FLAT SPACES FOUNDATION
(LIMITED BY GUARANTEE)

REPORT & FINANCIAL STATEMENTS

FOR THE 18-MONTH PERIOD ENDED 31 MARCH 2026

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COMPANY REGISTRATION NUMBER 09098286

REGISTERED CHARITY NUMBER 1159903

FLAT SPACES FOUNDATION
(LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

FOR THE 18 MONTH PERIOD ENDED
31 MARCH 2026

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FLAT SPACES FOUNDATION
(LIMITED BY GUARANTEE)

REPORT OF THE MANAGEMENT COMMITTEE

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2026

The Management Committee is pleased to present its annual report and audited Financial Statements for the year ended 30 September 2024 which are also prepared to meet the requirements for a Directors' Report and Financial Statements for Companies Act purposes.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) including early adoption as amended January 2016.

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name:	Flat Spaces Foundation
Charity Registration Number:	1159903
Company Registration Number:	09098286
Registered Office:	1 Paynes Road Southampton SO15 3DL

The Management Committee are the directors of the charitable company for the purpose of company law and are its trustees for the purpose of charity law.

The officers who served during the period and since the period end are as follows:

Management Committee:	E Hickman – Resigned 17 March 2026 D Ball - Chair R Dries

Our Advisors:

Independent Auditor:	Lewis Brownlee LLP Appledram Barns Birdham Road Chichester West Sussex PO20 7EQ
Bankers**:**	Lloyds Bank 30 Commercial Road Totton SO40 3TH

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REPORT OF THE MANAGEMENT COMMITTEE (Continued)
For the 18-month period ended 31 March 2026

OBJECTIVES AND ACTIVITIES

The charitable company's objectives are:

- The relief of those suffering with physical, mental or sensory impairment as well as those caring for them, by providing specially adapted respite and holiday accommodation in the UK and worldwide.

The main objectives of the charitable company for the period were to develop and promote its services whilst continuing to provide high quality, user-friendly services to its traditional client group.

Public Benefit Statement

Our main activities are described above. All our activities are undertaken to further our charitable purposes for the public benefit. In shaping our objectives and planning our activities, the Management Committee has considered the Charity Commission's guidance on public benefit including the guidance 'Public Benefit: Running a Charity (PB2)'.

ACHIEVEMENTS AND PERFORMANCES

The past financial year has seen the foundation continue to fulfil its mission of providing accessible holiday accommodations for individuals with physical and complex health requirements. Our dedication to serving this community has resulted in a consistent high level of occupancy in our holiday bungalow.

Throughout the year, the foundation maintained consistent booking levels within our holiday bungalow, highlighting the ongoing demand for accessible holiday options. The positive trend in future bookings indicates strong interest in our services, which we attribute in part to our increased social media engagement. This year, we focused on promoting our offerings through various online platforms, successfully raising awareness and generating a significant number of inquiries from potential guests. Feedback from our guests has been overwhelmingly positive, reflecting the impact our bungalow has on their holiday experiences.

Despite the financial shortfall, the foundation remains committed to its mission and is actively seeking ways to enhance its services and increase its capacity to serve individuals with physical limitations. The positive response from the community and the growing interest in our bungalow provides a solid foundation for future growth. The management committee will continue to explore opportunities for fundraising and partnerships to bolster our financial position, ensuring that we can expand our offerings and maintain the quality of service that our guests expect and deserve. We appreciate the support of our stakeholders and look forward to another year of making a difference in the lives of those we serve.

FINANCIAL REVIEW

The charitable company achieved a surplus of £31,528 on its activities in the 18-month period to 31 March 2026, compared to a surplus of £3,784 in the 12-month period to 30 September 2024. Income increased to £60,932 in the 18-month period compared to £26,904 in the previous 12-month period. Expenditure increased to £29,674 in the 18-month period compared to £23,120 in the previous 12-month period. The charitable company's reserves are £241,156 as at 31 March 2026 compared to £209,898 as at 30 September 2023. The Management Committee are pleased with the performance achieved for the period and the financial stability of the charitable company.

Principal Funding Sources

The principal funding sources of the charitable company are by way of donations primarily from Flat Spaces (Ropley) Ltd.

Investment Policy

The Management Committee considers the most appropriate policy for investing funds is to keep the funds in liquid form via investing in bank and building society deposit accounts. This policy is continuously under review.

