impact on the charity's capacity and on our people's well-being.

The Board will continue to review and update Policies & Procedures and the employee handbook.

The year ahead will also include trustee recruitment - to refresh and add to the Board's capabilities and to cover for some long-standing trustees reaching the end of their terms.

Financial review
The year was characterized by ensuring that, regardless, the charity continued to live within its means. Overall, income was £485,667 (2021 £337,449) and expenditure £500,658 (2021 £405,025). The deficit to be carried forward at year-end was £858 which included surplus from restricted income of £24,974 applicable only to specific activities and deficit from unrestricted funds of £25,832. Income was lower than budget; in response, expenditure was deferred or cut. Inevitably this translated to less breaks being offered and taken and less spend being possible for fundraising, marketing and profile raising. As ever, our dedicated and expert staff worked at maximum stretch which is not tenable indefinitely; overall remuneration was increased within the limits judged affordable.

The charity's annual budgeting process is supplemented by a monthly update of performance and a review of the financial outlook for the next 12 months. Decisions were regularly made to manage the resources available including to defer staff recruitment and/or to obtain support on a short-term basis. The charity's principal cost is its people (62% of total expenditure) without whom Carefree would simply not have delivered so well. Accessing new funding, especially unrestricted, is especially difficult yet critical to match the necessary flexibility a young tech charity needs. Wherever cost-effective, the charity has outsourced supply to help maintain its options.

Our CEO continues to be a respected contributor to grantmaker, impact investor and other funding groups.

Reserves policy
The Reserves policy sets a goal for the charity to hold three months of average core expenses in the reserve. These expenses include people costs, premises costs, and professional services. The average of core expenses is calculated annually at the time the Budget for each year is established and agreed by the trustees. Across 2022 the average monthly cost was £41,000. At year-end, the charity had a deficit of £858. Trustees acknowledge this outturn and will seek to resolve it in the current financial year.

Aside from the operating reserve, no other reserves are currently deemed necessary or possible by the Trustees.

Structure, governance and management

Governing document

The charity is controlled by its governing document; its Articles of Association adopted on 25 August 2017 (as amended on 14 December 2017) as defined by the Companies Act 2006.

Organisational structure

The charity is governed by an independent Board that offers its time, skills and guidance without charge. The Board reviews business plans and resource deployment in the context of Carefree's Theory of Change and mission to promote social change. All policies are reviewed on an annual basis. The Board meets formally 4 x each year with additional support provided informally and reflecting the expertise and experience of our trustees.

The recruitment of trustees is undertaken on an open and competitive basis with due consideration of the needs of charity and its beneficiaries. With the growth of the charity, the Board are keen to reflect this in a slightly larger number of trustees who can, collectively, offer the time and passion and also provide a well-aligned range of experience, expertise and networks. Full induction is provided to help new trustees contribute confidently. During the year, the Board developed and adopted a Code of Governance suited to smaller charities.

The Board delegates day-to-day management of the charity to the Chief Executive and senior management. The senior managers are tasked with implementing the strategy and policies adopted, and within an annual budget approved by, the Trustees.
Senior management reports regularly to the trustees on the activities undertaken in managing the charity with reports including updates on financial forecasts, the status of key risks and any safeguarding issues.

The Board has been especially focused on the sufficiency of the charity's resources. In approving this Report and accompanying financial statements and taking account of committed and prospective resources, the Board is satisfied that the charity is a going concern.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

E. Blewett	
J. Khan	(Resigned 5 April 2023)
S.M.L. Philbrick	
J. Ricketts	
D. Myers	
J Smith	(Appointed 5 April 2023)
K. Ngo	(Appointed 6 July 2023)
I. Mackay	(Appointed 6 July 2023)
C. Ricketts	(Appointed 6 July 2023)

Executive team, Volunteers and Consultants

In 2022, Carefree had a small senior team supported by a few staff. Cognisant of the need to manage fixed costs, we elected to support the executive team with paid-for technology and fundraising consultancy. We also receive significant support from the tech community with circa 40 software companies providing their tools at free or discounted rates.

The Trustees' report was approved by the Board of Trustees.

S.M.L. Philbrick
Trustee
Dated: 23 Aug '23

CAREFREESPACE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are also the directors of Carefreespace for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

CAREFREESPACE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CAREFREESPACE

I report to the trustees on my examination of the financial statements of Carefreespace (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 charity as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements 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 financial statements 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 financial statements to be reached.

Andrew Subramaniam

Andrew Subramaniam
c/o HW Fisher LLP
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Dated: 24 Aug 2023

CAREFREESPACE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £ Restated	Restricted funds 2021 £ Restated	Total 2021 £ Restated
Income and endowments from:							
Donations and legacies	3	205,272	204,559	409,831	132,219	190,333	322,552
Charitable activities	4	41,725	-	41,725	4,625	-	4,625
Investments	5	1,250	-	1,250	1,875	-	1,875
Other income	6	430	32,431	32,861	-	8,397	8,397
Total income		248,677	236,990	485,667	138,719	198,730	337,449
Expenditure on:							
Raising funds	7	37,046	-	37,046	20,666	-	20,666
Charitable activities	8	215,491	248,121	463,612	144,339	240,020	384,359
Total resources expended		252,537	248,121	500,658	165,005	240,020	405,025
Net gains/(losses) on investments	12	(2,462)	-	(2,462)	3,125	-	3,125
Gross transfers between funds		-	-	-	(34,747)	34,747	-
Net outgoing resources		(6,322)	(11,131)	(17,453)	(57,908)	(6,543)	(64,451)
Other recognised gains and losses							
Other gains or losses	13	29	(7)	22	-	-	-
Net movement in funds		(6,293)	(11,138)	(17,431)	(57,908)	(6,543)	(64,451)
Fund balances at 1 January 2022		(19,539)	36,112	16,573	38,369	42,655	81,024
Fund balances at 31 December 2022		(25,832)	24,974	(858)	(19,539)	36,112	16,573

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CAREFREESPACE

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£ Restated
Fixed assets					
Tangible assets	14		3,281		3,419
Investments	15		-		28,500
			3,281		31,919
Current assets					
Debtors	16	20,372		8,716	
Cash at bank and in hand		100,258		108,332	
		120,630		117,048	
Creditors: amounts falling due within one year	18	(32,090)		(17,343)	
Net current assets			88,540		99,705
Total assets less current liabilities			91,821		131,624
Creditors: amounts falling due after more than one year	19		(92,679)		(115,051)
Net (liabilities)/assets			(858)		16,573
Income funds					
Restricted funds	20		24,974		36,112
Unrestricted funds			(25,832)		(19,539)
			(858)		16,573

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 23 Aug 2023

S.M.L. Philbrick
Trustee

Company Registration No. 10933982

1 Accounting policies

Charity information

Carefreespace is a private company limited by guarantee incorporated in England and Wales. The registered office is The Finsbury Business Centre, 40 Bowling Green Lane, London, England, EC1R 0NE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, its Articles of Association adopted on 25 August 2017 (as amended on 14 December 2017) as defined by the Companies Act 2006, the Companies Act 2006 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) (effective* 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Prior period adjustment

The comparatives to the 2022 accounts have been restated. The adjustment to the opening balances in 2021 and 2022 relate to the re-allocation of expenditure from restricted to unrestricted funds.

