

Companies House

**Future Care Capital
(a company limited by
guarantee)**

**Annual Report and Financial
Statements**

31 August 2024

Company Registration Number
02887166

Charity Registration Number
1036232

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Reference and administrative details 31 August 2024

Patron Her Late Majesty, The Queen

Trustees Andrew Whelan – Chair
Irene Gray
Neil Churchill
Lise Pape
Jonathan Steel
Michael Dumigan

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Charity number 1036232

Company number 02887166

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Trustees' report 31 August 2024

The Trustees of Future Care Capital (FCC) present their statutory report together with the financial statements for year to 31 August 2024.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and equates to a directors' report for the purpose of company legislation.

The financial statements have been prepared in accordance with the accounting policies on pages 16 to 19 of the attached financial statements and comply with the charitable memorandum and articles of association, applicable laws and the requirements of Statement of Recommended Practice "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 United Kingdom and Republic of Ireland (FRS 102).

Governance, Structure and Management

Governance

FCC is a charitable company limited by guarantee. It is governed by its Memorandum and Articles of Association adopted 11 March 1984 and last amended in January 2021.

Trustees

The Trustees of FCC ("the Charity") are the charity's Trustees under charity law and the directors of the charitable company. The Trustees who served in office as Trustees during the period and subsequently are:

Trustees

Andrew Whelan – Chair
Irene Gray
Neil Churchill
Lise Pape
Jonathan Steel
Michael Dumigan

FCC benefits from a committed Board of Trustees who bring a breadth of managerial experience and give their time generously to serve on the Board as well as to help promote the charity. The Board of Trustees sets the vision, strategic goals, plan, and budget - monitoring their implementation, determining the policy for investment of FCC's reserves, and ensuring the organisation complies with relevant legislation and regulations.

During the financial year the Board of Trustees met eight times. The Board of Trustees continued to elect to suspend the regular activities of its sub-committees and deal with all matters as a full Board.

New trustees, including the Chair, are appointed for a four-year period, and they can be re-appointed at the end of their term of office for a further four years. In January 2021, the Articles of Association were amended to allow the current Chair, Andrew Whelan, to remain as a trustee and chairperson until February 2025. The Charity follows an induction process for all new trustees.

Governance, Structure and Management (continued)

Trustees (continued)

The Chair and Trustees do not receive remuneration for their work with the Charity, however they are entitled to reimbursement of expenses solely connected with the discharge of their duties. In the financial year expenses totalling £101 were claimed by Trustees (2023 – £357).

At each Board meeting, trustees make declarations regarding any conflict of interest. During the financial year there were no declarations of activities with related parties, or co-operation with other organisations connected with the Charity from which trustees had received benefits. The Charity's policy regarding conflicts of interest is set out in its Articles of Association and it acts in full compliance with Charity Commission Guidelines and best practice.

Third party professional indemnity insurance is provided for the trustees to cover them against claims that may arise from their legitimate actions as trustees.

Operational management

Key decisions are managed through the Board of Trustees. However, authority relating to the day-to-day organisation of the Charity is delegated to the Chief Executive Officer (CEO) who is responsible for developing and implementing plans, products and services within the overall guidelines and policies set by the Trustees.

Following the resignation of the previous CEO in April 2022, the Board of Trustees engaged an Adviser to the Board pending recruitment of a permanent CEO in-line with the organisation's strategy. The contract with this adviser ended in March 2024 and in April 2024 the Charity appointed John Grumitt as FCC's new CEO.

Risk management

The Risk Register was maintained and updated during the year. This involves identifying the risks faced by the organisation, prioritising these in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. Risk management is an integral part of FCC's decision making and routine management.

Risks are categorised under reputational, operational, financial, governance, and environmental/external. The day-to-day management of risk is delegated to the executive team, with regular reviews by the Board of Trustees.

Public benefit

In formulating FCC's strategy and planning future activities, the Trustees have given careful consideration to the Charity's public benefit aims and have complied with the duty in Section 17 of the Charities Act 2011 to have regard to public benefit guidance published by the Charity Commission.

Continuous monitoring ensures the Charity's operations and activities remain in line with public benefit. Furthermore, the Charity has built on its existing measures of impact and introduced a new framework to track how it achieves its wider goals and objectives. All charitable functions are linked and regularly reviewed to ensure they continue to meet public benefit regulations.

Governance, Structure and Management (continued)

Public benefit (continued)

FCC's vision and mission show that it is committed to facilitating and leading the beneficial transformation of health and care provision for its beneficiaries – all those in receipt of care.