Reserves Policy and Going Concern

The Management Committee determined that, in order to

- provide for fluctuations in income and expenditure;
- ensure continuity of services; and
- save for the future risks to Flat Spaces Foundation and its staff, it would work towards holding a sum of money equivalent to three months of resources expended. As at 31 March 2026 that would equate to a maximum of £4,946. The actual free reserves held at that date and held in the bank was £10,740 (2024: £18,122). The Management Committee is of a view that the charitable company continues to be a going concern.

PLANS FOR FUTURE PERIODS

We are actively looking for more sites country-wide upon which we can build more fully accessible holiday bungalows in the style of Flat Spaces Ropley.

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REPORT OF THE MANAGEMENT COMMITTEE (Continued)
For the 18-month period ended 31 March 2026

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 23 June 2014 and registered as a charity on 12 January 2015. The charitable company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, the member is required to contribute an amount not exceeding £10.

Recruitment and Appointment of Management Committee

The directors of the charitable company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association, the members of the Management Committee are elected to serve for a period of three years, after which they must be re-elected at the next Annual General Meeting. All trustees give their time voluntarily and receive no benefit from the charitable company.

Trustee Induction and Training

Trustees are familiar with the work of the charitable company. New trustees meet with the chair of the trustee board who provides a briefing on the charitable company, its aims and objectives including:

- The obligation of board members. The main documents, which set out the operational framework for the charitable company including the Memorandum of Articles.
- The financial position of the organisation including the last set of audited Financial Statements and funding streams.
- Future plans and objectives.

All trustees are provided with a copy of CC3, “The Essential Trustee Guide” and CC60 “Hallmarks of an Effective Charity”. Trustees also attend the charitable company's user feedback lunches and teas.

Organisational Structure

The organisational structure comprises a board of two trustees who meet at least four times a year and who sit under the Social Care in Action board.
The current Management Committee come from a variety of backgrounds relevant to the work of the charitable company including health and social care, mental health, third sector, human resources, financial and business communities. The Social Care in Action board are responsible for the strategic direction and policy of all the charitable companies. The day-to-day operation and responsibility is delegated to the Chief Executive of Social Care in Action who is responsible for ensuring the companies deliver the specified services, meet the key performance targets and stay within agreed budget.
The Chief Executive delegates the responsibility for the day-to-day management of Flat Spaces Foundation to its Executive Officer who oversees delivery at the site.
There is an Audit and Remuneration Committee comprising Social Care in Action’s Treasurer, Trustees, Chief Executive, and Head of Finance, which reviews expenditure against budgets and the general financial health and control systems of the charitable companies.

Related Parties

The other members of the group are Social Care in Action, SCA Care, SCA Transport Services, Options Wellbeing Trust and Flat Spaces (Ropley) Limited.

Social Care in Action and Options Wellbeing are companies limited by guarantee and registered charities.

Flat Spaces (Ropley) Limited is a company limited by Shares.

SCA Care and SCA Transport Services are all Registered Societies under the Co-operative and Community Benefit Societies Act 2014.

The charitable company and registered societies are all operated and managed on a unified basis with Social Care in Action acting as the parent body.

Key Management and Personnel Remuneration

The Management Committee consider the Management Committee and the Chief Executive Officer comprise the key management personnel of the charitable company in charge of directing and controlling the charitable company and running and operating the charitable company on a day-to-day basis.
All Management Committee members give their time freely and no remuneration to members of the Management Committee was paid in the period. The pay of the Chief Executive Officer is reviewed by the Management Committee periodically on the basis of the performance of the individual concerned and the charitable company as a whole.

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REPORT OF THE MANAGEMENT COMMITTEE (Continued)
For the 18-month period ended 31 March 2026

RESPONSIBILITIES OF THE MANAGEMENT COMMITTEE

The charitable company's Management Committee (who are Trustees for the purposes of charity law and directors for the purposes of company law) are responsible for preparing an annual report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Management Committee to prepare Financial Statements for each financial period, which give a true and fair view of the state of the affairs of the charitable company as at the Balance Sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial period. In preparing those Financial Statements, the Management Committee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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 charitable company will continue on that basis.

The Management Committee is responsible for keeping proper accounting records that 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. The Management Committee is 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. The Management Committee is responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions.