1.3 Going concern

Trustees accept the small deficit position at year-end and will seek to address it in the current financial year. Trustees monitor the cash position and financial forecasts very closely and confirm their continuing support for the charity. As of the date of these accounts, the trustees have a reasonable expectation that the charity will have adequate resources to continue to grow *its operations over the coming year. The trustees thus continue to adopt the going concern basis of accounting in preparing* the financial statements.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.6 Expenditure

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

1 *Accounting policies* *(Continued)*

These comprise the costs associated with attracting voluntary income, sourcing earned income and investment management costs; and also the costs incurred by the charity in the delivery of its activities and services in the furtherance of its objects, including the governance costs

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	43,372	-	43,372	11,719	-	11,719
Grants	161,900	204,559	366,459	120,500	190,333	310,833
	205,272	204,559	409,831	132,219	190,333	322,552

4 Charitable activities

	2022	2021
	£	£
Administrative fee income	41,725	4,625

5 Investments

	Unrestricted funds	*Unrestricted funds*
	2022	2021
	£	£
Income from listed investments	1,250	1,875

6 Other income

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Tech discounts received	-	32,431	32,431	-	8,397	8,397
Other income	430	-	430	-	-	-
	430	32,431	32,861	-	8,397	8,397

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
		Restated
Fundraising		
Other fundraising costs	16,421	130
Staff costs	20,625	20,536
	37,046	20,666

8 Charitable activities

	2022	2021
	£	£
		Restated
Staff costs	286,618	247,662
Advertising and marketing	11,174	20,768
Consulting	3,795	35,087
Tech development	11,712	11,332
IT Software and consumables	73,709	34,334
Telephone and Internet	1,332	999
Rent	32,513	3,504
Subscriptions, training and research	4,909	2,219
Subsistence, travel and meetings	5,771	3,817
	431,533	359,722
Share of support costs (see note 9)	14,663	11,083
Share of governance costs (see note 9)	17,416	13,554
	463,612	384,359
Analysis by fund		
Unrestricted funds	215,491	144,339
Restricted funds	248,121	240,020
	463,612	384,359

9 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Depreciation	3,821	-	3,821	2,900	-	2,900
Bank charges	1,868	-	1,868	582	-	582
Postage, printing and office supplies	1,365	-	1,365	151	-	151
Insurance	3,200	-	3,200	2,812	-	2,812
Bank revaluation	-	-	-	263	-	263
Interest on loan	3,778	-	3,778	1,889	-	1,889
Recruitment expense	631	-	631	2,486	-	2,486
Accountancy/ bookkeeping	-	16,852	16,852	-	13,262	13,262
Legal and professional	-	564	564	-	292	292
	14,663	17,416	32,079	11,083	13,554	24,637
Analysed between						
Charitable activities	14,663	17,416	32,079	11,083	13,554	24,637

Governance costs totaling £16,852 (2021 : £13,262) include payments to the independent examiner for independent examination.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the current or prior year.

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	6	6

Employment costs	2022 £	2021 £
Wages and salaries	270,039	241,164
Social security costs	31,222	22,144
Other pension costs	5,982	4,890
	307,243	268,198

12 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Revaluation of investments	(2,462)	3,125

13 Other gains or losses

	Unrestricted funds	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Foreign exchange gains	29	(7)	22	-

14 Tangible fixed assets

	Computers
	£
Cost	
At 1 January 2022	11,602
Additions	3,683
At 31 December 2022	15,285
Depreciation and impairment	
At 1 January 2022	8,183
Depreciation charged in the year	3,821
At 31 December 2022	12,004
Carrying amount	
At 31 December 2022	3,281
At 31 December 2021	3,419

15 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	28,500
Loss on sale of investment	(2,462)
Disposals	(26,038)
At 31 December 2022	-
Carrying amount	
At 31 December 2022	-
At 31 December 2021	28,500

16 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Other debtors	461	2,784
Prepayments and accrued income	19,911	5,932
	20,372	8,716

17 Loans and overdrafts

	2022	2021
	£	£
Other loans	115,051	125,000
Payable within one year	22,372	9,949
Payable after one year	92,679	115,051

Loan from Postcode Innovation Trust. It holds a floating charge over the company's assets in respect of the loan. The annual interest of the loan is 3%.

18 Creditors: amounts falling due within one year

	2022	2021
	£	£
Loan from Postcode Innovation Trust	22,372	9,949
Other creditors	1,295	1,200
Accruals	8,423	6,194
	32,090	17,343

19 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Loan from Postcode Innovation Trust	92,679	115,051

Postcode Innovation Trust holds a floating charge over the company's assets in respect of the loan. The annual interest of the loan is 3%.

Resources expended as part of the blended finance received from the Postcode Innovation Trust have been drawn down on a 50/50 basis to reflect expenditure from both the loan and grant income.

As a social investment (comprising a £125,000 grant and a £125,000 term loan at a fixed rate of 3% over 7 years), it is categorized as a long term creditor in Carefree's year-end accounts. This contributes to a negative equity position for the charity.

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds					Movement in funds		
	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£	£	£
	Restated		Restated		Restated			
National Lottery Digital Funds	(4,599)	122,833	(162,834)	44,602	2	189,559	(179,587)	9,974
Postcode Innovation Trust	37,399	62,500	(63,789)	-	36,110	-	(36,110)	-
Social Tech Trust	8,267	-	-	(8,267)	-	-	-	-
Tech Discounts	-	8,397	(8,397)	-	-	32,431	(32,431)	-
Other	1,588	-	-	(1,588)	-	-	-	-
National Lottery Support Fund	-	5,000	(5,000)	-	-	-	-	-
The Prudence Trust	-	-	-	-	-	15,000	-	15,000
	42,655	198,730	(240,020)	34,747	36,112	236,990	(248,128)	24,974

National Lottery Digital Fund - Grant towards Carefree's tech platform and the salaries of our CTO and Director of Sustainability and Impact.

Postcode Innovation Trust - Blended finance for business development activities, marketing costs and tech development work on Carefree's platform.

Social Tech Trust - Early grant towards the development costs of Carefree's tech platform for its Beta pilot.

Tech Discounts - Range of non-profit discounts on goods and services received by the charity from tech suppliers.

National Lottery Support Fund - Grant towards the development of videos to explain Carefree's work.

The Prudence Trust - Grant to pilot a project with young carers to support their mental health.

21 Analysis of net assets between funds

	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Unrestricted funds 2021	Restricted funds 2021	Total 2021
	£	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:				Restated	Restated	Restated
Tangible assets	3,281	-	3,281	3,419	-	3,419
Investments	-	-	-	28,500	-	28,500
Current assets/(liabilities)	63,566	24,974	88,540	63,593	36,112	99,705
Long term liabilities	(92,679)	-	(92,679)	(115,051)	-	(115,051)
	(25,832)	24,974	(858)	(19,539)	36,112	16,573

22 Events after the reporting date

Post year end, Carefree agreed a new £150,000 term loan agreement with Postcode Innovation Trust. It has an interest of 0% repayable over 6 years.

