

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

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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

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# CAREFREESPACE

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# CAREFREESPACE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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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.



## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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- 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.

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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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.



## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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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.

## CAREFREESPACE

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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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***

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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

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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

		Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	Notes	£	£	£	£	£	£
<b><u>Income and endowments from:</u></b>							
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
<b>Total income</b>		<b>586,708</b>	<b>255,563</b>	<b>842,271</b>	<b>227,608</b>	<b>203,741</b>	<b>431,349</b>
<b><u>Expenditure on:</u></b>							
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
<b>Total resources expended</b>		<b>496,265</b>	<b>187,756</b>	<b>684,021</b>	<b>461,179</b>	<b>212,405</b>	<b>673,584</b>
Gross transfers between funds		-	-	-	(14,550)	14,550	-
<b>Net income/(expenditure) for the year/</b>							
<b>Net incoming/(outgoing) resources</b>		90,443	67,807	158,250	(248,121)	5,886	(242,235)
<b><u>Other recognised gains and losses</u></b>							
Other gains or losses	13	2	(6)	(4)	(71)	(1)	(72)
<b>Net movement in funds</b>		<b>90,445</b>	<b>67,801</b>	<b>158,246</b>	<b>(248,192)</b>	<b>5,885</b>	<b>(242,307)</b>
Fund balances at 1 January 2024		(274,024)	30,859	(243,165)	(25,832)	24,974	(858)
<b>Fund balances at 31 December 2024</b>		<b>(183,579)</b>	<b>98,660</b>	<b>(84,919)</b>	<b>(274,024)</b>	<b>30,859</b>	<b>(243,165)</b>

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

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



# CAREFREESPACE

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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### 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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

**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
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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.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2024

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
	<u>384,941</u>	<u>224,700</u>	<u>609,641</u>	<u>101,642</u>	<u>146,716</u>	<u>248,358</u>

4 Charitable activities

	2024 £	2023 £
Administrative fee income	<u>151,408</u>	<u>87,043</u>

# CAREFREESPACE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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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

# CAREFREESPACE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 8 Raising funds

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

#### 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
	<u>608,681</u>	<u>580,923</u>
Share of support costs (see note 10)	30,423	19,938
Share of governance costs (see note 10)	14,275	17,669
	<u>653,379</u>	<u>618,530</u>
<b>Analysis by fund</b>		
Unrestricted funds	465,623	406,125
Restricted funds	187,756	212,405
	<u>653,379</u>	<u>618,530</u>

# CAREFREESPACE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 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
	<u>30,423</u>	<u>14,275</u>	<u>44,698</u>	<u>19,938</u>	<u>17,669</u>	<u>37,607</u>
Analysed between						
Charitable activities	<u>30,423</u>	<u>14,275</u>	<u>44,698</u>	<u>19,938</u>	<u>17,669</u>	<u>37,607</u>

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	2023
	Number	Number
	<u>7</u>	<u>6</u>
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
	<u>391,352</u>	<u>354,976</u>

# CAREFREESPACE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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

#### 15 Debtors

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



# CAREFREESPACE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 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	-
	<u>361,439</u>	<u>282,988</u>
Payable within one year	66,171	48,048
Payable after one year	<u>295,268</u>	<u>234,940</u>

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
		<u>92,303</u>	<u>76,471</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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	-
	<u>295,268</u>	<u>234,940</u>

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.

19 Deferred income

	2024	2023
	£	£
Other deferred income	<u>11,165</u>	<u>6,600</u>

# CAREFREESPACE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 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.

	Balance at 1 January 2023	Incoming resources	Movement in funds Resources expended	Transfers	Balance at 1 January 2024	Incoming resources	Movement in funds 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 (formerly 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.

# CAREFREESPACE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 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)
	<u>(183,579)</u>	<u>98,660</u>	<u>(84,919)</u>	<u>(274,024)</u>	<u>30,859</u>	<u>(243,165)</u>

### 22 Related party transactions

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