



**Choice Support  
Report and  
Financial Statements**

**For the year ended 31 March 2025**

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## Organisation Information - Reference and Administrative Information

<b>Status:</b>	Community Benefit Society
<b>Register number:</b>	9045R
<b>Regulated by:</b>	Financial Conduct Authority (FCA Mutuals)
<b>Registered Office address:</b>	Compass House 84 Holland Road Maidstone Kent ME14 1UT
<b>The Board:</b>	Ade Orhiere (Appointed 30 July 2025) Andriana Vinnitchok (Appointed 1 April 2024) Andrew Beland (Appointed 1 May 2025) Babatunde Adewopo Bob Tindall Chester Manuel Jayne Kilgallen (Appointed Chair 30 July 2025) Kindra Hyttner (Appointed 1 April 2024) Mark Ferry Mel Shad Naz Asghar Oliver Mills (Chairman, Retired 29 July 2025) Peter Hasler (Retired 29 July 2025) Sarah Maguire (Retired 30 April 2025) Shubhangi Karmakar Tim Coppard
<b>Secretary:</b>	Mark Ferry
<b>Executive Directors:</b>	Ade Orhiere – Chief Finance Officer Brendan Smith – Chief Digital and Information Office David Holt – Chief Housing and Development Officer Mark Ferry – Chief People Officer Mel Shad – Chief Business Officer Sarah Maguire - Chief Executive (Retired 30 April 2025) Andrew Beland -Chief Executive (Appointed 1 April 2025)
<b>Auditors:</b>	HaysMac LLP 10 Queen Street London EC4R 1AG
<b>Bankers:</b>	National Westminster Bank plc 2nd Floor, 3 High Street, Maidstone Kent ME14 1HJ
<b>Solicitors:</b>	Russell-Cooke 2 Putney Hill Putney London SW15 6AB
<b>Investment managers</b>	Evelyn Partners, 45 Gresham Street, London, EC2V 7BG from Oct 2024

## **Annual Report of the Board**

### **Structure, Governance and Management**

Choice Support is a Registered Society incorporated under the Co-operative and Community Benefit Societies Act 2014, registration number 9045R (previously registered as a charity). Choice Support is an exempt charity as defined in Schedule 3 of the Charities Act 2011. For the current year under review Choice Support wholly owned the following subsidiaries.

Byways Trust (company no. 5443145, charity no. 1109825) incorporated in England was a wholly owned subsidiary of Choice Support and was registered as a charity and constituted as a company limited by guarantee. Byways Trust was dissolved on 31 December 2024.

The Blue River Project (company no. 02656104, charity number 1029739) incorporated in England in October 1991 is a private company limited by guarantee without share capital. The Blue River Project is a wholly owned subsidiary of Choice Support and was dormant during the period under review.

Choice Consultancy Services Ltd (company no. 2633299) incorporated in England in July 1991 is a private company limited by guarantee without share capital. Choice consultancy services Ltd is a wholly owned subsidiary of Choice Support and was dormant during the period under review.

Choice Support Enterprises Ltd (company no. 15662584) incorporated in England in April 2024 is a private company limited by guarantee without share capital and is a wholly owned subsidiary of Choice Support. Choice Support Enterprises Ltd was dormant during the period under review and will be closed down in the FY 2025.

Choice Support Property Ltd (company no. 16075464) incorporated in England in November 2024 is a private company limited by guarantee without share capital and is a wholly owned subsidiary of Choice Support. Choice Support Property LTD is a profit-making company that gift aids its profits back to the Parent organisation.

There are no shareholders other than the Board members and it is Choice Support's policy that shareholding ends when a person ceases to be a Board member. The day-to-day management of the Group is delegated to a Chief Executive and other members of the Leadership Team.

The Financial Statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Society's Rules, the Charities Act 2011, the Co-operative and Community Benefit Societies Act 2014 and the Charities SORP (FRS 102).

Choice Support chooses to present its Financial Statements in line with the Charities SORP (FRS 102). The Board has decided that the Charities SORP best reflects the nature of the Group's financial activity.

### **Statement of Board members' responsibilities in respect of the Financial Statements**

The Board is responsible for preparing the Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Co-operative and Community Benefit Societies Act 2014 requires Board to prepare financial statements for each year which give a true and fair view of the state of affairs of the registered society and of the incoming resources and application of resources, including the income and expenditure, of the society for that period. In preparing these financial statements, the Board is required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the registered society will continue in business

The Board is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements of the registered society and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. It has general responsibility for taking reasonable steps to safeguard the assets of the registered society and to prevent and detect fraud and other irregularities.

In so far as the Board members are aware:

- there is no relevant audit information of which the registered Society's auditor is unaware; and
- the Board members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Board liability insurance was in place in both the current and prior financial years.

The Board members are responsible for the maintenance and integrity of the corporate and financial information included on the registered society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Recruitment and Appointment of Board Members**

In accordance with the requirements of the Society's Rules, Board members are elected to serve for three years from the date of appointment, after which time they will retire. Board members may be reappointed for two additional terms if desired, and thereafter for further terms under special circumstances as determined by the Board.

Board members are recruited following advertising or by using recruitment agencies. The interview process establishes members' suitability and skills and experience to provide a balanced range of skills on the board and includes valuable input from the people we support.

As of January 2025, we now pay our non-executive board members:

Chair	£12,000 p/a
Vice Chair	£6,000 p/a
Committee Chairs	£6,000 p/a
Trustees/Board Members	£3,000 p/a

## **Board Members Induction and Training**

All new Board members receive an induction and have the opportunity to attend external courses relevant to assist them in discharging their responsibilities. Ongoing training is identified from Board review and appraisals, and is delivered internally, at away-days, or by individual members attending specific courses relevant to their interests or lead responsibilities.

## **Organisational Structure**

Choice Support is governed by the Board of members, which meets at least four times a year and is supported by a Chief Executive and a team of senior officers to whom the Board delegates the day-to-day management of the society. The Board and senior officers hold an away-day at least annually to develop strategy and to review governance and management arrangements in more detail. The Board is supported by three committees: Quality and Safeguarding; People and Performance Committee, Human Resources, and Finance, Risk, and Audit. Designated Board members sit on all these committees, alongside officers, and report back to the full Board. In addition, there is a Remuneration committee which is comprised of the Chair of the Board and the Chairs of the Board Committees and is attended by the Chief Executive, and a Nominations Committee that oversees the recruitment of new Board members. In addition, we also have the following forums that include link Board members in attendance: Health and safety, our rights group (made up of people we support), Diversity, and Inclusion. The safeguarding working group also includes an independent external expert.

## **Public Benefit**

In shaping our objectives for the year and planning our activities, the Board has considered the Charity Commission's general guidance on public benefit and fee charging, including its guidance - Public Benefit: Running a charity (PB2).

## **Vision, Values, and Purpose**

This year saw us move into year 4 of our 5-year strategic plan. In our 4th year, we have reflected on the last 3 years being challenging but also reflect that a great deal was achieved. Choice Support remains in a strong position and is ready for the challenges ahead.

Year 4 saw the introduction of a new 'people's objective' – an objective focused solely on the people we support and the things they want. For this year, we focused on something we know is very important to them: relationships, the aim being to enable people we support to build meaningful friendships with people other than those who are paid to support them. This work was supported by Supported Loving.

This was also our first full year of being a Community Benefit Society. We are embracing the chance to be different, having more control over how we operate, and taking advantage of new opportunities as they present themselves.

Our work as part of 'More Than a Provider' continues to raise the social care profile and, alongside sector partners, provides a louder voice and an opportunity to change thinking on policy and approach at government level.

Year 5 of our Strategic Plan will bring us great financial challenges with an increase in the National Living Wage and increased National Insurance Contributions. In a climate where there is little additional money, Choice Support will bear the brunt of these increased costs, and we will plan accordingly to mitigate the impact. We will aim to ensure that Choice Support remains in a strong position and ready for the challenges ahead, so that we can continue to deliver good quality services to the people we support that help them to live independent lives full of opportunity and joy.

In 2025/26 we will be launching Our Ways of Working, 6 principles to support placing the people we support at the heart of their support planning, decision making, and in control of their lives. These simple principles provide a guide for all staff to work in a way that puts people in the driving seat and ensures that their views and aspirations drive our work right across Choice Support.

The future remains uncertain, but we now recognise uncertainty as an opportunity. We are a well-known, agile, and highly regarded provider. We have a reputation for being creative, responsive, and flexible. In line with our values, we will create possibilities for people, often in the face of challenge, removing the obstacles that get in their way. Building on the success of the last 4 years, we will evolve, do what we do best, and capitalise on our reputation to continue to be a provider of choice.

In 2025/26, we will be developing a new, bold, and ambitious strategy. This will be underpinned and driven by a renewed Vision, Purpose, and Values, which we are co-producing with the people we support, their families and friends, and our staff.

### **The focus of our work**

2024 was a year of transition on many fronts. On 1<sup>st</sup> April, we were delighted that the Three C's joined Choice Support. Both organisations have complementary values and share a passion for supporting staff teams to innovate to create better lives for the people we support.

At Choice Support's May away day, Board members discussed the recruitment and transition process for both the Chair and CEO roles. The Board ran an internal recruitment for the Chair position and by the summer had recruited Jayne Kilgallen as the next chair, following Oliver Mills' stepping down in July 2025. Jayne began to shadow Oliver in his role and will have had a year working together by the time he leaves. This has ensured that governance remains robust and mitigates the risk of disruption to the Board.

The Board next focused on the retirement of the CEO, scheduled for the end of April 2025. They formed a nominations committee and began to scope out the requirements for a new CEO alongside the recruitment process. The Board was clear that the new CEO must have social care experience and were keen to ensure the values and culture of Choice Support were understood and maintained by a new CEO. They designed a process that would test this out and included panels made up of people we support, employees, the senior leadership team, and finally, the Board itself. The panels included a Board member to ensure governance oversight throughout. The feedback was also informed by an exercise around strategy and critical reasoning. This in-depth process proved successful, and in January 2025, the Board announced that Andrew Beland would be the next CEO following Sarah Maguire's retirement. Making sure the Board and Senior leadership Team had time to dedicate to this transition has created a clear and confident handover for the people we support, families, employees, and partners

### **Digital Transformation Programme**

In March 2023, we commenced a Digital Transformation Programme (DTP) to establish new ways of working, taking the learning from what does and does not work now, and how we want to work in the future to deliver on our purpose.

During 2024/25, we made significant progress across core business functions. The Finance team worked towards the implementation of a new Enterprise Resource Planning (ERP) system, Oracle NetSuite, with a projected go-live date of April 2025. This system will deliver improved financial processes, enhanced reporting, and greater operational efficiency. Also, the payroll team have continued to progress with the implementation of a new payroll system projected to go live in 2026. Several other DTP implementations are ongoing across the organisation.

The DTP is delivering digital solutions across the organisation to replace and address many instances of manual, paper-based working (especially with our front-line teams), duplication of entry and effort, gaps in key accessible business information, and systems not sharing information with each other.

We have made a significant investment in providing staff, where needed, with baseline digital skills before implementing new systems. This training continues as we roll out a digital care and support planning application in parallel with an rostering application.

Alongside this, we are implementing new digital systems to increase the efficiency of back-office functions and provide self-service functionality to managers and staff.

The DTP is helping us establish a modern, resilient, effective organisation with quality business information available to all decision makers and enabling us to place control closer to the people we support.