23 Related party transactions

There were no disclosable related party transactions during the current or prior year.

Carefreespace

England & Wales - Charity number 1176459

Accounts

Charity Registration No. 1176459

Company Registration No. 10933982 (England and Wales)

CAREFREESPACE

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

CAREFREESPACE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E. Blewett J. Khan S.M.L. Philbrick J. Ricketts D. Myers (Appointed 8 July 2021)
Charity number	1176459
Company number	10933982
Registered office	The Finsbury Business Centre 40 Bowling Green Lane London England EC1R 0NE
Independent examiner	Andrew Subramaniam HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom

CAREFREESPACE

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CAREFREESPACE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, its Articles of Association adopted 25/08/2017 (as amended 14/12/2017) as , the Companies Act 2006 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) (effective 1 January 2019)".

Objectives and activities

The charity's objects are:

- the relief of need of unpaid carers and those they care for, and therefore improving their conditions of life; and
- the advancement of health by advancing both the mental and physical health of unpaid carers, and those they care for.

Carefree's mission is to fuel the future of unpaid caring.

According to Carers UK, 3 in 5 people will become an unpaid carer. 72% of carers suffer mental ill-health and 90% experience social isolation and loneliness as a result of caring .

During the pandemic, the value of care provided by family members and friends was estimated at £193 billion a year. It's more important than ever to invest in unpaid carers' wellbeing to bring about sustainability in social care and our wider society.

Caring is the invisible but invaluable act of citizenship without which our health and social care system cannot survive. Carefree is reimagining how those who give unpaid care are recognised and supported within their communities. With our partners, we are transforming donated and often passive assets like vacant hotel rooms, into active resource: respite accommodation for carers. In so doing, we are co-creating a Caring Economy that helps to sustain caregiving without additional cost to the public purse.

Our ambition, our 'moonshot', is to convert 1% of the estimated 1 million UK hotel rooms left unsold each week into short-stay accommodation for those in critical need of time away from their caring responsibilities.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Our core focus is to identify unpaid carers in need of personal time away from their caring responsibilities, to build out a network of third-sector partner organisations that can refer such carers to Carefree, and to encourage accommodation providers to donate and host short stays for carers.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

2021 Summary

This was a pivotal year for Carefree in which the charity proved and demonstrated the success of its model. It was also a year where our activities continued to be severely hampered by Covid lockdowns. Hospitality providers were unable to open and carers were naturally cautious in feeling able to take a break.

In Spring 2021 we ran a mini-release/trial of our brand new Breaks Hub, through which 52 carers booked a break away. This was achieved through close collaboration with our tech partner, Impala, whose technology is a core part of our platform.

Then, in November 2021, we fully re-launched access to our Breaks Hub to all unpaid carers registered with us. 215 unpaid carers booked a break through Carefree in eight weeks and 92% of them said they couldn't have taken a break without our services.

We also expanded our Community Partner network to 79 organisations across the UK and 881 unpaid carers were referred to us or signed up independently in 2021.

Crucially, Carefree secured major partnerships with five of the largest independent hotel groups in the UK. Leading into 2022, we have secured £2.4m in donated accommodation for unpaid carers, which represents circa 2,000 nights donated per month on a rolling basis by participating hotels.

Unpaid carers

"Carefree is so easy for organisations and carers to access. It promotes carer issues further than health and social care and encourages the private sector to be part of a wider solution." - Kim Terry, Community Partner at Worcestershire Association of Carers

Strategic Goal

- To afford every unpaid carer the opportunity of a short break from their caring responsibilities.
- To improve the conditions of life and mental and physical health of unpaid carers.

2021 Objectives

To drive referrals to Carefree and provide carers access to booking a break away, our objectives were to:

- Identify and secure new partnerships with professional Carer Support Organisations (CSOs) and Local Authorities (collectively 'Community Partners') that can identify, verify and refer to Carefree, unpaid carers in need of respite
- Develop marketing and communications to drive referral numbers and ready unpaid carers to book a break away.

2021 Achievements & Impact

- Growth from 56 to 79 CSOs signed up by end of 2021, who referred 551 carers. 94% of CPs rated our online referral process as 8/10 or higher and two-thirds cited strengthened voluntary sector delivery of breaks as a key benefit of Carefree's work
- Significant growth in carers signing up through our self-referral route - 330 in year.
- 215 breaks booked by carers
- Following a break away with Carefree, 94% of carers stated that their wellbeing improved following their break.

Next Steps

- In 2022, we are planning to facilitate 4,000 carers breaks
- We will continue to promote our self-referral tool to drive new registrations of 'hidden carers'
- Across the year we will build new and deeper relationships with referral partners and register new carers onto our platform.

Accommodation Providers

"I would encourage all hotels to become involved in this. The more partners we have, the more accommodation we can share with carers who need this gift for their wellbeing." - Philip Gardner, Commercial Director, The Q Hotels Collection

Strategic Goal

- To source excess capacity from the hospitality industry such that vacant accommodation can be transformed into both a charitable asset and support the providers' ESG goals.

2021 Objectives

- To secure high levels of donated nights from a range of accommodation providers.

2021 Achievements & Impact

- Significant success, with 5 of the UK's largest independent hotel groups signed up, enabling 2,000 hotel nights per month donated on a rolling basis. Accommodation donors include: Bespoke Hotels, Cycas Hospitality, Sleeperz Hotels, The Q Hotels Collection and Village Hotels.

Next Steps

- Broadening up sustainable hotel supply to ensure coverage across the UK and especially in places with high concentrations of unpaid carers registered with Carefree.

- Establishing Carefree as the hotel industry's leading ESG solution through the 'Carefree Breakmaker' mark.

Technology

Strategic Goal

- To create an automated platform that facilitates carer verification and multi-channel access to real-time donated accommodation availability.

2021 Objectives
- To launch a brand new version of Carefree's Breaks Hub.

2021 Achievements & Impact
- Successful mini-release/trial and full launch of the Breaks Hub, with 215 breaks booked by unpaid carers in 2021 to brilliant feedback: 91% of carers that booked a break with Carefree scored the booking platform as 8/10 or higher for ease of use
- Secured partnership with leading travel tech company Impala to enable hotel partners to easily distribute their donated inventory through Carefree's Breaks Hub. This partnership has since won the Best Digital Innovation Award at the Third Sector Business Charity Awards in May 2022.

Next Steps
- Continued optimisation of the Breaks Hub to maximise 'conversion' of carers to increase breaks bookings to the capacity available.

Finance and Fundraising
Strategic Goal
- To achieve a financially self-sustaining business by 2027.

2021 Objectives
- To begin to diversify our income streams and raise £280k (inclusive of funds required for Q1 2022) through a combination of earned income, public donations and new grant commitments.