Approved by the Management Committee and signed on its behalf by:

This report has not yet been signed

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D BALL	**DATE**
Chair	

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLAT SPACES FOUNDATION (LIMITED BY GUARANTEE)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2026

Opinion

We have audited the financial statements of Flat Spaces Foundation for the 18-month period ended 31st March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31st March 2026 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT (Continued)
For the 18-month period ended 31 March 2026

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

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INDEPENDENT AUDITOR'S REPORT (Continued)
For the 18-month period ended 31 March 2026

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

This report has not yet been signed

…… Date: ……

(Senior Statutory Auditor)
for and on behalf of Lewes Brownlee LLP - Statutory Auditors

Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

Lewes Brownlee LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

FLAT SPACES FOUNDATION
(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2026

	Note	Unrestricted Funds 18 months 31 March 2026 £	Total Funds 18 months 31 March 2026 £	Total Funds 12 months 30 September 2024 £
INCOME				
Donations and grants	2	60,932	60,932	26,500
Investments	3	-	-	404
TOTAL		60,932	60,932	26,904
EXPENDITURE				
Charitable activities	4	(29,674)	(29,674)	(23,120)
TOTAL		(29,674)	(29,674)	(23,120)
NET INCOME	6	31,258	31,258	3,784
NET MOVEMENT IN FUNDS FOR THE YEAR		31,258	31,258	3,784
RECONCILIATION OF FUNDS				
Total funds brought forward		209,898	209,898	206,114
Total funds carried forward		241,156	241,156	209,898

The Statement of Financial Activities includes all gains and losses in the period. All income and expenditure derive from continuing activities.

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FLAT SPACES FOUNDATION
(LIMITED BY GUARANTEE)

BALANCE SHEET

AS AT 31 MARCH 2026

	Note	2026 31 March £	2024 30 September £
FIXED ASSETS			
Tangible fixed assets	8	413,594	411,445
Investments	9	100	100
TOTAL FIXED ASSETS		413,694	411,545
CURRENT ASSETS			
Debtors	10	23,968	-
Cash at bank and in hand		10,740	18,122
TOTAL CURRENT ASSETS		34,708	18,122
LIABILITIES			
Creditors: Amounts falling due within one year	11	(207,246)	(219,769)
NET CURRENT LIABILITIES		(172,538)	(201,647)
TOTAL ASSETS LESS CURRENT LIABILITIES		241,156	209,898
NET ASSETS		241,156	209,898
THE FUNDS OF THE CHARITABLE COMPANY			
Unrestricted Funds	13		
- General Fund		58,670	27,412
- Strategic Fund		40,923	40,923
- Revaluation reserve	13	141,563	141,563
Total Unrestricted Income Funds		241,156	209,898
TOTAL CHARITABLE COMPANY FUNDS		241,156	209,898

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.
The Management Committee has prepared Financial Statements in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual Financial Statements required by the Companies Act 2006 and are for circulation to members of the charitable company.
The notes on pages 14 to 20 form part of these Financial Statements.

Approved by the Management Committee on **and signed on its behalf by:**

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REGISTERED COMPANY NUMBER: 09098286

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FLAT SPACES FOUNDATION
(LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2026

	Note	18 months 31 March 2026 £	12 months 30 September 2024 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used by operating activities	1	(3,393)	(23,214)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		-	404
Acquiring new assets		(3,989)	-
NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES		(3,989)	404
Change in cash and cash equivalents in the period		(7,382)	(22,810)
Cash and cash equivalents at the beginning of the period		18,122	40,932
Cash and cash equivalents at the end of the period	2	10,740	18,122

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FLAT SPACES FOUNDATION
(LIMITED BY GUARANTEE)

NOTES TO THE CASH FLOW STATEMENT

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2026

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

		18 months 31 March 2026 £	12 months 30 September 2024 £
Net (expenditure) / income for the period (as per the Statement of Financial Activities)		31,258	3,784
Adjustments for:	Interest Received	-	(404)
	Depreciation charges	1,840	687
	Decrease/(increase) in debtors	(23,968)	-
	Increase/(Decrease) in creditors	(12,523)	(27,281)
Net cash (used)/ provided by operating activities		(3,393)	(23,214)

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	18 months 31 March 2026 £	12 months 30 September 2024 £
Cash at bank and in hand	10,740	18,122
Total cash and cash equivalents	10,740	18,122

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FLAT SPACES FOUNDATION
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18 MONTH PERIOD ENDED 31 MARCH 2026

1. **ACCOUNTING POLICIES**

Charity Information
Flat Spaces Foundation is a charitable company established under its Memorandum and Articles of Association and registered with the Charity Commission and Companies House in England and Wales. The principal address is: 1 Paynes Road. Southampton SO15 3DL. The charitable company is a public benefit entity.
The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) **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 Financial Statements 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) including early adoption as amended January 2016), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.
Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).
The Financial Statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest £.