### **Cross-Industry Collaboration**

Our alliance with 5 social care providers known as 'More Than A Provider' has gathered pace and momentum. We worked together to influence all political parties in the run-up to the local election and focused our discussion on practical solutions to improve the commissioning of services and the better use of limited financial resources. In December 2024, we came together to clarify our thinking and examine the new political landscape post-Labour winning the election in July. It became clear that although this Government acknowledged the importance of paying social care workers fairly, it made this more difficult in the Autumn Budget when it announced the increase in National Insurance Contributions and the lowering of the NI thresholds. We agreed to commission a piece of work that would look to create a floor and ceiling for Fees. This work began early in the spring of 2025 in partnership with PPL Consulting. In addition, we have also agreed to be part of a reimagining of Commissioning, in partnership with Social Care Future and several Local Authorities. Our hope is that these 2 pieces of complementary work will influence the strategic direction of social care policy.

### **Staff Recruitment and Retention**

Recruitment continues to be challenging in some areas, but a combination of 3 pay awards during the year, extensive recruitment activity, and the ability to sponsor overseas workers for health and social care skilled worker visas, has helped us achieve our highest level of staffing occupancy since before Covid. This has delivered further reductions in our use of agency workers. Agency staffing costs now account for just 3.1% of total staffing costs.

We are very pleased that staff turnover has remained significantly lower than the average for the sector and is well within acceptable levels. This helps provide consistency for the people we support and savings in recruitment and training costs.

## **Our People**

We continue to strive to be a good employer and aim to treat our employees in a way that is consistent with our values. We aim to treat our employees with dignity and respect and listen to and address their concerns.

We continue to enjoy positive and constructive relations with our 3 recognised Trade Unions: Unison, GMB, and the RCN. Our monthly open forums, where senior leaders are accessible to all employees, are growing in popularity and provide front-line colleagues with an opportunity to raise any questions or concerns with those at the most senior level, as well as an important channel to cascade information.

## **Health and Wellbeing**

We recognise the importance of positive health and wellbeing for all employees and the vital role we play in supporting them to maintain and improve their health and wellbeing.

We have continued to work to deliver against the targets in our health and wellbeing strategy, including mandatory mental health first aid training for all managers and promoting health and wellbeing through our internal communication channels. Our app to enable employees to draw down a proportion of their salary before payday and to provide financial education and savings tools has been well received by employees and is helping their financial well-being.

## **Diversity and Inclusion**

This year we have continued to make progress against the objectives in our diversity and inclusion (D&I) action plan. Our Diverse Voices (Black, Asian, and minority ethnic inclusion network) and the LGBTQ+ and allies inclusion network meet monthly to discuss D&I issues and to hear the voices of marginalised groups.

We have run our first two-way mentoring programme. The programme pairs a senior leader with a junior manager from a marginalised background. The programme is two-way because the senior leader gains a different perspective, from someone with lived experience, and the junior manager gains the benefit of coaching from a senior leader. The feedback from participants has been very positive and we are now planning our next cohort. We publish an annual report showing our actions against our D&I targets and all our key D&I metrics. Black, Asian, and minority ethnic employees now make up 18% of senior leaders. The Board are now 42% female, 29% minority ethnic, and 14% LGBT.

## **Employees with disabilities**

We are proud to be accredited as a Disability Confident employer and a Mindful Employer. We have a good record for the employment of people with disabilities with 15.5% of our total workforce describing themselves as having a disability.

## **Learning and Development**

We are committed to investing in the learning and development of our employees to ensure that our workforce has the skills they need to be able to deliver the high-quality services that the people we support deserve to receive.

Compliance with mandatory training is very high. We currently have 95 employees on an apprenticeship programme.

We have already exceeded our target for Oliver McGowan training with 83% of employees now having completed the training. We are grateful for the assistance of our 40 co-trainers with lived experience, without whom that achievement would not have been possible. We are now delivering the training externally to spread this important learning and generate additional revenue, that is reinvested in the learning and development of our employees.

91% of employees have completed the supporting people with relationships training, to help deliver our business plan objective to support more people to develop new friendships and relationships.

### **Transforming services for the better**

In order to place the people that we support at the heart of what we do and place them in control of their lives and decisions about how they live, we have been working on developing a framework to explore and establish self-managing teams across Choice Support since 2020.

In November 2023 we carried out a review of the work and projects we had already undertaken and took the learning to frame future activity across Choice Support. It was an opportunity to reflect on successes and learn from things that didn't go quite to plan. It showed us that we are on the right path and that empowering local teams to work differently made fundamental and positive differences to the lives of the people we support.

We learned that when staff engage in the transformation to self-directed teams they experience:

- Increased confidence.
- A higher sense of purpose.
- Greater development opportunities.
- Increased opportunities for the people we support.
- Closer and more productive relationships with families and carers.

We have understood that:

- Moving too fast leaves people behind. There is a need for a refined approach to give staff, families, and external professionals time to adjust.
- There is a need for a clear, unified direction from leaders who understand exactly what we are trying to achieve.
- We know that we must offer more guidance (a framework of sorts) when teams move to a self-directed approach, so they feel safe and can take positive risks.
- Localising decision making will ensure more creative use of available funds and ultimately reduce bureaucracy and cost, whilst not compromising support. In a market with limited resources, this approach will enable us to make the very best use of every penny we have.

Over the next year we plan to focus on building on the initial transition to purposeful teams by creating a deeper sense of kindness, trust and connectedness across the organisation. 2025/26 will see us focused on building more trusting, connected networks across Choice Support to underpin a shift of power to local teams/services. We are committed putting the people we support in the driving seat of their own lives.

## Plans for future Periods

2024/25 marks the final year of our current strategy cycle, and our strategic aims for this year remain unchanged.

1. Become financially strong and sustainable
2. Provide excellent, innovative, co-produced support
3. Campaign for positive rights-based change in the lives of people we support
4. Be a good, fair, and responsible employer
5. Develop more services that provide flexible and innovative approaches to support

As with all years, the strategic aims are underpinned by our annual business plan, which for this year continues the theme of robust contract management and financial sustainability. In addition to our ongoing work to ensure all of our contracts make a minimum contribution to central costs, we have built in a focus on a number of specific areas. We are calling these our 'supercharged' items, with teams focused on targets around things such as agency usage and filling voids. This is balanced against our continual focus on providing the highest quality of support. We continue to reforecast based on assumptions to reflect what has actually happened as part of the plan's annual performance review.

Looking forward, the process of developing our new strategy for 2026/2030 is well underway. It is too early to comment on the exact aims within the strategy as it is still in development. However, it is being built around three core principles:

- The first and most important is **People and Communities**. This is at the core of everything we do, be it linked to the people we support, the communities that they live in, or our teams that are essential to our product
- The second is **Excellence** – As we develop our strategic aims, we will identify what excellence looks like and set our objectives according. Financial excellence will be core to this and cut across all that we do
- Our final principle is **Innovation and Engagement** – this recognises the need for continual improvement, the need to find new and more efficient ways of operating the organisation and embracing the future of AI. We will do this collaboratively with the people we support and our partners

Our emerging strategic aims around growth via supporting more people and new partnerships, continuing to build our employer proposition, digital inclusion, and new models of support will all be underpinned by the principles above.

## Supporting people outside of hospitals

We have reinvigorated our vision and purpose to help people leave hospitals and build new lives back in communities close to family and friends. The Board has agreed on capital for us to work with families and Local Authorities, and/or ICBs to purchase and adapt properties to bring people back home. To support this, we have worked with a firm of solicitors this year to create a legal agreement that means that people can choose us as a provider and landlord. If they change their mind and want a new support provider, they will not lose their home. This has created pace for re-provision and transition projects. We have also invested in multi-use buildings. An example of this is in Cheshire, where we have purchased a building that will act as a local hub for activity for people living in and around Crewe, providing office space, a café, and accommodation. If successful, we will look to expand this model to other areas in 2025.

At the end of 2024, we launched our work to redefine our vision, values, and purpose. This involved consulting with 300 people we support, their families, and staff. In February, we ran

a workshop with 32 senior managers to examine the feedback and co-design options for further discussion with the Board. In April 2025, we will launch the culmination of 2 years work around culture and kindness, known as **'Our 6 Ways of Working'**. The document captures our collective experiences of Choice Support, defining how its core principles and culture are seen in the everyday experiences of all those connected to Choice Support.

**We have grouped these into the following 6 ways of working –**

1. Put People We Support in the Driving Seat
2. Be Connected
3. Be Trusting and Collaborative
4. Collectively Lead
5. We Learn Together to Drive Excellence
6. We Dream!

We have defined our collective understanding for each way of working, the experiences which hinder and support, how we expect to see this in what we do, and how those we support will experience this. A programme to support teams across the organisation is being launched and will be the foundation to cement our culture as we continue work on our new vision, purpose, and strategy for 2026.

## **Fundraising**

No corporate fundraising activities take place within Choice Support. Continued grant funding has been confirmed for the Jigsaw Project from the Kent Police and Crime Commissioner until March 2026, with a funding level of £34,398. This funding is enabling us to develop instructional videos, in partnership with the people we support, around themes relating to hate crime, that they can experience in communities. These videos, which will be acted out by people we support and will provide learning opportunities for how situations can be dealt with, for both people we support and support staff.

We do not use professional fundraising agencies or commercial participants to raise funds, and we are no longer registered with the Fundraising Regulator.

We have not received any fundraising complaints, but should anyone wish to raise a complaint we would seek to resolve it through our published complaints procedure. We do not currently undertake any direct mailing activity, and we do not fundraise from vulnerable people or anyone who has previously requested not to be contacted by us. We do not share our donors' data with any other party and have not had any complaints regarding our processes and policies in the year.

The Choice Support Privacy Policy, published on our website, clearly states what personal data Choice Support will hold in relation to support and how this data will be used. It also sets out how individuals can raise concerns or complaints.

We would like to express our sincere thanks to everyone who has supported us over the year.

## **Suppliers**

We value all our suppliers and have local and national contracts, where appropriate. Communication transparency in dealing with suppliers is delegated to the relevant manager who will discuss any major contracts and/or supply issues as and when appropriate.

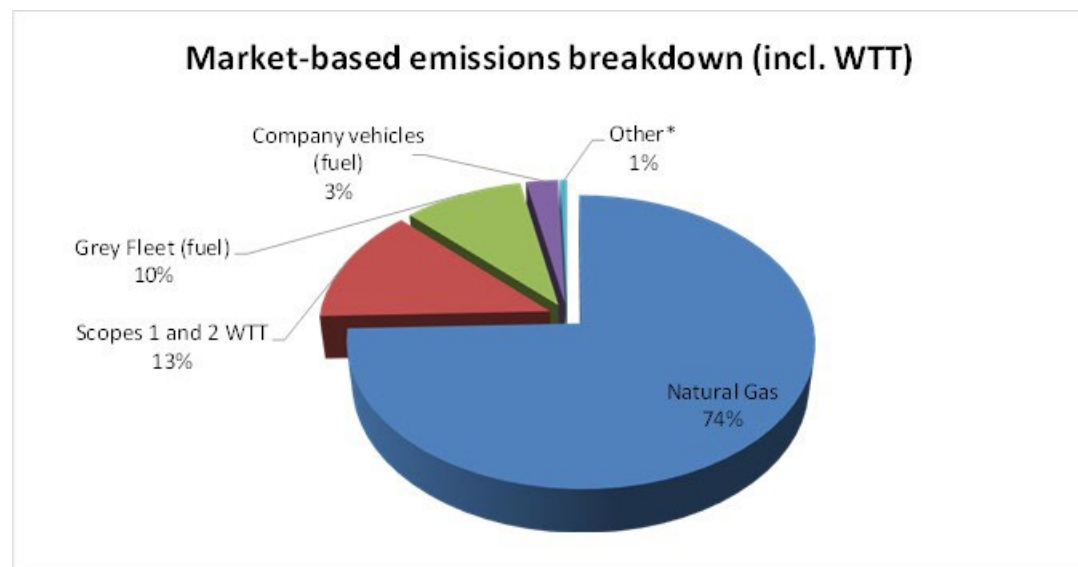
## Environmental Impact

The trustees recognise the environmental and climate risks faced by the charity and we are committed to reducing, where possible, the environmental impact of our operations and minimising our environmental impact. In order to achieve this Choice Support ensures waste is recycled where possible, all new domestic appliances (including heating systems) are A rated and have continued to invest in technology to reduce our need to travel.