Financial review

Results for the period

A summary of the period's results is given on page 13 (SOFA) of the financial statements.

The principal funding source for FCC is the Investment Portfolio managed by Evelyn Partners. This included net investment gains of £521k (2023 – losses of £319k) and other income from the investment portfolio and cash holdings of £202k (2023 - £211k). £Nil (2023 – £25k) was received in revenue from grants and consultancy. Despite challenges in delivering operational revenue, Trustees remain confident that this will not materially impact the Charity's operations going forward, given the size of the Charity's Investment Portfolio.

In the year ended 31 August 2024 total expenditure was £607k (2023 - £830k), of which £38k (2023 - £73k) was related to expenditure on the Innovation Fund start-up activities. Expenditure in the period supported the key objectives as set out on page 5.

Pension fund

The Charity has a historical pension liability with The Camden Pension Fund. This liability relates to a former member of staff and was last revalued by an actuary as at 31 August 2023. Further explanation can be found within the principal accounting policies on page 16.

Reserves policy

FCC held general reserves of £5,553k (2023 - £8,415k) at the year end.

The Charity's reserves policy is determined using a risk-based approach that considers current reserves, forecast income & expenditure and the degree of certainty other future income.

In setting the reserves policy the Board has agreed to hold a minimum of the sum of the total outstanding planned capital exposure for the investment plan, totalling £2m, plus a 12-month forecast of operating expenditure based on the approved annual budget. The £1m million drawn down by the RYSE Special Opportunities Fund and the £2m committed have been set aside in a designated fund. The remaining general reserves are currently significantly above the level required by the policy.

Investment policy and performance

The Trustees have invested FCC's assets in accordance with the Trustees' powers and responsibilities under the Charities Act 2011 and in accordance with the Memorandum and Articles of Association. The Charity's reserves continue to reside in a managed portfolio administered by Evelyn Partners. The Evelyn Partners' investment mandate incorporates provisions around ethical investing, including restrictions on the types of investments held - for example alcohol, tobacco, gambling, and armaments through negative screening.

Investment policy and performance (continued)

The Charity continues to hold a direct, mixed motive investment in Healthera valued at £250k. Additionally, as part of the Charities investment strategy, £3m has been committed to an investment in the RYSE Special Opportunities Fund of which £1m has been drawn; the remaining £2m has been ring-fenced for future drawdown calls.

Charity Objectives

The advancement of health and relief of sickness by promoting or facilitating the improvement of health and care provision. The charity will achieve this primarily, but not exclusively, through:

- ♦ the promotion of collaboration between stakeholders including policymakers, commissioners, researchers, practitioners and recipients of care to design and test better health and care solutions;
- ♦ understanding the experience of beneficiaries and devising ways to improve their experience in the sector;
- ♦ the promotion of practical improvements in the provision of health and care including supporting and encouraging innovation;
- ♦ the education of commissioners, providers, regulators and the wider public in relation to best practice and health and care provision.

Charity Mission

Our mission is to address the question of what a functioning, fit-for-purpose health and care system should look like and how we get there.

Charity Voice

Our voice will convey the perspective of our beneficiaries, through emotive, human storytelling of lived experience using plain language.

Charity Strategic approach

Impact-first - Generating impact for our beneficiaries is our highest priority. We will invest our time, money and expert resources here as a first principle.

Clear criteria for investment - We'll create clear criteria to enable decision making on where we will invest and what projects we will prioritise. This will be based where the greatest potential impact we - and in collaboration with others - can achieve.

These criteria should include projects where we can: -

- ♦ **Generate Impact for our beneficiaries** – those receiving health and social care in the UK.
- ♦ **Break barriers** - We will prioritise projects that requires us to break silos or bridge barriers to promote collaboration and innovate. This will demonstrate more sustainability and innovative solutions to wider systemic problems.

Charity Objectives (continued)

Charity Strategic approach (continued)

- ♦ **Establish relationships** – We will prioritise projects that strengthen relationships with partners and their wider stakeholders.
- ♦ **Collaboration and connection** - We will prioritise projects that convene diverse stakeholders and expert partners to work together addressing challenges collectively.
- ♦ **Add value through our streams of activity** - We will prioritise projects where we can add value through our recognised streams of activity.
- ♦ **Measure and amplify our work** - We will prioritise projects where we can measure and be transparent about our own impact.