2021 Achievements & Impact
- Importantly for proving Carefree's long-term model, carers successfully booked breaks and paid the £25 administration fee, resulting in £4,625 earned/trading income in 2021.
- We also received some of our first income from public/mass donations, through an Aviva Community Fund Crowdfunder campaign, raising over £7,000.
- Previous grant funders also stepped forward to provide further financial support for Carefree and bridge the organisation through the pandemic, including Baillie Gifford, The National Lottery Fund and The Swire Charitable Trusts.
- Key restricted income received in the period included:

  - Postcode Innovation Trust - the remainder of the two-year hybrid funding totalling £250,000 available over 2 years with a £62,500 grant + £62,500 loan received in 2021 - the loan funding is repayable over 7 years.
  - National Lottery Community Fund Grants - £127,833, covering core staff salaries, IT software, and a small separate support grant towards the development of short films to raise awareness of our work (£5,000).

- In 2021, we achieved just less than half of our £280k funding target but we were able to successfully stabilise the organisation's financial position by delaying staff hires and cutting costs to ensure a healthy carry forward in the next financial year.

Next Steps
- Significantly increase earned income from the growth in breaks booked as forecasted in 2022.
- Securing new multi-year grants and a higher level of philanthropic funding to grow staff numbers and raise Carefree's visibility nationally, both requisites to ensure scalable growth.

Risk Management
Strategic Goal
- To maintain a robust and transparent framework for forecasting, monitoring and addressing the risks faced by Carefree, notably those relevant to a tech digital charity offering innovative services.

2021 Objectives
- To recruit high-calibre trustees, staff and advisers to originate, implement and oversee policies and procedures sufficient to ensure appropriate standards of corporate governance and risk management.

2021 Achievements & Impact
- This year has included a review of key Policies & Procedures.
- A new Trustee with extensive Hospitality experience was added to the board, providing increased oversight and strategic direction on this core aspect of Carefree's strategy.
- Effective use of a risk management model that calibrated changes in identified strategic risks on a timely basis.

Next Steps
- Continued attention to quality and relevance of Policies & Procedures and planned adoption of the Charity Governance Code.

Financial review

The total restricted income received for £198,730 (2020: £218,163) and unrestricted income received for £138,719 (2020: 237,361) for the year ending 31 December 2021.

The reserves policy sets a goal for the charity to hold three months of average core expenses in the reserve. These expenses include people costs, premises costs, and professional services. The average of core expenses is calculated annually at the time the budget for each year is established and agreed by the Trustees. Operating in a Covid lockdown environment meant it was not possible to achieve this goal; the goal however remains in place.

Aside from the operating reserve, no other reserves are currently deemed necessary by the Trustees.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is controlled by its governing document, its Articles of Association adopted 25/08/2017 (as amended 14/12/2017) as defined by the Companies Act 2006.

From August 2016 to August 2017 Carefree operated informally as a project led by its Founders, Charlie and James Ricketts. On 25 August 2017 Carefree was incorporated under registered number 10933982 (England & Wales) and, on 28 December 2017, it was entered onto the Register of Charities under number 1176459.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

E. Blewett	
J. Khan	
S.M.L. Philbrick	
J. Ricketts	
D. Myers	(Appointed 8 July 2021)
R.D. Parker	(Resigned 10 December 2021)
D.A. Sloan	(Resigned 18 August 2021)

Organisational structure

The charity is governed by an independent Board that offers its time, skills and guidance without charge. The Board reviews business plans and resource deployment in the context of Carefree's Theory of Change and mission to promote social change. The Board delegates day-to-day management of the charity to the Chief Executive and senior management. The senior managers are tasked with implementing the strategy and policies adopted by, and within a budget approved by, the Trustees. Senior management reports regularly to the trustees on the activities undertaken in managing the charity.

Executive team, Volunteers and Consultants

Carefree has four full-time senior managers, Charlotte Newman (CEO), Joey Ceunen (Chief Technology Officer), Peter Causer (Director of Sustainability & Impact), Stella Hart (Director of Hospitality Partnerships). Cognisant of the need to manage fixed costs, we have elected to support the executive team with paid-for technology, legal, innovation and tax consultancy. We also receive significant support from the tech community with 31 software companies providing their tools at free or discounted rates.

The trustees' report was approved by the Board of Trustees.

S.M.L. Philbrick
Trustee
Dated: 29.6.22

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of Carefreespace for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

CAREFREESPACE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CAREFREESPACE

I report to the trustees on my examination of the financial statements of Carefreespace (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

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 charity as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements 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 financial statements 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 financial statements to be reached.

Andrew Subramaniam

Andrew Subramaniam
HW Fisher LLP

Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Dated: 29 Jun 2022

CAREFREESPACE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income and endowments from:							
Donations and legacies	3	132,219	190,333	322,552	236,586	191,042	427,628
Charitable activities	4	4,625	-	4,625	-	-	-
Investments	5	1,875	-	1,875	625	-	625
Other income	6	-	8,397	8,397	150	27,121	27,271
Total income		138,719	198,730	337,449	237,361	218,163	455,524
Expenditure on:							
Charitable activities	7	173,997	231,028	405,025	242,991	204,992	447,983
Net gains/(losses) on investments	11	3,125	-	3,125	(22,750)	-	(22,750)
Net outgoing resources before transfers		(32,153)	(32,298)	(64,451)	(28,380)	13,171	(15,209)
Gross transfers between funds		(34,747)	-	-	-	-	-
Net movement in funds		(66,900)	2,449	(64,451)	(28,380)	13,171	(15,209)
Fund balances at 1 January 2021		66,265	14,759	81,024	94,645	1,588	96,233
Fund balances at 31 December 2021		(635)	17,208	16,573	66,265	14,759	81,024

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CAREFREESPACE

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**12**		3,419		5,232
Investments	**13**		28,500		25,375
			31,919		30,607
Current assets					
Debtors	15	8,716		8,502	
Cash at bank and in hand		108,332		105,323	
		117,048		113,825	
Creditors: amounts falling due within one year	**17**	(17,343)		(908)	
Net current assets			99,705		112,917
Total assets less current liabilities			131,624		143,524
Creditors: amounts falling due after more than one year	**18**		(115,051)		(62,500)
Net assets			16,573		81,024
Income funds					
Restricted funds	19		17,208		14,759
Unrestricted funds			(635)		66,265
			16,573		81,024

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 29.6.22

S.M.L. Philbrick
Trustee

Company Registration No. 10933982

1 Accounting policies

Charity information

Carefreespace is a private company limited by guarantee incorporated in England and Wales. The registered office is The Finsbury Business Centre, 40 Bowling Green Lane, London, England, EC1R 0NE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, its Articles of Association adopted 25/08/2017 (as amended 14/12/2017) as defined by the Companies Act 2006, the Companies Act 2006 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 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.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

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

These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs; and also the costs incurred by the charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	**Restricted funds**	**Total**	Unrestricted funds	Restricted funds	Total
	2021	**2021**	**2021**	2020	2020	2020
	£	**£**	**£**	£	£	£
Donations and gifts	11,719	-	11,719	36,586	62,500	99,086
Grants	120,500	190,333	310,833	200,000	128,542	328,542
	132,219	190,333	322,552	236,586	191,042	427,628