Choice Support has appointed an independent carbon and energy management company to assess its Greenhouse Gas (GHG) emissions in accordance with the UK Government's 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance'.

The GHG emissions have been assessed following the GHG Protocol Corporate Standard and has used the 2024 emission conversion factors published by Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). The assessment follows the market-based approach for assessing Scope 2 emissions from electricity usage.

This is the first year that Choice Support has assessed market-based electricity emissions and as such only location-based emissions are used for comparison with previous years. The operational control approach has been used.



*\*Other= Grey Fleet Ev (Market-Based) Charging, Company Vehicles (Ev) (Market-Based) Charging, Grey Fleet Ev Vehicles T&D (Market-Based), Company Ev Vehicles T&D (Market-Based) & Refrigerants.*

The total location-based carbon footprint for Choice Support for the period ending 31<sup>st</sup> March 2025 is 1,303.30 tonnes CO<sub>2</sub>e, and the market-based total is 972.60 tonnes CO<sub>2</sub>e.

**Table 3: Results of Choice Support's carbon footprint assessment by scope and GHG Protocol emission**

Scope	Emission Source	Location-Based (tCO <sub>2</sub> e)	Market-Based (tCO <sub>2</sub> e)
1	Natural Gas	724.24	724.24
	Company vehicles (fuel)	24.74	24.74
	Refrigerants	0.00	0.00
<b>Scope 1 Total</b>		<b>748.98</b>	<b>748.98</b>
2	Electricity	250.57	0.00
	Company vehicles (EV) charging	0.27	0.54
<b>Scope 2 Total</b>		<b>250.84</b>	<b>0.54</b>
3.3	Scopes 1 and 2 WTT	181.20	125.65
	Grey Fleet EV vehicles T&D	0.22	0.22
	Company EV vehicles T&D	0.03	0.03
	Transmission & Distribution	26.95	0.00
3.6	Grey Fleet (fuel)	92.54	92.54
	Grey Fleet EV charging	2.54	4.65
<b>Scope 3 Total</b>		<b>303.49</b>	<b>223.09</b>
All	<b>Tonnes of CO<sub>2</sub>e</b>	<b>1,303.30</b>	<b>972.60</b>
	<b>Tonnes of CO<sub>2</sub>e per employee</b>	<b>0.51</b>	<b>0.38</b>
	<b>Tonnes of CO<sub>2</sub>e per £ million turnover</b>	<b>17.59</b>	<b>13.13</b>

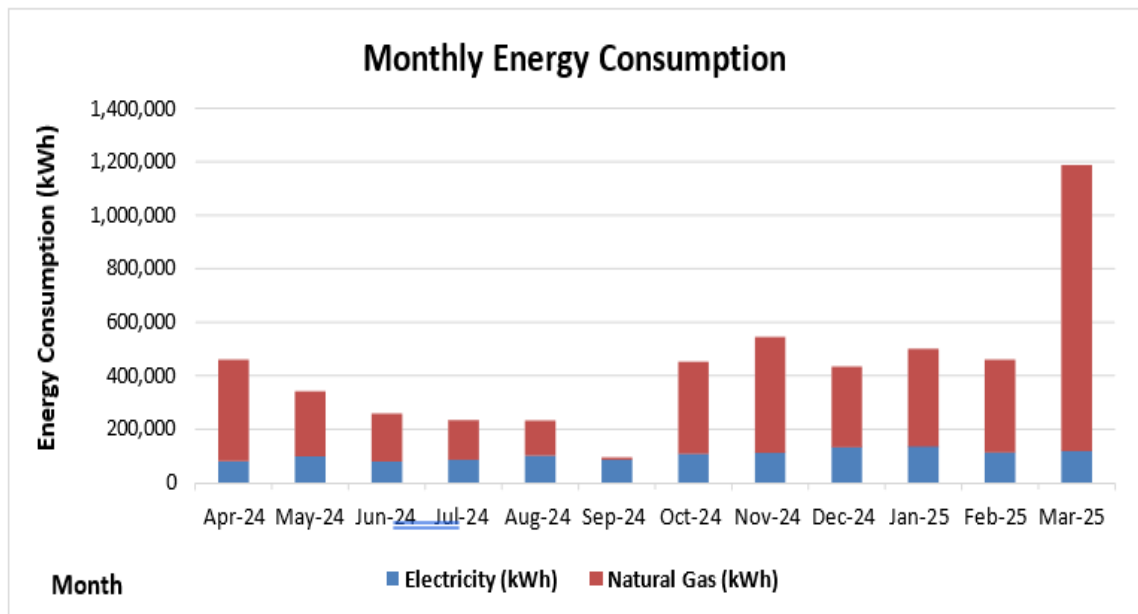
Choice Support has renewed its 100% renewable energy contract and as such, market-based emissions from purchased electricity consumption this year remain at zero. Consequently, the only emission source from sites is natural gas which accounts for 86.7% of total market-based emissions. The below table shows the top 10 sites with the highest emissions (all from natural gas).

**Table 4: CO<sub>2</sub>e emissions because of site energy consumption for the top 10 emitting sites**

Name of Site	Electricity * (tCO <sub>2</sub> e)		Natural Gas (tCO <sub>2</sub> e) **	Total Market-based Emissions (tCO <sub>2</sub> e)
	Location-based	Market-based		
Howard Goble House	22.84	0.00	75.07	75.07
Arnold House 154	19.51	0.00	66.91	66.91
Holly Lodge 6	0.00	0.00	37.70	37.70
Chapel Hill	10.71	0.00	35.94	35.94
Maidstone Road 114	4.86	0.00	20.51	20.51
Carlton Day Centre	9.23	0.00	17.54	17.54
Charlton Road 30	4.42	0.00	16.29	16.29
Landlord Supply Byways	5.55	0.00	16.18	16.18
Hamilton House	3.69	0.00	15.84	15.84
Beehive	4.24	0.00	15.58	15.58
<b>Subtotal: Top 10 emitting site</b>	<b>85.05</b>	<b>0.00</b>	<b>317.56</b>	<b>317.56</b>
<b>Grand total</b>	<b>333.07</b>	<b>0.00</b>	<b>843.86</b>	<b>843.86</b>

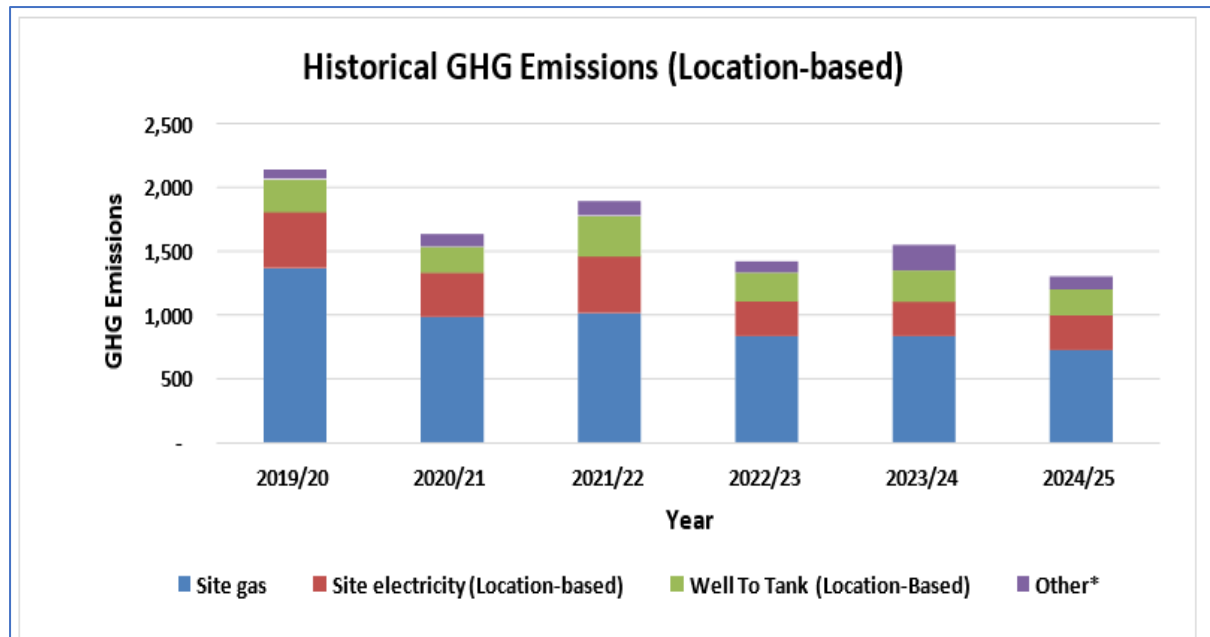
\*Totals include emissions from WTT, Generation and Transmission & Distribution.

\*\*Totals include WTT



**Figure 3: CO<sub>2</sub>e emissions on a per site and fuel basis**

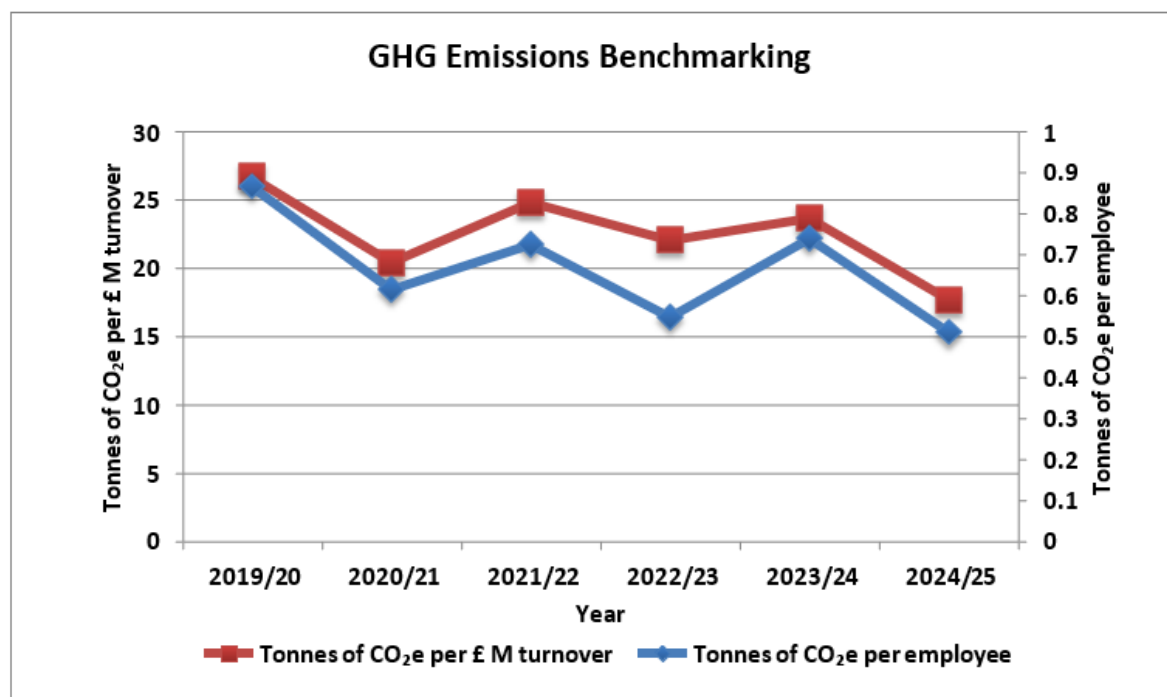
Figure 3 shows the total electricity and natural gas consumption in kWh across the assessment period across all sites. It shows a seasonal trend in natural gas consumption with increases in colder, winter months. There is a drop in September and a spike in March due to actual meter readings being taken for sites without smart meters.