Current year objectives

The Charity's highest overarching priority for the 2024/2025 financial year is the generation of impact upon our beneficiaries. FCC is becoming recognised as being a capable partner, enabling others to succeed alongside us. Our approach allows us to be flexible but focused. Our plan for 2025 includes four streams of activity:

- ♦ **Innovation Management**
Facilitating development of innovative solutions to address opportunities to improve health and care by providing specialist independent expertise for example on problem definition and gap analyses, horizon scanning and solution development, stakeholder engagement, evaluation and impact assessment, sources of funding, dissemination and scaling solutions.
- ♦ **Evaluation**
Enabling those developing new ways of working to address gaps in care or the efficacy with which it is delivered to evaluate their impact through which innovation may be accelerated, disseminated and scaled.
- ♦ **Impact Investment**
Supporting current and potential health and care charity investors to increase their impact through shared knowledge and expertise. We shall generate defined propositions for board approval, thereby increasing the amount of charity investment and related expertise made available to fuel innovation.
- ♦ **RYSE Special Opportunities Fund**
As an anchor investor in this fund, we have regular contact with the asset managers. We shall use our relationship to support them in developing effective impact assessment and reporting throughout their investment thesis. We shall support the dissemination of the impact achieved to generate awareness and achieve greater impact.

Review of significant activities undertaken to achieve charitable objectives

Innovation support for implementation of immersive technologies

FCC has published an extensive review on the potential benefits of how extended realities (XR) can be used in medical education for healthcare professionals, focusing on the existing barriers to integration into the healthcare ecosystem, and how these may be overcome. Evidence from this review discussed the scaling of XR in both the healthcare setting and marketplace, the dissemination of knowledge and evidence, and the opportunity to increase the number of innovations available. As part of the dissemination strategy, FCC developed a communication approach that included several thought pieces, blogs and interviews with key stakeholders in this field. From this work we have re-engaged a wide range of innovators from the UK, Europe, the US and beyond, in advance of an expected significant increase in activity from health education leadership, positioning FCC as a leading independent catalyst in the field, supporting all stakeholders.

RYSE Special Opportunities Fund

The Charity has now partnered and invested in the RYSE Special Opportunities Fund. This mixed-motive fund is focused on investing in innovative companies aligned to our mission and vision. We will leverage our role as an anchor investor to drive effective impact assessment, amplify awareness, and maximise the value of innovative health investments. RYSE Asset Management has a core team of four exceptional investment professionals with lengthy and substantial track records from leading academic and investment institutions. This team is supported by a network of clinicians, researchers and entrepreneurs. The aim is to facilitate the development of innovative solutions to drive impactful change while generating strong commercial return by addressing critical unmet needs.

FCC is applying £3m of its endowment capital to the fund. The fund invested in Braingaze in February 2024, which had been a spinout from the University of Barcelona and - invested into Curio in June 2024 which offers an innovative digital CBT platform for women's health.

Braingaze's flagship product, BGaze Clinic, utilises advanced eye-tracking technology to monitor micro-eye movements, providing critical insights into cognitive processes to achieve 92% accuracy in diagnosing attention related disorders.

Additionally, Braingaze offers BGaze Therapy, a suite of gamified digital exercises designed to improve attention and cognitive skills in children with ADHD, ASD, and dyslexia. These engaging, drug-free exercises promote higher adherence and positive therapeutic outcomes. Since our investment, Braingaze has transferred from Barcelona to the UK, secured a major licensing agreement with Tris Pharma for the American and Canadian markets, marking a key milestone in its commercialisation strategy. In preparation for a launch into the NHS, further clinical trials in the UK being entered into.

Review of significant activities undertaken to achieve charitable objectives (continued)

RYSE Special Opportunities Fund (continued)

Curio's initial product, MamaLift, is an evidence-based program proven to manage and reduce the risk of experiencing symptoms of depression and anxiety during pregnancy or following delivery. It's premium product Mamalift Plus uses neurobehavioral interventions to treat Cystic Fibrosis and "manage" patients with perinatal mood disturbances. Uniquely in the women's digital health sector, Curio has received Class 2a FDA approval for Mamalift Plus. Since investment Curio is now an approved vendor for Blue Cross Blue Shield, the largest US insurer and several other distribution deals with trades unions, corporates and public entities in the US and India.

In financial terms, following an initial independent valuation on 30 September 2024, the RYSE Special Opportunities Fund has recorded a 30.9% increase in value over the first 9 months.