4 Charitable activities

	2021 Unrestricted £	2020 Unrestricted £
Administrative Fee Income	4,625	-

5 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Income from listed investments	1,875	625

6 Other income

	Restricted funds	Unrestricted funds	Restricted funds	Total
	2021 £	2020 £	2020 £	2020 £
Tech discounts received	8,397	-	27,121	27,121
Other income	-	150	-	150
	8,397	150	27,121	27,271

7 Charitable activities

	2021	2020
	£	£
Staff costs	268,198	215,514
Advertising and marketing	20,898	17,100
Consulting	35,087	60,085
Tech development	11,332	31,859
Entertainment	-	1,379
IT Software and consumables	34,334	39,976
Telephone and internet	999	1,935
Rent	3,504	41,484
Travel and subsistence	2,083	4,488
Subscriptions, training and research	2,219	5,981
Subsistence, travel and meetings	1,734	2,405
	380,388	422,206
Share of support costs (see note 8)	11,083	6,477
Share of governance costs (see note 8)	13,554	19,300
	405,025	447,983
Analysis by fund		
Unrestricted funds	173,997	242,991
Restricted funds	231,028	204,992
	405,025	447,983

8 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Depreciation	2,900	-	2,900	2,821	-	2,821
Bank charges	582	-	582	507	-	507
Postage, printing and office supplies	151	-	151	618	-	618
Insurance	2,812	-	2,812	2,531	-	2,531
Bank revaluation	263	-	263	-	-	-
Interest on loan	1,889	-	1,889	-	-	-
Recruitment expense	2,486	-	2,486	-	-	-
Accountancy	-	13,262	13,262	-	11,405	11,405
Legal and professional	-	292	292	-	7,895	7,895
	11,083	13,554	24,637	6,477	19,300	25,777
Analysed between						
Charitable activities	11,083	13,554	24,637	6,477	19,300	25,777

Governance costs totaling £13,262 (2020- £11,405) include payments to the independent examiner for independent examination.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	6	4

Employment costs	2021 £	2020 £
Wages and salaries	241,164	194,501
Social security costs	22,144	17,036
Other pension costs	4,890	3,977
	268,198	215,514

11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Revaluation of investments	3,125	(22,750)

12 Tangible fixed assets

	Computers
	£
Cost	
At 1 January 2021	10,515
Additions	1,087
At 31 December 2021	11,602
Depreciation and impairment	
At 1 January 2021	5,283
Depreciation charged in the year	2,900
At 31 December 2021	8,183
Carrying amount	
At 31 December 2021	3,419
At 31 December 2020	5,232

13 Fixed asset investments

	Listed investments
	£
Cost or valuation	
At 1 January 2021	25,375
Valuation changes	3,125
At 31 December 2021	28,500
Carrying amount	
At 31 December 2021	28,500
At 31 December 2020	25,375

14 Financial instruments

	2021	2020
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	28,500	25,375

15 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Other debtors	2,784	5,905
Prepayments and accrued income	5,932	2,597
	8,716	8,502

16 Loans and overdrafts

	2021	2020
	£	£
Other loans	125,000	62,500
Payable within one year	9,949	-
Payable after one year	115,051	62,500

Loan from Postcode Innovation Trust. It holds a floating charge over the company's assets in respect of the loan. The annual interest of the loan is 3% and repayment starts from January 2022.

17 Creditors: amounts falling due within one year

	2021	2020
	£	£
Loan from Postcode Innvoation Trust	9,949	-
Other creditors	1,200	908
Accruals and deferred income	6,194	-
	17,343	908

18 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Loan from Postcode Innovation Trust	115,051	62,500

Postcode Innovation Trust holds a floating charge over the company's assets in respect of the loan. The annual interest of the loan is 3% and repayment starts from January 2022.

Resources expended as part of the blended finance received from the Postcode Innovation Trust have been drawn down on a 50/50 basis to reflect expenditure from both the loan and grant income.

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 31 December 2021
	£	£	£	£	£	£	£	£
National Lottery Digital Funds	-	120,275	(124,874)	(4,599)	122,833	(162,834)	44,602	2
Postcode Innovation Trust	-	62,500	(52,997)	9,503	62,500	(63,194)	-	8,809
Social Tech Trust	-	8,267	-	8,267	-	-	(8,267)	-
Tech Discounts	-	27,121	(27,121)	-	8,397	-	-	8,397
Other	1,588	-	-	1,588	-	-	(1,588)	-
National Lottery Support Fund	-	-	-	-	5,000	(5,000)	-	-
	1,588	218,163	(204,992)	14,759	198,730	(231,028)	34,747	17,208

National Lottery Digital Fund - Grant towards Carefree's tech platform and the salaries of our CTO and Director of Sustainability and Impact. We also received a COVID Emergency uplift grant of £50,000 in 2020 towards the cost of a hospitality partnerships manager role to secure donated accommodation for unpaid carer breaks.

Postcode Innovation Trust - Blended finance for business development activities, marketing costs and tech development work on Carefree's platform.

Social Tech Trust - Early grant towards the development costs of Carefree's tech platform for its Beta pilot.

Tech Discounts - Range of non-profit discounts on goods and services received by the charity from tech suppliers.

National Lottery Support Fund - Grant towards the development of videos to explain Carefree's work.

The £34,747 transfers between Restricted & Unrestricted reflect agreements with the relevant grant funder & full use of the Social Tech Trust grant in the previous year.

20 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Tangible assets	3,419	-	3,419	5,232	-	5,232
Investments	28,500	-	28,500	25,375	-	25,375
Current assets/(liabilities)	99,705	-	99,705	112,917	-	112,917
Long term liabilities	(132,259)	17,208	(115,051)	-	(62,500)	(62,500)
	(635)	17,208	16,573	143,524	(62,500)	81,024

21 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

Carefreespace

England & Wales - Charity number 1176459

Accounts

Carefreebreaks

Charity No. 1176459

Company No. 10933982

Trustees' Report and Unaudited Accounts

31 December 2020

Carefreebreaks
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Carefreebreaks
Trading as Carefree (Registered number: 10933982)
Report of the Trustees
for the Period Ended 31 December 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the 16 month financial period ended 31 December 2020. The trustees have adopted the provisions of 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) (effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 10933982

Charity No. 1176459

Registered Office

Second Home, 45-47 Clerkenwell Green
London
EC1R 0EB

Directors and Trustees
The Directors of the charitable company are its Trustees for the purposes of charity law.
The following Directors and Trustees served during the period:

E. Blewett	
J. Khan	appointed 16 December 2019
R.D. Parker	appointed 11 December 2020
S.M.L. Philbrick	
J. Ricketts	
D.A. Sloan	

Accountants

Back Office Support Solutions Ltd
Unit 210-11 Canalot Studios
222 Kensal Road
London
W10 5BN

INCORPORATION

From August 2016 to August 2017 Carefree operated informally as a project led by its Founders, Charlie and James Ricketts. On 25 August 2017 Carefree was incorporated under registered number 10933982 (England & Wales) and, on 28 December 2017, it was entered onto the Register of Charities under number 1176459.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity are:

1) the relief of need of unpaid carers and those they care for, and therefore improving their conditions of life; and
2) the advancement of health by advancing both the mental and physical health of unpaid carers, and those they care for.