(b) **Income**
All income is included in the Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are received by way of donations and gifts and are included in full in the Statement of Financial Activities when the charitable company becomes unconditionally entitled to the donation.
- Donated services and facilities are included at the value to the charitable company where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.
- Investment income is included when receivable.
- Grants, whether “capital” grants or “revenue” grants, are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

(c) **Expenditure**
Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT, as the charitable company is not VAT registered and is reported as part of the expenditure to which it relates. Expenditure on charitable activities comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and their associated support costs.

Support costs are those functions that assist the work of the charitable company but do not directly undertake the charitable activities. These costs have been allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource and are apportioned on time, usage or governance.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the audit fees and costs linked to the strategic management of the charitable company.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the 18-month period ended 31 March 2026

1. **ACCOUNTING POLICIES (Continued)**

(d) **Tangible Fixed Assets**
Tangible assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold properties are subsequently measured at their fair value and are to be revalued every 5 years.
Fixed assets costing more than £1,000 are capitalised at cost.
Depreciation is provided at the following annual rates in order to write-off each asset over its estimated useful economic life:

Fixtures and fittings	20%	Straight Line
Computer equipment	25%	Straight Line
Freehold property (buildings)	nil	-

(e) **Debtors**
Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

(f) **Cash at Bank and in Hand**
Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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

(h) **Taxation**
The charitable company is exempt from Corporation Tax on its charitable activities.

(i) **Fund Accounting**
Unrestricted funds consist of the general purposes fund and designated funds.
Designated funds are funds established by the Management Committee from time to time for specific projects or purposes, are not in any way restricted and any surplus or deficit will be transferred to/from the general purposes fund when the designated fund is closed.
Restricted Funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal. The purpose and use of designated and restricted funds is set out in the notes to the Financial Statements.

(j) **Financial Instruments**
The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(k) **Significant Judgments and Estimates**
Preparation of the Financial Statements may require management to make significant judgments and estimates. There are no items in the Financial Statements where judgments and estimates would have a significant effect on amounts recognised in the Financial Statements.

(l) **Investment Property**
Investment properties are initially measured at cost and subsequently at fair value at the reporting date, with the change recognised in the statement of financial activities.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the 18-month period ended 31 March 2026

2. **DONATIONS AND GRANTS**

	18 months 31 March 2026 £	12 months 30 September 2024 £
Donations	60,932	26,500
Total	60,932	26,500

Income from donations was unrestricted in both the current and prior year.

3. **INVESTMENTS**

	18 months 31 March 2026 £	12 months 30 September 2024 £
Bank interest	-	404

Income from donations was unrestricted in both the current and prior year.

4. **ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	Provision of Accommodation £	18 months 31 March 2026 Total £	12 months 30 September 2024 Total £
Sub Contractors	23,760	23,760	15,840
Grants Made	1,540	1,540	1,500
Support costs	2,015	2,015	3,780
Governance costs	2,359	2,359	2,000
Total	29,674	29,674	23,120

The expenditure on charitable activities was unrestricted in both the current and prior year. See note 7 for details of the donations made.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the 18-month period ended 31 March 2026

5. **ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

The charitable company identifies the costs of its support functions. It then identifies those costs that relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken (see note 4) in the period. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	General Support £	Governance £	18 months 31 March 2026 Total Funds £	12 months 30 September 2024 Total Funds £	Basis of Apportionment
Office costs	-	-	-	1,498	Usage
Legal and professional fees	-	-	-	1,377	Usage
Audit	-	2,359	2,359	2,000	Governance
Bank charges and interest	175	-	175	218	Transactions
Depreciation	1,840	-	1,840	687	Usage
Total	2,015	2,359	4,374	5,780	

6. **NET INCOME / (EXPENDITURE) FOR THE YEAR**

This is stated after charging:

	18 months 31 March 2026 £	12 months 30 September 2024 £
Depreciation	1,840	687
Auditor's remuneration – Audit fee	2,000	2,000

7. **ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL**

No employee received emoluments of more than £60,000 during the 18-month period (2024: 12 months: nil).
The average number of employees during the 18-month period was nil (2024: 12 months: nil)
During the 18-month period £1,540 was donated to Flat Spaces (Ropley) Ltd (2024: 12 months: £3,213) to provide discounted holidays.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the 18-month period ended 31 March 2026

8. TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures & Fittings £	Total £
Cost			
At 1 October 2024	410,000	29,991	439,991
Additions	-	3,989	3,989
At 31 March 2026	410,000	33,980	443,980
Depreciation			
At 1 October 2024	-	28,546	28,546
Charge for the period	-	1,840	1,840
At 31 March 2026	-	30,386	30,386
Net Book Values			
At 31 March 2026	410,000	3,594	413,594
At 30 September 2024	410,000	1,445	411,445

In the accounts for the period ended 30 September 2022, the charitable company revalued the freehold property to reflect its fair value from the carrying amount of £260,242. The revaluations for the property were based on valuations carried out by Vospers (chartered surveyors) in August 2021. The Trustees have reviewed this for the 18-month period ended 31 March 2026 and do not feel there has been any material change in the valuation of the property.