*\*Other= Company Vehicles (fuel), Grey Fleet (fuel) Grey Fleet EV (Market-Based) Charging, Company Vehicles (EV) (Market-Based) Charging, Grey Fleet EV Vehicles T&D (Market-Based), Company EV Vehicles T&D (Market-Based) & Refrigerants.*

**Figure 4: Detailed emissions comparison for the various aspects of Choice Support's emissions**

Benchmarked against employee numbers and company turnover (adjusted for inflation) the carbon emissions statistics show a decrease in both intensity metrics since 2019/20



**Figure 5: Carbon footprint of Choice Support for internal benchmarks**

## Principal Risks and Management

The Board members ensure the society exercises sound financial management and has effective management and internal controls. It ensures the development of a strategy, business plan, and policies that maintain and improve the society's financial health, integrity and safeguards its assets. The Strategy and Plan are reviewed regularly throughout the year to identify risks and challenges.

The Board receives accurate, timely, and meaningful financial information and advice on all approved investment and audit arrangements and all other financial matters. It is this which enables the board to give an annual statement of assurance in respect of financial control systems.

A corporate risk management policy is in place that sets out the board's agreed approach to risk management. The policy applies to the whole organisation and sets out how we understand and manage risks relating to the law, regulations, governance, financial management, and business performance.

The society uses a risk management framework to identify, prioritise and manage risks. This helps us to minimise threats and make the most of opportunities. The corporate risk register is regularly reviewed and updated. We report on risks and mitigating action to our Finance, Risk and Audit Committee (FRA committee), Quality and Safeguarding Committee (Q&S Committee), and the HR Committee, as well as our Board members. Some of the principal risks faced by the society are outlined in the table below.

<b>Risk</b>	<b>Mitigation</b>
Financial risk – Pressure on local authority funding resulting in low pay, low margins, and difficulty in recruiting and retaining staff. Some contracts becoming unviable, leading to deficit-making services.	Regular negotiation for higher contract uplifts; implementation of efficiency savings and innovative business models; development of effective HR strategies; and withdrawal from unsustainable contracts after mitigation efforts.
IT systems and data security risk – Potential loss of IT systems or data breaches.	Effective disaster recovery systems; use of encryption software; continuous monitoring and upgrades of IT infrastructure.
Operational/internal control risk – Risk of inconsistent quality or failure in internal systems.	Implementation of robust internal procedures, staff support, and ongoing training to maintain consistent service quality.
Governance and compliance risk – Risk of failing to meet legal, financial, or governance obligations.	Strong internal audit processes, regular Board oversight, and external assurance through audits and compliance reviews.

The Board recognise systems and internal controls provide reasonable, but not absolute, assurance that major risks have been adequately managed. The board is satisfied that principal risks have been reasonably identified and adequately mitigated where necessary.

## Remuneration Policy

The Remuneration Committee is responsible for the overall remuneration strategy of the organisation, particularly that of the Senior Leadership Team. The committee is chaired by the Choice Support chair and is attended by Committee chairs.

## Financial Review

Choice Support is reporting a surplus of £4,360k for the financial year ending 31 March 2025. 2024: a surplus of £4,556k before transfers between reserves and the pension actuarial adjustment.

Total income of £78.5m represents an increase of 6% on the previous year. Total expenditure of £74m was £4.6m higher than the previous year (£69.5m). The increase is primarily within staff costs. This expenditure does not include the £525k pension actuarial loss in the year (2024: £539k).

The levels of uplifts in fees were below the rate of increase in the National Living Wage placing further downward pressure on the care sector and continues to pose a challenge. Despite this, our financial position remains sound. Net assets after allowing for the pension liability are £55.3m, an increase of 8.4% on the previous year. Excluding the pension liability, net assets increased by 7.4%.

Reserves of £55,352k existed at the end of March 2025. These included **£23,093k of restricted reserves**, **£18,682k of designated reserves**, and £15,673k of general reserves, net of pension reserves (£2,096k). Designated reserves relate, in the main, to the property portfolio of the society.

## Principal Funding Sources

The main funding sources of the society are fees received from local authorities and the NHS for the provision of services in the furtherance of its objectives. A significant amount of income derives from rent and service charges for the occupation of properties owned and leased by the society.

The largest area of expenditure is staff costs directly attributed to meeting the care and support needs of the people we support. Expenditure has been incurred in the key area of central management where staff reports under functionality directorates to provide vital support, administration, and management information to ensure our key objectives are met effectively in a cost-effective manner.

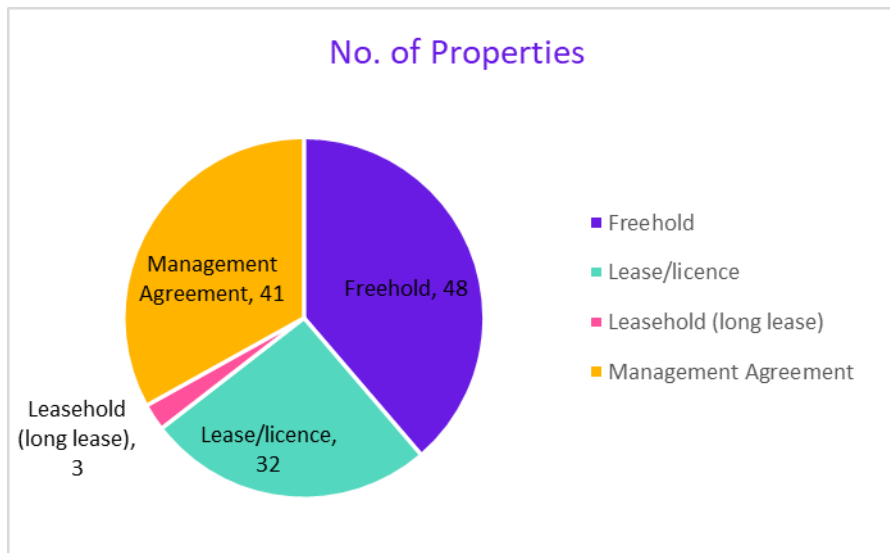
## Property Portfolio

Choice Support owns and manages approximately 124 properties across 35+ separate local authorities, comprised of 13 day/employment/social enterprise services, 11 main and regional supporting offices, and 106 residential properties (dwellings) with a total of 538 lettable units/bedspaces. We work in partnership with around 29 landlords, including 10 housing associations, 6 Local Authority/NHS landlords, and 13 private landlords.

Our property portfolio includes:

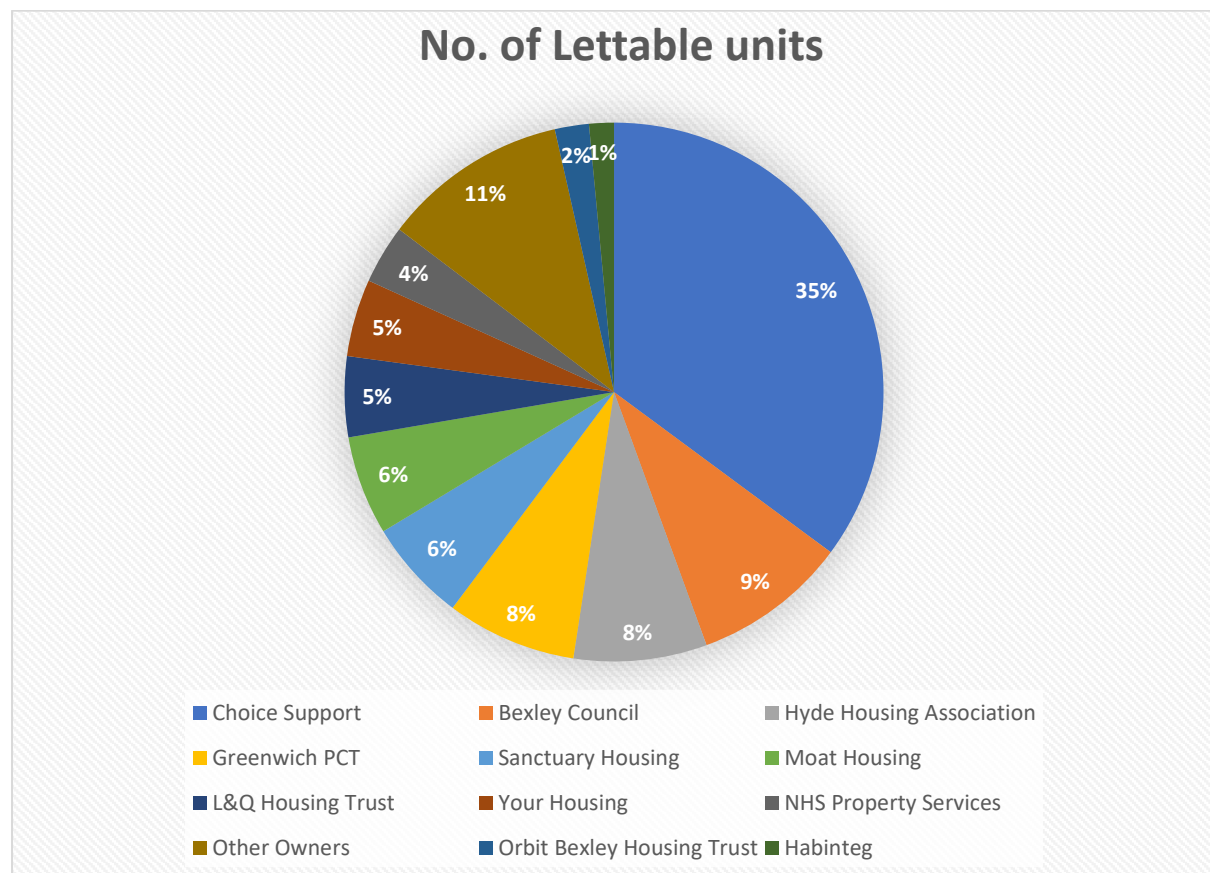
Ownership Type	No. of properties	No. Lettable units
Freehold	48	184
Lease/licence	32	117
Leasehold (long lease)	3	24
Management Agreement	41	213
<b>Grand Total</b>	<b>124</b>	<b>538</b>

#### No. of Properties by Ownership Type



## No. of Lettable Units by Owner

Landlord	No. of Properties	No. of Lettable units
Choice Support	51	189
Bexley Council	7	50
Hyde Housing Association	6	43
Greenwich PCT	3	42
Sanctuary Housing	8	33
Moat Housing	4	32
L&Q Housing Trust	5	26
Your Housing	8	25
NHS Property Services	4	19
Other Owners	19	60
Orbit Bexley Housing Trust	6	11
Habinteg	3	8
<b>Grand Total</b>	<b>124</b>	<b>538</b>



## Investment Policy

Choice Support manages an investment policy that seeks to strike the right balance between the two objectives:

- providing an income to help Choice Support carry out its purposes effectively in the short to medium term, and
- maintaining and enhancing the value of the invested funds, to enable Choice Support to effectively carry out its purposes in the longer term.