Carefree's mission is to fuel the future of unpaid caring.

According to Carers UK, 3 in 5 people will become an unpaid carer. 72% of carers suffer mental ill-health and 81% experience social isolation and loneliness as a result of caring. So the need to improve the lives and wellbeing of carers, to fuel their future, is ever more critical.

During the pandemic, the value of care provided by family members and friends has been estimated at £135 billion, just from March-November 2020, equivalent to £530 million a day. It's more important than ever to invest in unpaid carers' wellbeing to bring about sustainability in social care and our wider society.

Caring is the invisible but invaluable act of citizenship without which our health and social care system cannot survive. Carefree is reimagining how those who give unpaid care are recognised and supported within their communities. With our partners, we are transforming donated and often passive assets like vacant hotel rooms, into active resource: respite accommodation for carers. In so doing, we are co-creating a Caring Economy that helps to sustain caregiving without additional cost to the public purse.

Our ambition, our 'moonshot', is to convert 1% of the estimated 1 million UK hotel rooms left unsold each week into short-stay accommodation for those in critical need of time away from their caring responsibilities.

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Our core focus is to identify unpaid carers in need of personal time away from their caring responsibilities, to build out a network of community partner organisations that can refer such carers to Carefree, and to encourage accommodation providers to donate and host short stays for carers.

ACHIEVEMENT AND PERFORMANCE

2020 Summary

Carefree's original plan for 2020 was to increase by threefold the number of breaks we offered to unpaid carers. The Covid-19 pandemic however meant that sending carers on breaks was either impossible owing to country-wide lockdowns or impractical owing to safety concerns. The charity therefore made a strategic in-year shift to focus primarily on technology, infrastructure, and team development to be ready to offer breaks to carers rapidly when restrictions are lifted in 2021. We are proud to say we achieved significant development on those activities, winning global recognition at the 2020 SKIFT Awards and becoming a widely recognised voice for best digital practice within the UK charity sector.

<u>Unpaid carers</u>

Strategic Goal

- To afford every unpaid carer the opportunity of a short break from their caring responsibilities.
- To improve the conditions of life and mental and physical health of unpaid carers.

2020 Objectives

Establish and enhance carer referral pathways including:

- To build a 'self-referral' tool that allows unpaid carers to self-register as unpaid carers with Carefree
- To secure relationships with professional Carer Support Organisations (CSOs) and Local Authorities that can identify, verify and refer to Carefree, unpaid carers in need of respite.
- Develop marketing and communications readiness for brand building and public engagement.

2020 Achievements & Impact

- Designed, built, tested and launched a new self-referral tool with 150 users.
- 56 CSOs actively engaged with Carefree over the year and made 290 referrals.
- Wholescale revamp of our accommodation booking process front and back end to improve carer experience and efficiency.
- We continued to grow the number of unpaid carers registered with the charity during 2020 - with an extra 310 registered during the reporting period, despite breaks not being live.
- For marcomms, we developed a new interim strategy, established initial social media engagement (Twitter, Facebook), revamped our messaging, and fully updated our website.

Next Steps

- In 2021, Covid-19 restrictions allowing, we plan to send 1,500 carers on breaks
- We will promote our self-referral tool to drive new registrations of 'hidden carers'
- Across the year we will build new and deeper relationships with referral partners and register new carers onto our platform.

Accommodation Providers

Strategic Goal

- To source excess capacity from the hospitality industry such that vacant accommodation can be transformed into both a charitable asset and support the providers' ESG goals.

2020 Objectives

- To engage with a small number of accommodation providers to better understand how the Carefree model can fit into their operations.
- To secure short-breaks from a range of accommodation providers.

2020 Achievements & Impact

- Owing to Covid-19, engagement opportunities with accommodation providers were severely curtailed. For 2020 we shifted our focus to internal development ready for strong engagement in 2021.
- We secured funding from the National Lottery to hire a Hospitality Partnership Manager. This is allowing us to begin building much stronger and broader connections to UK accommodation providers, ready to secure supply for 2021 and beyond.
- In November 2020 it was announced that Carefree had won the Skift Innovation Design Experience Award "...for best design or strategic solution to enable social, economic, or

environmental sustainability". This is a globally recognised award and demonstrates the hospitality sector's excitement and the potential impact and reach of our work.

Next Steps

- With the new Hospitality Partnerships Manager now in place we will review and re-form our engagement and operational approach with accommodation providers and build deep, sustainable partnerships.
- We will aim to secure sufficient accommodation (hotel rooms and holiday cottages) across the UK, estimated at around 3,000 short breaks, that allows 1,500 breaks to be taken (experience indicates that for every 1 break taken we need to have 2 breaks available to carers for adequate breadth of choice).

Technology

Strategic Goal

- To create an automated platform that facilitates carer verification and multi-channel access to real-time donated accommodation availability.

2020 Objectives

- To build an effective and user-friendly 'self-referral' tool that allows 'hidden carers' to quickly self-register with Carefree.
- To update our website, booking platform, CRM, and infrastructure to anticipate scale growth nationally.

2020 Achievements & Impact

- The self-referral tool has been developed in partnership with leading digital verification provider, SumSub, ensuring a rigorous and trusted mechanism for carer registrations that can be trusted by our partners (e.g. accommodation providers).
- Our booking platform has been overhauled and tested for wide launch in 2021.
- We built and made operational a brand-new CRM, which has drastically improved our ability to understand and engage with carers and other stakeholders.
- We have reduced our previous reliance on bespoke, custom built elements throughout our technology platform, reducing risk and cost.
- We have also been well regarded by the sector as a leading digital charity, sharing our insights publicly through blogs and talks and being sought as an expert voice.
- In addition, we have over 30 best-in-class global tech companies providing the base of our infrastructure at free or discounted rates.

Next Steps

- As we release breaks in 2021 we will focus on testing and optimisation to ensure our new features and infrastructure are optimised for scale growth, including infrastructure for online donations.

Finance and Fundraising

Strategic Goal

- To achieve a financially self-sustaining business by 2027.

2020 Objectives

- To raise £258k in new grant funding, private donations and corporate philanthropy (as additions to already secured income).

2020 Achievements & Impact

- Without breaks in 2020 there was no income from breaks delivered (£25 administration fee, payable by the carer per break taken). As such, across 2020 Carefree remained heavily reliant on grant and philanthropic funding.

- We exceeded our fundraising target of £258k to secure key income in the period from:
  - Postcode Innovation Trust - Hybrid funding totalling £250,000 available over 2 years. Year 1 = £62,500 grant + £62,500 loan; Year 2 (August 2021) = £62,500 grant + £62,500 loan. Loan funding is repayable over 7 years at a 3% interest rate.
  - National Lottery Digital Fund - £120,275
  - Social Tech Trust - £8,267 (outstanding payment from 2018-2019 activities)
  - The Swire Charitable Trusts - £100,000
  - Garfield Weston - £15,000
  - Baillie Gifford - £30,000

Next Steps

- With breaks being delivered in 2021, earned income will become a feature of Carefree's funding profile.
- We will launch mass market fundraising in 2021 and enable our community partners to pay the administration fee on behalf of the carer to diversify our income sources.
- We will continue to pursue a mix of smaller grants and multi-year major grants to ensure the charity's sustainability across the coming years.