Digital transformation of smell testing – UCL

FCC is part of a consortium led by UCL (Computer Sciences) for the EPSRC (Engineering and Physical Sciences Research Council) and NIHR (National Institute for Health and Care Research) funded smell care project – "Smell Above All: Where the nose meets technology". This project supports those experiencing smell loss, through innovative digital smell training. FCC provides academic and industry support and are part of the panel/expert speakers at the launch event and conferences, online. This project exemplifies how innovation, technology, and collaboration can create meaningful change.

FCC contributed to the publication – "A Call for Action to Enable Digital Smell Care Innovation" – A White Paper aimed at fostering proactive interdisciplinary discussion exploring the significance of 'Future Smell Care' for health and wellbeing, promoting a technology-enabled smell care culture, enhancing smell awareness in the built environment and integrating smell care into policy making. FCC spoke at UCL's event and presented the results of clinical and lived experiences. Currently the smell technology used in this project is undergoing refinement, taking into account results from the study, and will begin clinical rollouts in Norwich and London.

SW Regional digital neighbourhood programme implementation – Evaluation

FCC is providing evaluation support to Integrated Care Boards (ICBs), NHS Trusts, and healthcare technology companies with pilot projects operating within NHS Trusts or ICBs. By offering this expertise, we will accelerate the implementation and adoption of innovative solutions across the NHS, driving impactful change and fostering a culture of innovation. Project evaluations are often overlooked, but they are essential in the NHS to demonstrate the value and impact of initiatives. Conducting robust evaluations ensures that projects can provide evidence of their effectiveness, which is critical for securing support to advance beyond the pilot phase. Furthermore, evaluations play a pivotal role in driving innovation by identifying successes, areas for improvement, and best practices, ultimately leading to better outcomes for patients and more efficient use of resources.

Assessment of AI readiness

FCC is working with Healthcare Professionals and the patient community to identify their readiness to engage in AI healthcare. AI is progressing at a rapid pace and this question has not been asked in the Southwest. FCC is conducting a literature review, with Healthcare

Review of significant activities undertaken to achieve charitable objectives (continued)

Assessment of AI readiness (continued)

Professionals and the public. This information will shape the approach to introducing AI (in a way that addresses user context and preferences).

Impact Investment Advisory

Charities are increasingly exploring impact investing as a means to achieve their missions sustainably. However, our research shows that many lack the expertise, resources, and knowledge to navigate this complex space. There's a growing need for specialised consultancy services to help charities at every stage of their investment journey: Early stage; Implementation; and Ongoing management. Our initiative is centred on a bespoke advisory service designed to guide charities through their investment journey, addressing key 'pain' points at each stage. FCC has a unique position; as a charity with expertise and form in investing for income and impact, we serve as a pragmatic, independent advisor to the whole investment journey. FCC are the only charity to have explored extensively multiple avenues to impact investing. We offer relatable, credible, and actionable guidance that sets us apart from larger consultancies.

Hi (Health Innovation, based at the Royal Hospital for Children, Glasgow) – Remote jaundice treatment

FCC is initiating development of effective remote treatment of jaundice. We are working with clinicians and key stakeholders to define the clinical requirements of a solution for the remote treatment of jaundice for paediatric patients. This will be achieved either by creating a new tech solution or by working with clinicians and manufacturers to modify existing solutions. There are currently 600,000 births a year in the UK and 60% of infants have jaundice and are being treated in hospital. Hospitals are struggling with capacity and Hi perceive the current treatment approach as inadequate and in need of a solution. FCC is working to determine the problem statement and gather market research, by conducting a series of online workshops with Healthcare Professionals and stakeholders. Once this is complete FCC will conduct a literature and landscape review.

Going concern

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due over the next 12 months. Whilst the reserves of the Charity are linked to the Investment Portfolio and there is ongoing uncertainty around investment values, following consideration of the portfolio and the level of reserves, Trustees have concluded that the Charity will have sufficient resources to satisfy it as an ongoing concern. For further detail please refer to the Going Concern note on page 16 of the accounts.

Diversity

FCC recognises the importance of an inclusive society that brings opportunities and access, not barriers to individuals.

The Charity appreciates the benefits of a diverse workforce and is committed to building a team that captures a range of experiences that bring benefit to individuals and our beneficiaries.

Diversity (continued)

FCC encourages all people it works with and for, to contribute to an environment in which people feel comfortable expressing how they feel and what they need, knowing they will be treated with fairness and respect and that their contribution will be valued.

The work culture within FCC reflects the Vision, Mission and Values of the Charity and places inclusion of all abilities and backgrounds at the heart of everything it does. The Charity's diversity policy complements its organisational values.