9. INVESTMENTS

	2026 March £	2024 September £
Cost		
At 1 October 2024 and		
At 31 March 2026	100	100

The investment represents the share capital at par of Flat Spaces (Ropley) Ltd

10. DEBTORS

	2026 March £	2024 September £
Prepayments	7,920	-
Amounts due from Related Societies:		
Flat Spaces (Ropley) Ltd	16,048	
Total	23,968	-

11. CREDITORS: Amounts falling due within one year

	2026 March £	2024 September £
Accruals	2,500	2,923
Trade Creditors	9,239	1,320
Amounts owed to related societies:		
- Flat Spaces (Ropley) Ltd	-	1,485
- Social Care in Action	195,507	214,041
Total	207,246	219,769

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the 18-month period ended 31 March 2026

12. **FINANCIAL INSTRUMENTS**

Financial instruments measured at amortised cost comprise the following:

	2026 March £	2024 September £
Financial liabilities that are debt instruments	11,740	4,243

13. **ANALYSIS OF CHARITABLE FUNDS**

	At 01.10.24 £	Incoming Resources £	Outgoing Resources £	At 31.03.26 £
Unrestricted Funds				
General Fund	27,412	60,932	29,674	58,670
Strategic Fund	40,923	-	-	40,923
Revaluation Reserve	141,563	-	-	141,563
Total Unrestricted Funds	209,898	60,932	29,674	241,156
Total Funds	209,898	60,932	29,674	241,156

Unrestricted Funds

Unrestricted funds comprise the following funds:
General fund - to use in accordance with the charitable objects and to fund the charitable company's net fixed assets.
Strategic fund - to use for maintaining the property at Ropley in good order.
Revaluation reserve - arose as a result of the revaluation of the charitable company's freehold properties.

Prior 12 month period	At 01.10.23 £	Incoming Resources £	Transfer of Funds £	Outgoing Resources £	At 30.09.24 £
Unrestricted Funds					
General Fund	23,628	26,904	-	(23,120)	27,412
Strategic Fund	40,923	-	-	-	40,923
Revaluation Reserve	141,563	-	-	-	141,563
Total Unrestricted Funds	206,114	26,904	-	(23,120)	209,898
Total Funds	206,114	26,904	-	(23,120)	209,898

14. **CAPITAL COMMITMENTS**

As at 31 March 2026 there were no capital commitments (30 September 2024: £nil).

15. **RELATED PARTIES**

Flat Spaces Foundation is a member of the SCiA group of social enterprises. The other members of the group are Social Care in Action, SCA Care, SCA Transport Services, Options Wellbeing Trust and Flat Spaces (Ropley) Limited.

All charitable companies and registered societies of the SCiA group of social enterprises are operated and managed on a unified basis.

Flat Spaces Foundation undertook transactions with other related societies in the normal course of activities amounting to £nil (2024: £nil). At 31 March 2026, Flat Spaces Foundation had outstanding balances with related societies as disclosed in Note 11.

16. **TAXATION**

As a registered charity, the income is generally exempt from Corporation Tax under Section 478 of the Corporation Taxes Act 2010 by reason of its charitable objects and activities.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the 18-month period ended 31 March 2026

17. **LEGAL STATUS OF THE CHARITABLE COMPANY**

The charitable company is limited by guarantee and has no share capital. The liability of the member, in the event of winding-up, is limited to £10.

18. **ULTIMATE CONTROL**

Flat Spaces Foundation is a member of the SCiA group of social enterprises.
Social Care in Action is deemed to ultimately be the parent body of the SCiA group of social enterprises as it can exercise dominant influence over the charitable company.

Social Care in Action is controlled by the Trustees, acting as Directors of the Charitable Company.
The Trustees of Social Care in Action appoint and remove the Trustees to the Management Committees of all subsidiaries.

Social Care in Action is a charitable company established under its Memorandum and Articles of Association and registered with the Charity Commission (1096903) and Companies House in England and Wales (04526806).
Copies of the consolidated accounts can be obtained from its principal address at 1 Paynes Road Southampton SO15 3DL.

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