Risk Management

Strategic Goal

- To maintain a robust and transparent framework for forecasting, monitoring and addressing the risks faced by Carefree, notably those relevant to a tech digital charity offering innovative services.

2020 Objectives

- To recruit high-calibre trustees, staff and advisers to originate, implement and oversee policies and procedures sufficient to ensure adequate corporate governance and risk management.

2020 Achievements & Impact

- This year has included a review of key Policies & Procedures.
- We have appointed two new trustees focused on Digital and Impact
- We developed a new internal Risk Register system and process to ensure improved assessment and communication of potential risks at board and senior management level.

Next Steps

- Continued review and update of Policies & Procedures, including a fully updated Business Contingency Plan.

- Continued development and use of digital tools and practice to support the quality of our service delivery, agile culture and ways of working.

FINANCIAL REVIEW

Reserves policy

The reserve policy sets a goal for the charity to hold three months of average core expenses in the reserve. These expenses include people costs, premises costs, and professional services. The average of core expenses is calculated annually at the time the Budget for each year is established and agreed by the Trustees.

Aside from the operating reserve, no other reserves are currently deemed necessary by the Trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, its Articles of Association adopted 25/08/2017 (as amended 14/12/2017) as defined by the Companies Act 2006.

Organisational structure

The charity is governed by an independent Board that offers its time, skills and guidance without charge. The Board reviews business plans and resource deployment in the context of Carefree's Theory of Change and mission to promote social change. The Board delegates day-to-day management of the charity to the Chief Executive and senior management. The senior managers are tasked with implementing the strategy and policies adopted by, and within a budget approved by, the Trustees. Senior management reports regularly to the trustees on the activities undertaken in managing the charity.

EXECUTIVE TEAM, VOLUNTEERS AND CONSULTANTS

Carefree has three full-time senior managers, Charlotte Newman (CEO), Joey Ceunen (former Product Manager, now Chief Technology Officer), Peter Causer (Director of Sustainability & Impact). Cognisant of the need to manage fixed costs, we have elected to support the executive team with paid-for technology, legal, innovation and tax consultancy. We also receive significant support from the tech community with 30 software companies providing their tools at free or discounted rates.

TRUSTEES RESPONSIBILITY STATEMENT

The trustees (who are also the directors of Carefreebreaks for the purposes of company law) are responsible for preparing the Report of the Trustees 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 those financial statements, the trustees are required:

- to select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Carefreebreaks
Trustees Annual Report

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2005 relating to small companies.

Approved by order of the board of trustees on 8 July 2021 and signed on its behalf by:

Ms S M L Philbrick – Trustee

Date 8 July 2021

Carefreebreaks
Independent Examiners Report

Independent Examiner's Report to the trustees of Carefreebreaks

I report to the charity trustees on my examination of the accounts of Carefreebreaks for the period ended 31 December 2020 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

Responsibilities and basis of report
As the trustees of the charity (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.

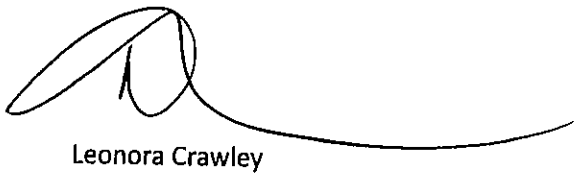
Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). 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
As the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Accounting Technicians.

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements under 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
- the accounts have not been prepared in accordance with the Charities SORP (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.



Leonora Crawley
Association of Accounting Technicians
Back Office Support Solutions Ltd
Unit 210-11 Canalot Studios
222 Kensal Road
London
W10 5BN
Date: 19th August 2021

Carefreebreaks
Statement of Financial Activities
for the period ended 31 December 2020

	Notes	Unrestricted funds 2020 £	Restricted funds PE 31.12.20 £	Total funds PE 31.12.20 £	Total funds YE 31.08.19 £
Income and endowments from:					
Donations and legacies	4	236,586	191,042	427,628	195,594
Other trading activities	5	-	-	-	7,333
Other	6	775	27,121	27,896	625
Total		237,361	218,163	455,524	203,552
Expenditure on:					
Main Charitable activities	7	223,726	198,480	422,206	165,083
Other	8	19,265	6,512	25,777	73,933
Total		242,991	204,992	447,983	239,016
Net gains on investments		-	-	-	-
Net income/(expenditure)	9	(5,630)	13,171	7,541	(35,464)
Transfers between funds		-	-	-	-
Net income/(expenditure) before other gains/(losses)		(5,630)	13,171	7,541	(35,464)
Other gains and losses					
Other (Losses)		(22,750)	-	(22,750)	(9,375)
Net movement in funds		(28,380)	13,171	(15,209)	(44,839)
Reconciliation of funds:					
Total funds brought forward		94,645	1,588	96,233	141,072
Total funds carried forward		66,265	14,759	81,024	96,233

Carefreebreaks
Balance Sheet

at 31 December 2020

Company No. 10933982

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	11	5,232	2,462
Investments	12	25,375	48,125
		30,607	50,587
Current assets			
Debtors	13	8,502	4,982
Cash at bank and in hand		105,323	50,008
		113,825	54,990
Creditors: Amount falling due within one year	14	(908)	(9,344)
Net current assets		112,917	45,646
Total assets less current liabilities		143,524	96,233
Creditors: Amounts falling due after more than one year	15	(62,500)	-
Net assets excluding pension asset or liability		81,024	96,233
Total net assets		81,024	96,233
The funds of the charity			
Restricted funds	16		
Restricted income funds		14,759	1,589
		14,759	1,589
Unrestricted funds	16		
General funds		66,265	94,644
		66,265	94,644
Reserves	16		
Total funds		81,024	96,233

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.
For the period ended 31 December 2020 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 8 July 2021

And signed on its behalf by: Sarah Philbrick

Ms S M L Philbrick - Trustee
Date: 8 July 2021

Carefreebreaks
Notes to the Accounts

for the period ended 31 December 2020

1 **Accounting policies**

Basis of preparation

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 Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
Volunteer help	The value of any volunteer help received is not included in the accounts.
Investment income	This is included in the accounts when receivable.
Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer equipment	25% straight line

Trade and other 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 and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 **Company status**

The company is a private company limited by guarantee and consequently does not have share capital.