FCC will make reasonable adjustments to support staff, and where appropriate, will offer additional support to individuals to ensure they are able to fully participate in the Charity's work.

Fundraising

FCC does not actively solicit donations directly from the public and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. If donations from individuals or trusts and foundations were received, the Charity would ensure personal data is appropriately protected.

Statement of Trustees' responsibilities

The Trustees (who are also directors of FCC for the purposes of company law) are responsible for preparing the Trustees' report and 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 income and expenditure of the charitable company for that period.

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

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in 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);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom 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 in operation.

Statement of Trustees' responsibilities (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and 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 2006 relating to small companies.


(.....)

Chair of the Board of Trustees - Andrew Whelan

Date: 14th February 2025

Independent examiner's report 31 August 2024

Independent examiner's report

I report to the charity trustees on my examination of the financial statements of the charitable company for the year ended 31 August 2024.

Responsibilities and basis of report

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

Independent examiner's statement

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

- ♦ accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- ♦ the financial statements do not accord with those records; or
- ♦ the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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
- ♦ the financial statements have not been prepared in accordance with the methods and principles of "Accounting and Reporting by Charities: the 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)".

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.



Hugh Swainson
Buzzacott LLP
Chartered Accountants
130 Wood Street
London EC2V 6DL

14 February 2025

Statement of financial activities (including income and expenditure account) 31 August 2024

	Notes	2024 Total funds £000	2023 Total funds £000
Income from:			
Charitable activities	1		
. Consultancy and grants		—	25
Other income		10	9
Investments	2	202	211
Total income		212	245
Expenditure on:			
Raising funds	3	50	61
Charitable activities	4		
. Innovation Fund		38	73
. Policy and insight		268	422
. Advocacy		251	274
Total expenditure		607	830
Deficit for the year before investment gains		(395)	(585)
Net gains (losses) on the revaluation and disposal of investments	9	521	(319)
Net income (expenditure)		126	(904)
Other recognised losses:			
Actuarial gain on revaluation pension liability	14	—	—
Net movement in funds	5	126	(904)
Reconciliation of funds			
Balances brought forward at 1 September 2023		8,562	9,466
Balances carried forward at 31 August 2024		8,688	8,562

All other activities of the charity during the above two financial periods were derived from continuing operations.

All recognised gains and losses are included in the above statement of financial activities.

Balance Sheet 31 August 2024

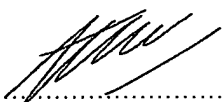
	Notes	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Fixed assets					
Tangible assets	8		—		—
Fixed asset investments	9		7,494		8,320
Mixed motive investments	10		1,250		250
			<u>8,744</u>		<u>8,570</u>
Current assets					
Debtors	11	10		10	
Cash at bank and in hand		123		200	
		<u>133</u>		<u>210</u>	
Creditors: amounts falling due within one year	12	(54)		(71)	
Net current assets			79		139
Total assets less current liabilities			8,823		8,709
Provision for liabilities and charges	13		(135)		(147)
Total net assets			<u>8,688</u>		<u>8,562</u>
The funds of the charity					
Unrestricted funds					
. General funds	15		5,553		8,415
. Designated funds	15		3,135		147
Total funds			<u>8,688</u>		<u>8,562</u>

For the year ended 31 August 2024, the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476.

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

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 and authorised for issue by the Board of Trustees on 30 January 2025.

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Chair of the Board of Trustees - Andrew Whelan

Company Limited by Guarantee Registration Number 02887166 (England and Wales)

Statement of Cashflows 31 August 2024

	Notes	2024 £'000	2023 £'000
Cash flows from operating activities:			
Net cash used in provided by operating activities	A	(626)	(851)
Cash flows from investing activities:			
Investment income		202	211
Proceeds from the disposal of investments		4,012	2,833
Purchase of investments		(1,432)	(2,624)
Net cash provided by investing activities		2,782	420
Change in cash and cash equivalents in the year		2,156	(431)
Cash and cash equivalents at 1 September	B	310	741
Cash and cash equivalents at 31 August	B	2,466	310

The Charity had a net cash outflow from operating activities of £626k (2023 – outflow of £851k). Cash outflows in 2024 relating to Policy and Insight and associated Advocacy activities as well as set-up activity for the Innovation Fund were not offset by inflows in-year. The charity achieved a net cash inflow from investing activities of £2,782k (2023 – £420k) primarily as a result of the receipt of investment income of £202k (2023 – £211k) and proceeds from investment disposals of £4,012k (2023 - £2,833k) outweighing purchases of £1,432k (2023 - £2,624k). Together, this resulted in a net increase in cash and cash equivalents in the year of £2,156 (2023 – net decrease of £431k).