Every investment opportunity is subject to financial scrutiny and appraisal to ensure that we are allocating resources prudently and making the right decision particularly where there is more than one opportunity to choose from. We will seek to consider both the financial and non-financial issues that could affect investment in any given project, service, property, or group of projects, services, or properties. We will adopt a flexible investment approach that combines a mixture of ethical, socially responsible, and mission-related approaches to investment in so far as decisions are financially sound and economically viable or otherwise justifiable.

Cash not required in the short or medium term is invested in fixed deposit accounts, bonds, or other deposit funds designed for longer-term investment. This is placed with reputable banks in the UK providing the best interest rates with minimum risk of loss. Any cash surplus to our daily requirements but which is needed to fund ongoing working capital is invested in an instant access special reserve account.

We invest in the research and development of innovative ideas that enhance our reputation as a problem solver in the Adult Social Care sector particularly to make a difference in the lives of people with learning disability; mental health or autism needs as well as investing in Information and Communication Technology and infrastructure in line with our ICT Strategy.

During the year, we strategically invested approximately £0.5 million in the acquisition of two properties. These assets are earmarked for development and subsequent resale. Based on current market conditions and our financial projections, we anticipate a return on investment in the region of 17%, which we consider to be a strong and sustainable outcome aligned with our growth objectives.

In October 2024, Choice Support appointed Evelyn Partners to manage its investment portfolio. Excess cash, beyond the organisation's working capital needs, was transferred from the current account to Evelyn Partners for investment. The portfolio asset allocation is agreed with the Investment Manager and includes specific benchmarks that we will use to monitor performance.

## Reserves Policy

Choice Support Board consider that, due to the prevailing uncertainty and continuing cost pressures within our sector, general reserves should be retained at a level sufficient to cover a minimum of six months' expenditure relating to support costs.

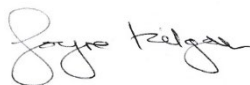
Support costs are mainly expenditures relating to local, area, and central management overheads. Direct staff and non-staff costs pertaining to operational business activities are substantially covered by fee income and the Board has set a contribution level for these activities. Reserves are also used to cover budget shortfalls in the short term for services that are not currently generating the target contribution for which a turnaround plan or exit strategy must be established. Additionally, reserves are held for investment in housing-related projects as opportunities arise working in partnership with other public bodies that provide significant capital funding

Our trustees are content with our reserves policy and are aware of the gap. They feel that in these financially challenging environment these levels are required for long term financial stability of the business.

Budgeted support costs for 2025-26 are c.£5.7m.

Reserves as of March 25 were as follows:	<b>£'000's</b>
Restricted Funds	23,093
Designated Funds	18,682
Pension Scheme	(2,096)
General	15,673
<b>Total Reserves</b>	<b>55,352</b>
Less :	
Restricted Funds related to Capital Grants	21,294
Other Restricted Funds	495
Designated Funds relating to property assets	18,682
<b>Free Reserves</b>	<b>13,577</b>

The Board members' report has been approved by the Board, on 01 October 2025, and signed on their behalf by:



Jayne Kilgallen  
Chairperson

## **Independent Auditor's report to the members of Choice Support**

### **Opinion**

We have audited the financial statements of Choice Support ("the Society") for the year ended 31 March 2025 which comprises the Group and Society Statement of Financial Activities, Group and Society Balance Sheets, Group Statement of Cashflows and notes to the financial statements, including a summary of 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 state of the group's and of the parent's affairs as at 31 March 2025 and of the group's net movement in funds, including the 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 requirements of the Co-Operative and Community Benefit Societies Act 2014.

### **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 group 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 Board Members' 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 group'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 Board Members with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Board Members are responsible for the other information. The other information comprises the information included in Annual Report of the Board. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the

financial statements or a material misstatement of the other information. 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.

### **Opinions on other matters**

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

- the information given in the Annual Report of the Board for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Annual Report of the Board have 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 group and the society and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report of the Board.

We have nothing to report in respect of the following matters in relation to which the Co-Operative and Community and Benefit Societies Act 2014, requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the society or
- the society's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Board Members' remuneration are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Board Members for the financial statements**

As explained more fully in the Board Members' responsibilities statement [set out on page 3], the Board Members 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 Board Members 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 Board Members are responsible for assessing the group's and the parent 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 Board Members either intend to liquidate the group or the parent Society to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the regulations of the Care Quality Commission, Health and Safety regulation,

GDPR, employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements and consider other factors such as payroll tax and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of accounting estimates and judgements and the posting of inappropriate journals to income. Audit procedures performed by the engagement team included:

- Enquiries of management regarding correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing and testing journal entries made in the year, particularly those made as part of the yearend financial reporting process; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 society's members, as a body, in accordance with section 87 of the Co-Operative and Community Benefit Societies Act 2014. 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 society's members, as a body, for our audit work, for this report, or for the opinions we have formed.



HaysMac LLP  
Statutory Auditors  
10 Queen Street Place  
London  
EC4R 1AG  
Date: 27 October 2025

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

**Consolidated Statement of Financial Activities  
(incorporating an income and expenditure account)**

	Notes	Unrestricted Funds 2025 £000's	Restricted Funds 2025 £000's	Total Funds 2025 £000's	Unrestricted Funds 2024 £000's	Restricted Funds 2024 £000's	Total Funds 2024 £000's
<b>Income</b>							
Donation on merger	21	879	-	879			
Donations and grant		8	68	76	110	141	252
Capital grant funding		-	1,643	1,643	-	3,635	3,635
Other trading activities(shops)		145	-	145	164	-	164
Profit on disposal of Fixed Assets		-	-	-	-	-	-
Other income		92	-	92	17	-	17
Income from investments		821	-	821	728	-	728
<b>Income from charitable activities:</b>							
Learning Disability and Mental Health		67,627	20	67,647	63,722	52	63,774
Housing		5,585	-	5,585	3,737	-	3,737
Experts by Experience		1,636	-	1,636	1,779	-	1,779
				-			
<b>Total income</b>	3	<b>76,793</b>	<b>1,732</b>	<b>78,525</b>	<b>70,258</b>	<b>3,828</b>	<b>74,086</b>
<b>Expenditure</b>							
<b>Expenditure on raising funds</b>							
Trading costs (shops)		94	-	94	111	-	111
<b>Expenditure on charitable activities</b>							
Learning Disability and Mental Health		66,885	89	66,973	63,802	120	63,922
Housing		5,158	299	5,457	3,489	291	3,782
Experts by Experience		1,559	1	1,560	1,751	-	1,751
				-			
Loss/ (profit) on disposal of Fixed Assets		96	-	96			
<b>Total expenditure</b>	5	<b>73,792</b>	<b>389</b>	<b>74,181</b>	<b>69,153</b>	<b>411</b>	<b>69,564</b>
Net gains/(losses) on investments	10	16		16	34	-	34
<b>Net Income/(Expenditure)</b>	4	<b>3,017</b>	<b>1,343</b>	<b>4,360</b>	<b>1,139</b>	<b>3,417</b>	<b>4,556</b>
Transfer between funds	13	38	(38)		18	(18)	-
				-			
Pension scheme actuarial (loss)/gain	16	(525)		(525)	(539)		(539)
<b>Net movement in funds</b>		<b>2,530</b>	<b>1,305</b>	<b>3,835</b>	<b>618</b>	<b>3,399</b>	<b>4,017</b>
<b>Funds at the start of the year</b>		<b>29,768</b>	<b>21,749</b>	<b>51,517</b>	<b>29,150</b>	<b>18,350</b>	<b>47,500</b>
<b>Funds at the end of the year</b>		<b>32,298</b>	<b>23,053</b>	<b>55,352</b>	<b>29,768</b>	<b>21,749</b>	<b>51,517</b>

The statements of financial activities include all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The net income of the society for the year was £4,360,00

The notes on pages 27 to 53 form part of these financial statements.

## Consolidated Balance Sheet

Registered Society Registration Number 9045, Consolidated and Parent Balance Sheet

		Consolidated		Parent	
	Notes	2025 £'000	2024 £'000	2025 £'000	2024 £'000
FIXED ASSETS					
Intangible Assets	9	-	9	-	9
Tangible Assets	9	35,575	34,707	35,575	34,707
INVESTMENTS		35,575	34,716	35,576	34,716
Investments	10	792	660	792	660
Long Term Deposits	10	11,036	10,480	11,036	10,480
		11,829	11,140	11,829	11,140
CURRENT ASSETS					
Inventory	11	548			
Debtors	11	8,916	6,375	9,470	6,375
Cash in bank and in hand		6,749	7,651	6,749	7,651
		16,213	14,026	16,219	14,026
CREDITORS : Amounts falling due within one year					
	12	(6,170)	(5,505)	(6,170)	(5,505)
NET CURRENT ASSETS		10,043	4,813	10,049	8,521
NET ASSETS excluding pension liability					
		57,447	54,377	57,454	54,377
Pension Liability	16	(2,096)	(2,860)	(2,096)	(2,860)
NET ASSETS including pension liabilities		55,352	51,517	55,358	51,517
CAPITAL and RESERVES					
Restricted	13	23,093	21,749	23,093	21,749
Designated		18,682	20,822	18,682	20,822
Pension		(2,096)	(2,860)	(2,096)	(2,860)
General		15,673	11,807	15,679	11,806
		55,352	51,517	55,358	51,517

The notes on pages 27 to 53 form part of these financial statements.

The financial statements were approved by the Board members on 01 October 2025

Jayne Kilgallen (Chairperson)

Tim Coppard (Board)

Mark Ferry (Secretary)





**Consolidated Statement of Cash Flows**  
**Year to 31 March 2025**

	<b>Group 2025 YTD £'000</b>	<b>Group 2024 FY £'000</b>
<b>Cash Flows from operating activities</b>		
Net cash (used in) / Provided by operating activities	<b>466</b>	3,618
<b>Cash flows from investing activities</b>		
Interest Receivable	<b>821</b>	728
Investment income receivable	<b>17</b>	-
Payments to acquire tangible fixed assets	<b>(2,260)</b>	(5,019)
Payments to acquire intangible fixed assets	<b>-</b>	-
Sale proceeds from disposal of fixed assets	<b>227</b>	-
Purchase of investments	<b>(99)</b>	-
Proceeds from disposal of investments	<b>-</b>	-
Investment from acquisition of Three C's	<b>152</b>	-
Cash from acquisition of Three C's	<b>345</b>	-
Net Investment in long term deposits	<b>(556)</b>	(480)
<b>Net cash outflow from investing activities</b>	<b>(1,353)</b>	(4,771)
<b>Net change in cash and cash equivalents in the reporting period</b>	<b>(886)</b>	(1,153)
Cash and cash equivalents at 1 April 2024	<b>7,755</b>	8,908
Cash and cash equivalents at 31 March 2025	<b>6,870</b>	7,755
<b>Analysis of cash and cash equivalents</b>		
Cash in hand and bank	<b>6,749</b>	7,651
Cash held at investment managers	<b>121</b>	104
	<b>6,870</b>	7,755
<b>Reconciliation of net income / (expenditure) to net cash flow from operating activities</b>	<b>2025 £'000</b>	<b>2024 £'000</b>
<b>Net Income</b>	<b>4,360</b>	4,556
Interest receivable	(821)	(728)
Investment income receivable	(17)	-
Depreciation of fixed assets	594	608
Amortisation of intangible assets	8	9
Net assets donated on merger with Three C's	(879)	-
Unrealised gains on investments	(2)	(34)
(Gain)/Loss on sale of assets	90	-
Net movement in pension scheme	(1,289)	(493)
Decrease / (Increase) in debtors	(1,559)	(139)
(Decrease) / Increase in creditors	(17)	(161)
	<b>466</b>	3,618

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the society and the cash and cash equivalents

The notes on pages 27 to 53 form part of these financial statements.