3 **Statement of Financial Activities - prior year**

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Income and endowments from:			
Donations and legacies	93,861	101,733	195,594
Administration Fee Income	7,333	-	7,333
Other	625	-	625
Total	101,819	101,733	203,552
Expenditure on:			
Charitable activities	125,793	100,144	225,937
Other	13,079	-	13,079
Total	138,872	100,144	239,016
Net gains on investments	(9,375)	-	(9,375)
Net income	(46,428)	1,589	(44,839)
Net income before other gains/(losses)	(46,428)	1,589	(44,839)
Other gains and losses:			
Net movement in funds	(46,428)	1,589	(44,839)
Reconciliation of funds:			
Total funds brought forward	141,073	-	141,073
Total funds carried forward	94,645	1,589	96,234

4 Income from donations and legacies

	Unrestricted	Restricted	Total PE 31.12.20	Total YE 31.08.19
	£	£	£	£
Donations	36,586	62,500	99,086	43,861
Grants	200,000	128,542	328,542	151,733
	-	-	-	-
	236,586	191,042	427,628	195,594

5 Income from other trading activities

	Total PE 31.12.20	Total YE 31.08.19
	£	£
Administration fee income	-	7,333
	-	7,333

6 Other income

	Unrestricted	Restricted	Total PE 31.12.20	Total YE 31.08.19
	£	£	£	£
Dividends income	625	-	625	625
Discounts Received	150	27,121	27,271	-
	775	27,121	27,896	625

7 Expenditure on charitable activities

	Unrestricted	Restricted	Total 2020	Total 2019
	£	£	£	£
Expenditure on charitable activities				
Advertising & Marketing	305	2,795	3,100	7,237
Consulting (non Tech)	47,734	12,351	60,085	58,185
Employers National Insurance	6,371	10,665	17,036	5,968
External Entertainment/Trustee Expenses	1,379		1,379	
IT Software and Consumables	1,042	38,201	39,243	3,578
Pensions Costs	1,707	2,270	3,977	1,645
Rent	25,644	15,840	41,484	18,303
Salaries	101,013	93,488	194,501	82,000
Subscriptions, Training & Research	5,981	973	6,954	2,729
Subsistence & Department Meetings	1,432		1,432	10,255
Tech Development	10,427	21,432	31,859	32,597
Telephone & Internet	1,935		1,935	2,678
Travel & Subsistence	4,488		4,488	10,255
	223,726	198,480	408,206	246,192

8 Other expenditure for charitable activities

	Unrestricted	Restricted	Total 2020	Total 2019
	£	£	£	£
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	2,821	-	2,821	1,231
General administrative costs	3,656	-	3,656	5,747
Legal and professional costs	12,788	6,512	19,300	66,955
	19,265	6,512	25,777	73,933

9 Net income/(expenditure) before transfers

	2020	2019
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	2,821	1,231

10 **Staff costs**

Salaries and wages	194,501	82,000
Social security costs	17,036	5,968
Pension costs	3,977	2,031
	215,514	89,999

The average monthly number of full time equivalent employees during the year was as follows:

	2020 Number	2019 Number
	4	2

11 **Tangible fixed assets**

	£	£
Cost or revaluation		
At 1 September 2019	4,924	4,924
Additions	5,591	5,591
At 31 December 2020	10,515	10,515
Depreciation and impairment		
At 1 September 2019	2,462	2,462
Depreciation charge for the year	2,821	2,821
At 31 December 2020	5,283	5,283
Net book values		
At 31 December 2020	5,232	5,232
At 31 August 2019	2,462	2,462

12 **Fixed Asset Investments**

	Other investments - Listed £	Total £
Cost or revaluation		
At 1 September 2019	48,125	48,125
Revaluation	(22,750)	(22,750)
At 31 December 2020	25,375	25,375
Net book values		
At 31 December 2020	25,375	25,375
At 31 August 2019	48,125	48,125

13 **Debtors**

	2020 £	2019 £
Other debtors	5,905	1,920
Prepayments and accrued income	2,597	3,062
	8,502	4,982

14 **Creditors:**

amounts falling due within one year

	2020	2019
	£	£
Trade creditors	-	8,980
Other taxes and social security	-	(43)
Other creditors	908	407
	908	9,344

15 **Creditors:**

amounts falling due after more than one year

	2020	2019
	£	£
Loan from Postcode Innovation Trust	62,500	-
	62,500	-

Postcode Innovation Trust holds a floating charge over the company's assets in respect of the loan. The annual interest of the loan is 3% and repayment starts from January 2022.

Resources expended as part of the blended finance received from the Postcode Innovation Trust have been drawn down on a 50/50 basis to reflect expenditure from both the loan and grant income.

16 **Movement in funds**

	At 1 September 2019	Incoming resources (including other gains/losses)	Resources expended	At 31 December 2020
		£	£	£
Restricted funds:				
Restricted income funds:				
National Lottery Digital Funds		120,275	(124,874)	(4,599)
Postcode Innovation Trust	-	62,500	(52,996)	9,504
Social Tech Trust	-	8,267	-	8,267
Tech Discounts	-	27,121	(27,121)	-
Total restricted fund carried forward	1,588	-	-	1,588
Total	1,588	218,163	(204,992)	14,759
Unrestricted funds:				
General funds	94,645	214,611	(242,991)	66,265
Revaluation Reserves:				
Total funds	96,233	432,774	(447,983)	81,024

Carefreebreaks
Detailed Statement of Financial Activities
for the period ended 31 December 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds PE 31.12.20 £	Total funds YE 31.08.19 £
Income and endowments from:				
Donations and legacies				
Donations	36,586	62,500	99,086	43,861
Grants	200,000	128,542	328,542	151,733
	-	-	-	-
	236,586	191,042	427,628	195,594
Other trading activities				
Administration fee income	-	-	-	7,333
	-	-	-	7,333
Other				
Dividends income	625	-	625	625
Discounts Received	150	27,121	27,271	-
	775	27,121	27,896	625
Total income and endowments	237,361	218,163	455,524	203,552
Expenditure on:				
Charitable activities				
Charitable activities	223,726	198,480	422,206	165,083
	223,726	198,480	422,206	165,083
Total of expenditure on charitable activities	223,726	198,480	422,206	165,083
General administrative costs, including depreciation and amortisation				
Depreciation of land and buildings	2,821	-	2,821	1,231
Bank charges	507	-	507	257
General insurances	2,531	-	2,531	2,212
Stationery and printing	618	-	618	600
Telephone, fax and broadband	-	-	-	2,678
	6,477	-	6,477	6,978
Legal and professional costs				
Accountancy and bookkeeping	11,405	-	11,405	8,770
Consultancy fees	1,383	4,796	6,179	58,185
Other legal and professional costs	0	1,716	1,716	-
	12,788	6,512	19,300	66,955
Total of expenditure of other costs	19,265	6,512	25,777	73,933
Total expenditure	242,991	204,992	447,983	239,016

Net gains on investments	-	-	-	-
Net income/(expenditure)	(5,630)	13,171	7,541	(35,464)
Net income/(expenditure) before other gains/(losses)	(5,630)	13,171	7,541	(35,464)
Other (Losses)	(22,750)	-	(22,750)	(9,375)
Net movement in funds	(28,380)	13,171	(15,209)	(44,839)
Reconciliation of funds:				
Total funds brought forward	94,645	1,588	96,233	141,072
Total funds carried forward	66,265	14,759	81,024	96,233