Notes to the statement of cash flows for the year to 31 August 2024:

A Reconciliation of net movement in funds to net cash used in operating activities

	2024 £'000	2023 £'000
Net movement in funds (as per the statement of financial activities)	126	(904)
Adjustments for:		
Net losses on investments	(521)	319
Investment income	(202)	(211)
(Increase)/decrease in debtors	—	(3)
Decrease in creditors	(17)	(41)
Decrease in provision for liabilities	(12)	(11)
Net cash used in operating activities	(626)	(851)

B Analysis of cash, cash equivalents and net debt

	2024 £'000	2023 £'000
Cash at bank and in hand	123	200
Cash held by investment managers	2,343	110
Total cash and cash equivalents	2,466	310

Principal accounting policies 31 August 2024

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 August 2024.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest £'000.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The Trustees of the Charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due over the next 12 months and have considered future revenue generation and the Investment Portfolio in forming this opinion. Whilst the reserves of the Charity are linked to the Investment Portfolio and there is can be a level of uncertainty around investment values, taking into account the positioning of the portfolio and the level of reserves Trustees have concluded that the Charity will have sufficient resources to satisfy it as an ongoing concern.

Income recognition

All income is included in the statement of financial activities when the charity is legally entitled to the income, and the amount can be quantified with reasonable accuracy.

Interest receivable

Interest income is included when receivable and the amount can be measured reliably by the charity.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Income recognition (continued)

Consultancy income

Income in relation to contracts with third parties for consultancy or project work, is recognised in line with the proportion of the work which is complete.

Grant income

Income in relation to grants is recognised when the charity becomes entitled to the monies and there are no unfulfilled conditions attached to their receipt.

Expenditure recognition

Expenditure is accounted for on an accruals basis and is recognised in the period to which it relates.

Support costs are those costs which enable fund generating and charitable activities to be undertaken. Where activities incurred relate to more than one cost category, it is apportioned on the most appropriate basis and on a reasonable and consistent basis.

Facilities, IT and Recruitment costs are allocated between Direct and Support costs based on headcount and apportioned to spend categories within support based on time spent on each charitable activity.

Cost allocation

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Tangible fixed assets

Tangible fixed assets with a cost over £1,000 are capitalised. Fixed assets are initially recognised at cost and are depreciated by equal annual instalments over their estimated useful lives.

The current estimated rates of depreciation are:

Computer equipment	33.3%
Office equipment, fixtures, and fittings	20%

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Mixed motive investments

The charity recognises as mixed motive investments those assets which provide funding to an organisation in order to generate a financial return for the charity as well as furthering the charity's objects and charitable purposes.

Where the investment takes the form of ordinary, or preference shares it is measured on the balance sheet at the reporting date either:

- ♦ At its fair value, if this can be measured reliably; or
- ♦ If its fair value cannot be measured reliably, at its cost less impairment.

Where the investment is measured at cost less impairment, the Trustees assess the investment for objective evidence of impairment at the end of each reporting period.

RYSE Special Opportunities Innovation Fund investment

The cost of the RYSE Special Opportunities Innovation Fund investment (RYSE) has been recognised at the initial transaction value. The investment's fair value will be subsequently measured as at the balance sheet date by reference to figures provided by an independent fund valuation company. As RYSE is a long-term investment which will not crystallise for 6-7 years, there will not be any realised gains (or losses) until crystallisation. At that time realised gains (or losses) will be calculated as the difference between disposal proceeds and the opening carrying value. Unrealised gains and losses will be calculated as the difference between the carrying value at the start of the period and the fair value at the balance sheet date. Realised and unrealised gains (or losses) are combined in the statement of financial activities and accounted for in the year in which they arise.

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand.

Creditors

Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be measured reliably.

Provision for pension of ex-employee

As disclosed in note 13 the charity has a commitment to make payments to the Camden Pension Scheme in relation to an historic pension liability. At the Charity's request, the liability at 31 August 2022 was valued by a qualified actuary, which it discloses in the financial statements as a provision. This will be next be reassessed and revalued on 31 August 2025, and every three years thereafter. Payments in relation to the liability are recognised as an operating expense. Changes in the actuarial valuation of the provision are represented as an actuarial gain or loss on the statement of financial activities.