## **Notes to the Financial Statements**

### **Accounting Policies**

#### **Legal status**

Choice Support is incorporated in England on 1 May 2023 under the Co-operative and Community Benefit Societies Act 2014 and is an exempt Charitable Community Benefit Society (number 9045) as defined by the Charities Act 2011 with a registered address of Compass House, 84 Holland Road, Maidstone, Kent, ME14 1UT.

#### **Accounting convention**

The society has taken advantage of the exemption available under the Charities SORP (FRS 102) from preparing a separate Statement of Financial Activities for the parent. The consolidated financial statements include the results of the parent and its subsidiaries. The notes to the accounts provide sufficient detail to understand the financial position and performance of the parent.

The financial statements are prepared on a going concern basis under the historic cost convention, modified to include certain items at fair value.

The financial statements are prepared in sterling, which is the functional currency of the Charitable Benefit Society. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **Going concern**

The financial statements are prepared on a going concern basis which assumes the society will continue in operational existence for a period of at least twelve months from the signing of the statutory account.

In making this assessment, the Board members have considered the resources of the society focusing on the risks to liquidity and solvency. Choice Support has a significant number of long-term contracts and a high standing within the social care and mental health community which ensures continued success in securing new contracts and retaining existing ones. Over the past year there has been a focus on tackling deficit making services and filling service vacancies and housing voids both of which improve the financial strength and sustainability of the society. Together with the implementation of the new Strategic plan these factors mean Choice Support is well placed for the future.

As part of the going concern assessment, the members have made significantly worse than expected assumptions to demonstrate the financial viability of Choice Support under extremely pessimistic and unlikely conditions. Members considered the ongoing financial impact of expected increases in the National Minimum Wage and other inflationary pressures on costs in terms of operating performance and cashflow. It was concluded that the society has sufficient liquid reserves to deal with these additional costs if they are not funded by local or central government or the NHS.

Based on above, the members consider that the society has adequate resources to continue to operate and meet their liabilities as they fall at least for a period of 12 months from the date of approval of these financial statements and consequently the financial statements have been prepared on a going concern basis.

## Income

Resources from raising funds are received by way of donations, gifts and fundraising and is included in full in the Statement of Financial Activities (SOFA) when there is entitlement to the income, the receipt is probable and the amount can be quantified with reasonable accuracy. Interest income is included when receivable.

Income from charitable activities includes fees and grants for residential care and is included when receivable. This income represents amounts due from tenants in supported living services, residents of registered services and grants and allowances receivable from funding bodies including fees for the provision of community, employment and vocational services. Grants of a revenue nature are credited to income in the period to which they relate.

Grants for capital expenditure are credited to income and held in restricted reserves. Expenditure of such grants is subject to the terms and conditions under which the grants were made and the depreciation of the capital asset acquired is debited to the SOFA.

## Expenditure

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the society in the delivery of its charitable activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs, which are included within support costs, are those costs associated with meeting the constitutional and statutory requirements of the society and include the audit fee and costs linked to the strategic management of the society

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of resources utilised.

## Tangible fixed assets

Land purchased for the purpose of developing into units for occupation by people with learning disabilities, autism or enduring mental health issues, together with the development costs associated therewith, are disclosed separately in the balance sheet as housing development in the fixed asset note. No depreciation is provided on these assets until such time as they are brought into use by Choice Support.

Component accounting is used and applied to all freehold property. Land is not depreciated. The Board has taken professional advice as to the estimated economic life of each building and the apportionment of original cost between land and buildings. The various components and associated estimated useful lives are:

Kitchens	15 years	Roofs	25 and 75 years
Bathrooms	20 years	Windows & doors	25 years
Electrical re-wire	30 years	Lifts	40 years
Boiler and heating	15 years	Specialised baths	15 years
Bricks and mortar	100 years		

Depreciation is provided on all other tangible fixed assets other than freehold land and buildings at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Leasehold buildings	Depreciated over the leasehold period
Fixtures and fittings	25% pa on cost

Office & IT equipment	25% pa on cost
Motor vehicles	25% pa on cost

A full year's depreciation is charged in the year of acquisition and none in the year of disposal. Assets costing over £1k used in area and central offices are capitalised. Replacement assets in services are charged directly to the SOFA irrespective of cost.

Depreciation rates, residual lives, and impairment losses are assessed annually.

### **Intangible fixed assets**

Intangible fixed assets are recognised at costs and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost less their estimated residual values over their useful lives, as follows: -

Software	25% on cost
----------	-------------

### **Financial Instruments**

Trade debtors that have been acquired in the ordinary course of business are obligations by commissioners and others to pay for goods or services supplied. These basic financial assets are initially measured at transaction price including transaction costs and are subsequently carried at book value after making adequate provision for non-payment. There are no arrangements that constitute a financing transaction, whereby the transaction would be measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised at transaction price on the basis that they are imminently payable.

### **Fund Accounting**

Unrestricted funds are available for use at the discretion of the members in furtherance of the general objectives of the society.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure that meets these criteria is charged to the fund. Capital grants, or other funds received, for a specific purpose are transferred to restricted reserves. Depreciation is offset against it once the capital asset has been acquired and is brought into use.

The Board designates certain funds to reflect the fact that those funds are not available for general use; these amounts are disclosed as designated reserves. Note 14 details funds that have been designated and include funds tied up in fixed assets and sinking funds set aside for future housing expenditure of a cyclical nature.

### **Investments**

Investments in the subsidiary undertakings are stated at cost in the balance sheet and are classified as fixed assets. The society has paid no consideration for the investments in subsidiaries and therefore there is no cost shown in the balance sheet.

Cash held in fixed-rate deposit accounts with terms longer than twelve months or with the intention of reinvestment for such a period has been classified as long-term investments and shown separately in the balance sheet.

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. 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 gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

The society does not acquire put options, derivatives, or other complex financial instruments.

### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, the short-term liquid investment with original maturities of three months or less, and investment capable of immediate cash realisation (cash held at investment managers).

### **Taxation**

The society is recognised by HMRC as a charitable organisation for tax purposes. As such, it benefits from exemptions from corporation tax on income and gains to the extent that these are applied to charitable purposes only

### **Retirement Benefits**

Choice Support participates in both defined benefit (multi-employer) and defined contribution schemes which require contributions to be made to separately administered funds. Contributions payable for the year relating to defined contribution schemes are charged in the Income and Expenditure Account as incurred. Defined benefit schemes are accounted for in line with FRS102.

### **Employee Benefits**

The cost of short-term employee benefits is recognised as a liability and an expense. Termination benefits are recognised immediately as an expense when the society is demonstrably committed to terminating the employment of an employee or to providing termination benefits.

### **Rentals under operating leases**

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities in the year in which they fall due.

### **Judgements And Key Sources of Estimation Uncertainty**

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

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

## **Critical judgments**

The following judgments (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

The society has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depends on several factors including life expectancy, salary increases, asset valuations, and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 17 for the disclosures relating to the defined benefit pension scheme.

The society makes an estimate of the recoverable value of trade and other debtors. When assessing the impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors, and historical experience.

The annual depreciation charge for property, plant, and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets considering of the separate component parts of the land and buildings. See note 9 for the carrying amount of the property, plant and equipment and note 1 for the useful economic lives for each class of asset.

### 3. Income

	2025 £'000	2024 £'000
Fundraising and donations	76	252
Capital Grant funding	1,643	3,635
Supported Living and Individualised services	53,400	47,041
Registered Care	11,380	13,075
Housing	5,585	3,737
Experts by Experience	1,636	1,779
Community support	361	322
Engagement Services	2,223	2,150
Employment Services	315	402
Social Enterprises	848	801
Trading	145	164
COVID 19 Funding	-	(18)
Other income	92	17
Investment income	821	728
	<u>78,525</u>	<u>74,085</u>

### 4. Net Income for the year

	2025 £'000	2024 £'000
This is stated after charging:		
Depreciation	594	608
Amortisation	8	10
Operating Lease rentals	877	822
Net profit / (loss) on disposal of fixed assets	(96)	-

<b>5. Operating Expenditure</b>				
<b>2025</b>				
<b>Group</b>	Direct costs, staff £'000	Direct costs, non- staff £'000	Support Costs (note 6) £'000	<b>Group Total 2025 £'000</b>
Cost of generating voluntary income	-	94	-	<b>94</b>
Direct charitable activities:				
Learning Disability ,Autism & Mental Health	57,410	2,118	7,445	<b>66,973</b>
Housing	640	4,203	615	<b>5,457</b>
Experts by Experience	1,231	149	180	<b>1,560</b>
<b>Total</b>	<b>59,280</b>	<b>6,564</b>	<b>8,240</b>	<b>74,085</b>
<b>2024</b>				
<b>Group</b>	Direct costs, staff £'000	Direct costs, non- staff £'000	Support Costs (note 8) £'000	<b>Group Total 2024 £'000</b>
Cost of generating voluntary income	-	111	-	<b>111</b>
Direct charitable activities:				
Learning Disability ,Autism & Mental Health	53,786	3,355	6,781	<b>63,922</b>
Housing	578	2,805	397	<b>3,780</b>
Experts by Experience	1,435	127	189	<b>1,751</b>
<b>Total</b>	<b>55,799</b>	<b>6,398</b>	<b>7,367</b>	<b>69,564</b>

## 6. Support Costs

Local support costs represent direct management to operational services. Area support costs, include training, recruitment and management costs incurred in the geographical areas. Central support costs represent the support services provided from the society's head office.

<b>2025</b>					
	Learning Disability , Autism & Mental Health £'000	Housing £'000	Experts by Experience £'000	Fundraising & Donations £'000	Group Total £'000
Local Costs	998	0	0		998
Area Costs	1,626	0	0	-	1,626
Central Costs	4,821	615	180	-	5,616
Total	<u>7,445</u>	<u>615</u>	<u>180</u>	<u>-</u>	<u>8,240</u>
<b>2024</b>					
	Learning Disability , Autism & Mental Health £'000	Housing £'000	Experts by Experience £'000	Fundraising & Donations £'000	Group Total £'000
Local Costs	1,042	-	-	-	1,042
Area Costs	1,891	-	-	-	1,891
Central Costs	3,849	397	189	-	4,434
Total	<u>6,782</u>	<u>397</u>	<u>189</u>	<u>-</u>	<u>7,367</u>

	2025 £'000	2024 £'000
Fees payable to current auditors		
- Audit Services – current year	70	84
<b>Total Governance Costs</b>	<u>70</u>	<u>84</u>

## 7. Staff Costs

	<b>2025</b> <b>£'000</b>	<b>2024</b> <b>£'000</b>
Wages & Salaries	54,301	49,855
Social security costs	5,120	4,476
Pension costs	1,475	1,318
Redundancy and termination costs	223	359
	<u>61,119</u>	<u>56,008</u>
Agency	1,984	3,203
Total	<u><b>63,103</b></u>	<u><b>59,211</b></u>
The average monthly number of employees during the period was as follows:		
	<b>2025</b> <b>No</b>	<b>2024</b> <b>No</b>
Care staff	2,492	2,442
Management and administration staff	146	118
	<u><b>2,638</b></u>	<u><b>2,560</b></u>

The number of employees whose emoluments, including benefits in kind, were in excess of £60,000 was:

	<b>2025</b>	<b>2024</b>
60,001 - £70,000	5	5
£70,001 - £80,000	4	1
£90,001 - £100,000	2	-
£100,001 - £110,000	3	3
£110,001 - £120,000	1	2

## 8. Key Management Personnel Board

There are 11 members serving as of 31 March 2025, (2024:12) In the year 8 (2024: nil) members received remuneration amounted to £9,750 (2024: nil). Travel expenses reimbursed to 6 members (2024:7) amounted to £910 (2024: £1k).