Principal accounting policies 31 August 2024

Fund accounting

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose or project.

Restricted funds comprise those funds given by donors to use for a specific purpose.

Transfers between funds are made as determined by the Board of Trustees.

Notes to the accounts 31 August 2024

1 Income from charitable activities

	Unrestricted funds £'000	Restricted funds £'000	2024 £'000	2023 £'000
Consultancy and grants	—	—	—	25
	—	—	—	25

2 Income from investments

	Unrestricted funds £'000	Restricted funds £'000	2024 £'000	2023 £'000
Income from investments	202	—	202	211
	202	—	202	211

3 Expenditure on investment funds

	Unrestricted funds £'000	Restricted funds £'000	2024 £'000	2023 £'000
Investment manager's fees	50	—	50	61
	50	—	50	61

4 Expenditure on charitable activities

	Innovation fund £'000	Policy and Insight £'000	Advocacy £'000	2024 £'000
Charitable activities				
Direct costs				
· Staff	17	82	150	249
Support costs	21	186	101	308
2024 Total funds	38	268	251	557

	Innovation fund £'000	Policy and Insight £'000	Advocacy £'000	2023 £'000
<i>Charitable activities</i>				
<i>Direct costs</i>				
· <i>Staff</i>	12	26	84	122
· <i>Other</i>	—	2	24	26
<i>Support costs</i>	61	394	166	621
2023 Total funds	73	422	274	769

Support costs have been allocated on the basis of time spent on each charitable activity, with Facilities, IT and Recruitment costs reallocated to direct costs based on headcount. The Charity has an adopted an Associate Business Model whereby it contracts with subject matter experts on a flexible basis to support and deliver our project work. In so doing, the Charity broadens the range of capabilities it is able to offer without increasing its fixed costs whilst maintaining a strong core internal staff compliment.

Notes to the accounts 31 August 2024

4 Expenditure on charitable activities (continued)

Support costs are broken down as follows:

	2024 £'000	2023 £'000
IT	12	12
Facilities	32	32
Staff	4	67
Governance	12	18
Other support costs	248	492
Total support costs	308	621

5 Net movement of funds

This has been arrived at after charging:

	2024 £'000	2023 £'000
Independent Examiner (including VAT)		
. Independent Examination – current year	5	4
. Non-audit	3	3

6 Trustees

During the year travel and subsistence expenses totalling £101 was reimbursed to trustees (2023 - £357).

No Trustees received remuneration in respect of their services as trustees.

During the year, Trustee indemnity insurance was purchased. The premium is not separately identifiable within total insurance costs. The policy provides cover of £5,000,000.

7 Staff costs

	2024 £'000	2023 £'000
Wages and salaries	215	165
Social security costs	20	15
Pension costs	14	9
Total staff costs	249	189

Staff costs have been allocated to direct and support costs as follows:

	2024 £'000	2023 £'000
Direct costs	176	122
Support costs	72	67
	248	189

7 Staff costs (continued)

	2024 No.	2023 No.
Average number of employees during the year	3	3

The number of employees earning over £60,000 in the period excluding pension contributions was:

	2024 No.	2023 No.
£60,001 - £70,000	1	—

One employee (2023 – Nil) earning over £60,000 participated in the company's defined contribution scheme and contributions of £4,020 (2023 - £nil) were made on their behalf.

Total remuneration for key management personnel, including employer's pension contributions and employer's national insurance, was £248,422 (2023 - £188,890). Key management personnel within the Charity represents staff members who have authority and responsibility for planning and decision making.

8 Tangible fixed assets

	Computer equipment £'000	Office equipment, fixtures and fittings £'000	Total £'000
Cost			
At 1 September 2023 and 31 August 2024	30	36	66
Depreciation			
At 1 September 2023	30	36	66
Charge for the year	—	—	—
At 31 August 2024	30	36	66
Net book values			
At 31 August 2024	—	—	—
At 31 August 2023	—	—	—

Notes to the accounts 31 August 2024

9 Fixed asset investments

	2024 £'000	2023 £'000
Market value at 1 September	8,210	8,738
Additions at cost	432	2,624
Disposals at carrying value (proceeds £4,012k, realised gain £107k)	(3,905)	(2,981)
Net unrealised (losses) gains	414	(171)
Market value at 31 August	5,151	8,210
Cash held in short term deposits and by investment managers	2,343	110
Value of listed investments at 31 August 2024	7,494	8,320
Cost of listed investments at 31 August 2024	4,242	7,538

All listed investments were dealt with on a recognised stock exchange. Listed investments held at 31 August 2024 comprised the following:

	2024 £'000	2023 £'000
UK bonds	470	711
UK fixed interest	805	1,244
Overseas index linked	284	434
UK equities	762	1,169
Overseas equities	1,945	3,193
Alternative investments	885	1,459
	5,151	8,210

10 Mixed motive investments

Healthera Limited (company no. 09609198) consists of one holding of ordinary shares in a UK registered company. The charity measures this investment at cost less impairment given that reliable data cannot be obtained regarding its fair value.