Key Management personnel include members and executive directors. The aggregate amount, including redundancy, employers' national insurance, benefits and pensions, paid in the year was:

	2025 £'000	2024 £'000
Total paid to key management personnel	<u>770</u>	<u>894</u>

Payments to trustees as office holders is allowed by the Society's rules, and payments commenced in January 2025 (for the 3 months from January 2025). The members considered that the payment was in the best interest of the Society in terms of recruitment, retention, diversity and skills.

	2025 £	2024 £
<b>Trustee Name</b>		
Andriana Vinnitchock	750	-
Chester Manuel	1,500	-
Jayne Kilgallen	2,250	-
Kindra Hyttner	750	-
Naz Asghar	750	-
Robert Tindall	1,500	-
Shabhangi Karmakar	750	-
Timothy Coppard	1,500	-
	<u>9,750</u>	<u>-</u>

The following members are also employees of the charity and receive remuneration in accordance with their day-to-day employment. These arrangements are permitted under the Society's governing document. The trustees did not participate in any decisions relating to their own remuneration.

Name	Job Title	Remuneration range	Nature of remuneration
Sarah Maguire	Chief Executive	£100,001 - £125,000	Salary and employer pension contributions relating to employment duties
Mark Ferry	Chief People Officer	£100,001 - £125,000	Salary and employer pension contributions relating to employment duties
Melanie Shad	Chief Business Officer	£100,001 - £125,000	Salary and employer pension contributions relating to employment duties

## 9. Fixed Assets

### A) Tangible fixed assets, Year ended 31 March 2025

Consolidated	Housing Development	Freehold land and buildings	Leasehold land and buildings	Fixtures, fittings, office & IT equipment and vehicles	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 April 2024	16	36,722	2,232	751	<b>39,721</b>
Transfer	(1)	-	-	-	(1)
Addition - acquisition	-	-	120	52	173
Additions	-	1,712	-	-	<b>1,712</b>
Disposals	-	(146)	(316)	(4)	<b>(465)</b>
At 31 March 2025	15	38,289	2,036	800	<b>41,139</b>
<b>Depreciation</b>					
At 1 April 2024	-	3,849	554	611	<b>5,014</b>
Depreciation b/fwd - acquisition	-	-	67	34	<b>101</b>
Charged in the year	-	484	37	73	<b>594</b>
Disposals	-	(57)	(83)	(4)	<b>(144)</b>
At 31 March 2025	-	4,276	575	714	<b>5,564</b>
<b>Net Book Value at 31 March 2025</b>	<b>15</b>	<b>34,013</b>	<b>1,462</b>	<b>86</b>	<b>35,575</b>
Net Book Value at 31 March 2024	16	32,873	1,678	140	34,707

Parent	Housing Development	Freehold land and buildings	Leasehold land and buildings	Fixtures, fittings, office & IT equipment and vehicles	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 April 2024	16	36,722	2,232	751	<b>39,721</b>
Transfer	(1)	1	-	-	-
Additions	-	1,707	120	52	1,880
Disposals	-	(142)	(316)	(4)	(461)
At 31 March 2025	15	38,289	2,036	800	<b>41,139</b>
<b>Depreciation</b>					
At 1 April 2024	-	3,849	554	611	<b>5,014</b>
Charged in the year	-	484	104	107	<b>695</b>
Disposals	-	(57)	(83)	(4)	<b>(144)</b>
At 31 March 2025	-	4,276	575	714	<b>5,564</b>
<b>Net Book Value at 31 March 2025</b>	<b>15</b>	<b>34,013</b>	<b>1,462</b>	<b>86</b>	<b>35,575</b>
Net Book Value at 31 March 2024	16	32,873	1,678	140	34,707

Certain assets included within Housing Development and Freehold land and buildings have been funded By capital grants which create legal charges over the properties, although section 256 greements allow The charges to be removed upon negotiation.

In 2002 a number of properties were transferred to the society for the operation of a contract in Bexley. These properties are not shown in the balance sheet as there is no beneficial ownership and on cessation Of the contract, ownership reverts to the original owners.

Housing development costs represent the expenditure incurred in acquiring land and buildings in advance of developing these to provide accommodation for individuals with learning disabilities. Once completed these costs will be reallocated to freehold or leasehold land and buildings as appropriate and depreciated accordingly when they are brought into use.

## B) Intangible Fixed Assets

Parent and Group	2025 Software £'000	2024 Software £'000
<b>Cost</b>		
At 1 April	33	321
Additions - acquisition	2	
Additions	-	-
Disposals	(2)	(288)
At 31 March	<u>33</u>	<u>33</u>
<b>Amortisation</b>		
At 1 April	24	303
Charged in the year	8	9
Disposals	-	(288)
At 31 March	<u>32</u>	<u>24</u>
<b>Net Book Value at 31 March</b>	<u>1</u>	<u>9</u>

## 10. Investments

Consolidated and Parent	2025 £'000	2024 £'000
<b>Market value at 1 April</b>	<b>556</b>	522
Additions at cost	<b>99</b>	-
Unrealised gains/(losses)	<b>16</b>	34
Market value as at 31 March	<u><b>671</b></u>	<u>556</u>
Cash held for reinvestment	<b>121</b>	104
Total Investments	<u><b>791</b></u>	<u>660</u>
Cash held in long term deposits	<b>11,036</b>	10,480
Total investments and long term deposits	<u><b>11,828</b></u>	<u>11,140</u>
Cost of listed investments (excluding cash at 31 March)	<u><b>595</b></u>	<u>496</u>

## 11. Current Assets

### A) Debtors

	Consolidated		Parent	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade debtors and grants	5,627	4,165	5,627	4,165
Prepayments & Accrued Income	3,240	2,176	3,241	2,176
Amount due from group undertakings	-		554	-
Other Debtors	49	34	49	34
	<u>8,916</u>	<u>6,375</u>	<u>9,470</u>	<u>6,375</u>

### B) Inventory of Development Property

Consolidated Cost	Stock
At 1 April 2024	-
Additions	548
Disposals	-
<b>Net Book Value at 31 March 2025</b>	<b><u>548</u></b>

Development properties held for resale are classified as inventory and stated at the lower of cost and net realisable value. Cost includes direct costs of acquisition, development, and attributable overheads incurred in bringing the property to its current condition. Net realisable value represents the estimated selling price in the ordinary course of business less estimated costs of completion and selling expenses.

Where development properties are held by a trading subsidiary of the charity, the accounting treatment follows FRS 102 Section 13, and the term "inventory" is used in place of "stock" to align with terminology under FRS 102.

## 12. Creditors: Amounts falling due within one year

	Consolidated		Parent	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade creditors	264	809	264	809
Accruals	3,079	2,549	3,079	2,549
Deferred income	842	576	842	576
Tax and social security costs	1,398	1,202	1,398	1,202
Client monies	-	49	-	49
Other creditors	587	320	587	320
	<u>6,170</u>	<u>5,505</u>	<u>6,170</u>	<u>5,505</u>

<b>Movement in Deferred Income</b>				
Deferred Income at beginning of year	576	748	576	748
Income recognised in year	(576)	(748)	(576)	(748)
Income deferred in the current year	<u>842</u>	<u>576</u>	<u>842</u>	<u>576</u>
<b>Income Deferred at end of year</b>	<u>842</u>	<u>576</u>	<u>842</u>	<u>576</u>

Deferred income related to contract income received in advance.

Included within other creditors for the society are amounts totalling £13k in respect of outstanding pension contributions (2024: £47k).

### 13. Movement in Funds

	Brought Forward £'000	Income £'000	Expenditure £'000	Transfers, Gains & Losses £'000	Total Funds £'000
<b>2025</b>					
<b>Restricted Reserves</b>					
Fixed assets acquired through capital grants	21,295		(299)	1,602	22,598
Capital grants received for housing developments	-	1,643	-	(1,602)	42
Fundraising, Legacy and donations	240	88	(89)	-	239
DGSM	200	-	-	-	200
Roy Kinnear Foundation	14	-	-	-	14
<b>Total Restricted :</b>	<b>21,749</b>	<b>1,732</b>	<b>(388)</b>	<b>-</b>	<b>23,093</b>
<b>Designated Reserves</b>					
Fixed assets not acquired through capital grants	13,422	-	(404)	(38)	12,980
Depreciated capital grant fund	1,838	-	299	-	2,137
Board approved funds for housing initiatives	2,200	-	(554)	-	1,646
Digital Transformation Project	2,775	-	(1,519)	-	1,256
Sinking fund	560	-	-	76	636
Property disposal surplus	27	-	-	-	27
			-	-	-
<b>Total Designated :</b>	<b>20,822</b>	<b>-</b>	<b>(2,178)</b>	<b>38</b>	<b>18,682</b>
Pension Reserves : Group & Charity	(2,860)	-	525	239	(2,096)
Group General Reserves	11,806	76,793	(72,648)	(278)	15,673
	<b>8,946</b>	<b>76,793</b>	<b>(72,123)</b>	<b>(39)</b>	<b>13,577</b>
<b>Total Reserves</b>	<b>51,517</b>	<b>78,525</b>	<b>(74,689)</b>	<b>-</b>	<b>55,352</b>

	Brought Forward £'000	Income £'000	Expenditure £'000	Transfers, Gains & Losses £'000	Total Funds £'000
<b>2024</b>					
<b>Restricted Reserves</b>					
Fixed assets acquired through capital grants	16,872	-	(291)	4,714	21,295
Capital grants received for housing developments	1,079	3635	-	(4,714)	-
Fundraising, Legacy and donations	184	193	(120)	(18)	239
DGSM	200	-	-	-	200
Roy Kinnear Foundation	14	-	-	-	14
<b>Total Restricted :</b>	<b>18,350</b>	<b>3,828</b>	<b>(411)</b>	<b>(18)</b>	<b>21,749</b>
<b>Designated Reserves</b>					
Fixed assets not acquired through capital grants	13,441	-	(326)	307	13,422
Depreciated capital grant fund	1,547	-	291	-	1,838
Board approved funds for housing initiatives	-	-	-	2,200	2,200
Digital Transformation Project	-	-	(475)	3,250	2,775
Sinking fund	579	-	-	(19)	560
Property disposal surplus	27	-	-	-	27
<b>Total Designated :</b>	<b>15,594</b>	<b>-</b>	<b>(510)</b>	<b>5,738</b>	<b>20,822</b>
Pension Reserves : Group & Charity	(2,814)	-	493	(539)	(2,860)
Group General Reserves	16,370	70,292	(69,675)	(5,181)	11,806
	<b>13,556</b>	<b>70,292</b>	<b>(69,182)</b>	<b>(5,720)</b>	<b>8,946</b>
<b>Total Reserves</b>	<b>47,500</b>	<b>74,120</b>	<b>(70,103)</b>	<b>-</b>	<b>51,517</b>

### 13. Movement in Funds (continued)

#### **Restricted funds**

Fixed assets acquired through capital grants

This fund represents the net book value of assets purchased using capital grants.

Capital grants received for housing developments

This fund represents the value of capital grants received for housing developments but unspent at the balance sheet date.

Fundraising, Legacy and donations

This fund consists of unspent donations and legacies that have been received for restricted purposes.