The Ryse Special Opportunities Innovation Fund is an investment in a FCA regulated managed fund - RYSE Special Opportunities Fund I LP. At 31 August 2024 the investment has been measured at cost. Independent valuations of the fund are undertaken bi-annually and any reported unrealised gains (losses) will be reported in the statement of financial activities and credited (or debited) in the year in which they arise.

The value of mixed motive investments at the reporting dates is shown below:

	2024 £'000	2023 £'000
Healthera	250	250
RYSE Special Opportunities Innovation Fund	1,000	—
Balance at 31 August	1,250	250

Notes to the accounts 31 August 2024

11 Debtors

	2024 £'000	2023 £'000
Prepayments and accrued income	10	7
Trade debtors	—	3
	10	10

12 Creditors

	2024 £'000	2023 £'000
Amounts falling due within one year		
Trade creditors	19	5
Other creditors	1	16
Accruals and deferred income	34	50
	54	71

13 Provision for liabilities and charges

	2024 £'000	2023 £'000
At 1 September	147	158
Released in the period	(12)	(11)
Actuarial valuation	—	—
At 31 August	135	147

The Company has a commitment to make a payment to Camden Pension Scheme in relation to enhanced pension benefits granted to an ex-employee as compensation for the years of prospective service that he was not able to earn. At the Charity's request, the liability at 31 August 2022 was valued by a qualified actuary who calculated that the value of the relevant liability value as at that date was £158,000. This resulted in a decrease in the provision required at the balance sheet date of £5,000. The provision will be reassessed and revalued at 31 August 2025 in line with the established policy.

14 Pension schemes

Defined contribution scheme

The FCC Pension Plan started in April 2017 and is managed by Smart Pension. The total contribution by the charity during the period was £12,907 (2023 - £9,256). £2,564 was owing to the pension fund at 31 August 2024 (2023 - £1,308).

15 Statement of funds

	Restricted fund £'000	Unrestricted general fund £'000	Designated funds		2024 Total funds £'000
			RCP Pension Fund £'000	RYSE Fund £'000	
At 1 September 2023	—	8,415	147	—	8,562
Income	—	212	—	—	212
Expenditure	—	(595)	(12)	—	(607)
Gains and losses	—	521	—	—	521
Transfers	—	(3,000)	—	3,000	—
Balance at 31 August 2024	—	5,553	135	3,000	8,688

	Restricted fund £'000	Unrestricted general fund £'000	RCP Pension Fund £'000	2023 Total funds £'000
At 1 September 2022	—	9,308	158	9,466
Income	—	245	—	245
Expenditure	—	(819)	(11)	(830)
Gains and losses	—	(319)	—	(319)
Balance at 31 August 2023	—	8,415	147	8,562

The RCP Pension Fund represents the commitment to make a payment to the Camden Pension Scheme in relation to enhanced pension benefits granted to an ex-employee, and is equal to the provision included on the balance sheet.

The RYSE Fund represents £3m which has been committed to an investment in the RYSE Special Opportunities Fund of which £1m has been drawn; the remaining £2m has been ring-fenced for future drawdown calls.

16 Analysis of net assets between funds

	Restricted fund £'000	Unrestricted general fund £'000	Designated funds		2024 Total funds £'000
			RCP Pension Fund £'000	RYSE Fund £'000	
Fixed assets	—	5,744	—	3,000	8,744
Net current assets	—	(191)	270	—	79
Provisions	—	—	(135)	—	(135)
	—	5,553	135	3,000	8,688

	Restricted fund £'000	Unrestricted general fund £'000	RCP Pension Fund £'000	2023 Total funds £'000
Fixed assets	—	8,570	—	8,570
Net current assets	—	(155)	294	139
Provisions	—	—	(147)	(147)
	—	8,415	147	8,562

17 Related parties

Other than the transactions relating to trustees outlined in note 6, there were no related party transactions in the period.