Other restricted funds

Other restricted funds represent monies raised/received for named projects or transferred in from subsidiary charities during merger.

#### **Designated funds**

The Board have designated funds for the following purposes:

Fixed assets not acquired through capital grants

Amounts representing Choice Support's capital investment in fixed assets are transferred to designated reserves to match the net book value of such assets

Depreciated Capital Grant Fund

Amounts representing the depreciated element of potentially repayable capital grants.

Sinking fund

Amounts representing expenditure to be carried out in future years relating to major internal and external works on properties used in the business

Property disposal surplus

This represents the surplus on the disposal of a property which has been designated for use within Mental Health services

Board approved funds for housing initiatives

Amounts representing the funds to adapt voids, transitioning to new support models, property purchase and the green agenda in addition to re-investing capital receipts from the sale of our property assets by the year 2028

Digital Transformation Project

Investment in Digital Technology by the year 2026

### 14. Capital commitments

The commitment at the year-end was £nil (2024 : nil)

## 15. Commitments under Operating Leases

	2025 £'000	2024 £'000
Land and Buildings		
Payable in the first year	423	350
Payable between 3 and 5 years	605	286
	<u>1,028</u>	<u>636</u>
Office Equipment		
Payable in the first year	131	112
	<u>131</u>	<u>112</u>
Vehicles		
Payable in the first year	50	37
Payable between 3 and 5 years	1	15
	<u>51</u>	<u>52</u>

## 16. Pension Liability and Commitments

	2025 £'000	2024 £'000
Actuarial gain/(loss) - SHPS	764	(46)
	<u>764</u>	<u>(46)</u>

### Re SHPS - NPV of deficit reduction plan future liability

(Deficit) at the beginning of year	(2,860)	(2,814)
Employer Contributions	667	633
Net Interest / return on assets	(142)	(140)
Actuarial gain / (loss) *	239	(539)
SHPS pension liability	(2,096)	(2,860)
Total Pension Liability	<u>(2,096)</u>	<u>(2,860)</u>

	Charity and Group 2025 £'000	Charity and Group 2024 £'000
Amounts recognised within net income in the Statement of Financial Activities in respect of the defined benefit schemes are:		
Employer contributions	667	633
Net Interest / Return on assets	(142)	(140)
	<b>525</b>	<b>493</b>

The society participates in various pension schemes. These are detailed below:

(a) The society participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme that provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2023. This valuation revealed a deficit of £693m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

The Scheme is classified as a 'last man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive.

The latest accounting valuation was carried out with an effective date of 30 September 2024. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2025 to 28 February 2026 inclusive.

The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus

## Reconciliation of opening and closing balances of the defined benefit obligation

Reconciliation of opening and closing balances of the defined benefit obligation		
	31-Mar-25 £'000	31-Mar-24 £'000
Defined benefit obligation at start of period	15,133	15,243
Expenses	18	17
Interest expense	725	731
Actuarial gains (losses) due to scheme experience	323	(89)
Actuarial gains (losses) due to changes in demographic assumptions	-	(169)
Actuarial (losses) gains due to changes in financial assumptions	(1,552)	5
Benefits paid and expenses	(631)	(605)
Defined benefit obligation at end of period	14,016	15,133

## Reconciliation of opening and closing balances of the fair value of plan assets

	31-Mar-25 £'000	31-Mar-24 £'000
Fair value plan assets at start of period	12,273	12,429
Interest income	601	608
Experience on plan assets (excluding amounts included in interest income) – (loss)	(990)	(792)
Contributions by the employer	667	633
Contributions by plan participants	-	-
Benefits paid and expenses	(631)	(605)
Fair value of plan assets at end of period	11,920	12,273

The actual return on the plan assets (including any changes in share of assets) during the year ended 31 March 2025 was (£385k), previous year (£184k)

	31-Mar-25 £'000	31-Mar-24 £'000
Fair value plan assets at start of period	11,920	12,273
Present value of defined benefit obligation	(14,016)	(15,133)
Deficit in plan – defined benefit liability	(2,096)	(2,860)

### Defined benefit costs recognised in Statement of Comprehensive Income (SOCl)

	31-Mar-25 £'000	31-Mar-24 £'000
Expenses	18	17
Net interest expense	124	123
Defined benefit costs recognised in statement of comprehensive income (SOCl)	142	140

### Defined benefit costs recognised in other comprehensive income

	31-Mar-25 £'000	31-Mar-24 £'000
Experience on plan assets (excluding amounts included in net interest cost) - (loss)	(990)	(792)
Experience gains and losses arising on the plan liabilities - (loss) gain	(323)	89
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	-	169
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain (loss)	1,552	(5)
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	239	(539)
Total amount recognised in other comprehensive income - gain (loss)	239	(539)

## Assets

	31-Mar-25	31-Mar-24
	£'000	£'000
Global Equity	1,335	1,223
Absolute Return	-	479
Distressed Opportunities	-	433
Credit Relative Value	-	402
Alternative Risk Premia	-	390
Liquid Alternatives	2,210	-
Emerging Markets Debt	-	159
Risk Sharing	-	718
Insurance-Linked Securities	37	63
Property	597	493
Infrastructure	2	1,240
Private Equity	11	10
Real Assets	1,427	-
Private Debt	-	483
Opportunistic Illiquid Credit	-	480
Private Credit	1,459	-
Credit	456	-
Investment Grade Credit	367	-
High Yield	-	2
Cash	162	242
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	3	79
Secured Income	199	366
Liability Driven Investment	3,610	4,995
Currency Hedging	19	(5)
Net Current Assets	26	21
Total assets	11,920	12,273

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

## Key assumptions

	31-Mar-25	31-Mar-24
	% per annum	% per annum
Discount rate	5.77%	4.89%
Inflation (RPI)	3.11%	3.17%
Inflation (CPI)	2.78%	2.77%
Salary Growth	3.78%	3.77%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2025 imply the following life expectancies:

	Life expectancy at age 65 (years)	Life expectancy at age 65 (years)
Male retiring in 2024	20.5	20.5
Female retiring in 2024	23.0	23
Male retiring in 2044	21.7	21.8
Female retiring in 2044	24.5	24.4

b) In September 2013, the society joined The People's Pension Scheme as its auto-enrolment scheme open to all employees. This is a defined contribution scheme. There is one other auto-enrolment scheme operated with The Nest Pension, the society joined this scheme in December 2013 and closed the scheme for any new employees who joined after 31 December 2018. The society currently also operates a defined contribution scheme with Aegon.

c) Several employees are members of the NHS Pension Scheme; this is a defined benefit scheme active at the year end and is a multi-employer scheme. The information required is not available to separately identify the underlying assets and liabilities relating to individual employers. Contributions payable to the scheme are charged to expenditure as incurred.

d) Contributions amounting to £13k (2024 £47k) were payable to the pension funds at the year end and are included in creditors.

## 17. Net Assets by Fund

<b>Consolidated</b>	<b>2025 Restricted Funds £'000</b>	<b>2025 Unrestricted Funds £'000</b>	<b>2025 Total Funds £'000</b>
Tangible & Intangible Fixed Assets	22,598	13,526	36,124
Investments	-	11,829	11,829
Net Current Assets	495	9,000	9,495
Creditors more than 1 year	-	-	-
Pension (Liability) / Asset	-	(2,096)	(2,096)
At 31 March 2025	<b>23,093</b>	<b>32,259</b>	<b>55,352</b>

<b>Parent</b>	<b>2025 Restricted Funds £'000</b>	<b>2025 Unrestricted Funds £'000</b>	<b>2025 Total Funds £'000</b>
Tangible & Intangible Fixed Assets	22,598	12,978	35,576
Investments	-	11,829	11,829
Net Current Assets	495	9,554	10,049
Creditors more than 1 year	-	-	-
Pension (Liability) / Asset	-	(2,096)	(2,096)
At 31 March 2025	<b>23,093</b>	<b>32,265</b>	<b>55,358</b>

<b>Consolidated &amp; parent (prior year)</b>	<b>2024 Restricted Funds £'000</b>	<b>2024 Unrestricted Funds £'000</b>	<b>2024 Total Funds £'000</b>
Tangible & Intangible Fixed Assets	21,294	13,422	34,716
Investments	-	11,140	11,140
Net Current Assets	455	8,066	8,521
Creditors more than 1 year	-	-	-
Pension (Liability) / Asset	-	(2,860)	(2,860)
At 31 March 2024	<b>21,749</b>	<b>29,768</b>	<b>51,517</b>

## 18. Subsidiary Undertakings

Choice Support Enterprises LTD (company no.15662584) incorporated in England in April 2024 is a private company limited by guarantee without share capital and is a wholly owned subsidiary of Choice Support. It has been dormant throughout the year of review and is registered at Compass House, 84 Holland Road, Maidstone, Kent ME14 1UT

Choice Support Property LTD (company no.16075464) incorporated in England in November 2024 is a private company limited by guarantee without share capital and is a wholly owned subsidiary of Choice Support and is registered at Compass House, 84 Holland Road, Maidstone, Kent ME14 1UT.

Choice Property Ltd is used for the provision of buying and selling of own real estate and commenced trading in November 2024. All activities have been consolidated on a line-by-line basis in the statement of financial activities. Any available profits will be distributed to the parent entity under Gift Aid.

The directors Ade Orhiere, Mark Ferry and Tim Coppard are also directors of the above-mentioned subsidiaries.

## Statement of Financial Activities for Choice Property LTD

<b>Profit and Loss Account of Choice Property Ltd</b>	
	<b>Period end 31.03.2025 £'000</b>
Turnover	-
Administrative expenses	1
Operating profit/ (loss)	<u>(1)</u>
Interest payable	<u>5</u>
Profit/(loss) on ordinary activities	<u>(6)</u>
Taxation on profit / (loss) on ordinary activities	-
Profit/(loss) after tax	<u><u>(6)</u></u>

<b>Balance sheet of Choice Property Ltd</b>	
	<b>Period end 31.03.2025 £'000</b>
<b>Current Assets</b>	
Stock	548
Total assets	<u>548</u>
<b>CREDITORS : Amounts falling due within one year</b>	
Creditors (inter Co)	554
Total current assets /( liabilities)	<u>(6)</u>
<b>CAPITAL AND RESERVES</b>	
Profit and Loss account	<u><u>(6)</u></u>

Amount owed to the parent undertaking are shown in note 11

Interest payable of £5k is on the intercompany loan with the parent entity

## 21. Donation on Merger

	£'000
Tangible assets	82
Debtors : amount Falling due within one year	982
Cash at bank and in hand	345
Investment	152
Creditors: Amounts falling due within one year	(682)
Donation from merger	879

On 1 April 2024, Choice Support acquired the undertakings and assets of Three C's (company registration number 02768427 and charity registration number 1047736). The assets and business were immediately hived up. The net assets amounted to £879k and the breakdown can be seen above. Nil consideration was paid and therefore amount has been recognised as a grant in the SOFA.

## 22. Post balance sheet events

On 3 May 2025, applications were submitted to Companies House to dissolve the following dormant subsidiaries:

- Blue River Project (company number: 02656104, charity number: 1029739)
- Choice Consultancy Services Ltd (formerly MCCH Services Limited) (company number: 02633299)

Choice Consultancy Services Ltd was formally dissolved on 29 July 2025. The dissolution of Blue River Project remains in progress as of the date of this report.

An application was also made to dissolve Choice Support Enterprises Ltd on 24 July 2025 (company number: 15662584).

In addition, a property was sold in June 2025 for £845,000. As the sale was completed after the balance sheet date, no adjustment has been made in these financial statements.