

Company Registration number 5708345
Charity Registration number 1113952

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Directors' report and financial statements

for the year ended 31 March 2022

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Contents

	Page
Trustees' annual report	1 - 8
Auditors' report	8 - 10
Statement of Financial Activities	12
Balance sheet	12
Cash flow statement	14
Notes to the financial statements	14 - 22

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Company information

Directors	Dr A Hussain - Chairman P Egan - Chairman Dr J Hard - Joint Vice Chair W Donnelly - Joint Vice Chair (appointed 28 April 2021) S Barbrook (resigned 25 October 2021) T Wallbank (resigned 14 September 2021) J Lenaghan (resigned 28 April 2021) S Gwyn (resigned 10 July 2021) D Jones (appointed 3 August 2021) M Penny (appointed 3 August 2021) M Moore (appointed 3 August 2021) J Hopkins (appointed 3 August 2021, resigned 20 January 2022)
Secretary	M Penny
Executive Director	Sue Gwyn (from 10 July 2021)
Company number	5708345
Charity number	1113952
Registered office	Brynawel House Llanharry Road Llanharan Pontyclun CF72 9RN
Auditors	RH Jeffs and Rowe 27/28 Gelliwastad Road Pontypridd CF37 2BW
Business address	Brynawel House Llanharry Road Llanharan Pontyclun CF72 9RN
Bankers	Lloyds Bank 18 Wyndham Street Bridgend CF31 1EQ
Solicitors	Geldards Dumfries House Dumfries Place Cardiff CF10 3ZF

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Trustees' Annual Report
for the year ended 31 March 2022

Introduction

The Trustees present their report together with the financial statements of the Charity for the year ended 31 March 2022. The financial statements have been prepared in accordance with the accounting policies set out on pages 21 - 23 and comply with the Charity's Memorandum and Articles of Association and Statement of Recommended Practice - Accounting and Reporting by Charities.

The Annual report serves the purposes of a trustee's report and a director's report under company law. The trustees confirm that the annual report and financial statements comply with the current statutory requirements of the charitable companies governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (effective 1 January 2015) as amended by update bulletin 1 (effective January 2015).

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

Trustees

The Trustees who served the charity during the year 2021/2022 were:

Mr. P. Egan (Chair and Treasurer)
Mrs W.C. Donnelly CBE, (Joint Vice Chair)
Dr. J. Hard (Joint Vice Chair)
Mr. M. Penny (Secretary)
Dr A. Hussain (Immediate Past Chair)
Mrs. M. Moore
Mrs. D. Jones
Mr. J. Lenaghan (Resigned 28.4.2021)
Mr. J. Hopkins (Resigned 20.1.2022)
Miss Sarah Barbrook (Resigned 25.10.2021)
Miss Tamsin Wallbank (Resigned 14.9.2021)

All trustee induction and training is conducted in house and provided by other trustees and the management team. The trustees take full advantage of the guidance provided by the Charity Commission.

The Board of Trustees is responsible for the administration of Brynawel. The Board meets formally on a bi-monthly basis, with other committee and informal contacts and meetings as appropriate. The Charity's Chief Executive is responsible for strategic direction and, aided by the Registered Manager, operational management, attends the Board meetings for most agenda items.

The Board has reviewed the committee structure that undertakes work on behalf of the Board and reports back findings and recommendations: The constituent committees of the Board are Policy Review, Human Resources, Finance and Risk, Health and Safety and Governance. The membership and powers of each committee have been set down and approved by the Board.

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Trustees' Annual Report
for the year ended 31 March 2022

Executive Director's Report

Despite working to address and ameliorate so many aspects of the Covid pandemic the charity have continued to deliver a flexible, compassionate and effective service for people requesting rehabilitation.

Key achievements from the last 12 months

- Development of a five-year business plan, with associated business cases
- The establishment of a service user reference group, SURGe, a group of people who have used the service at Brynawel and who meet regularly and contribute to the planning, design, and evaluation of our services.
- Further development of the aftercare service, which provides follow up support for individuals for a full year after they leave Brynawel.
- Work has been completed to improve the design and data reporting functionality of our electronic notes system. This has enabled more statistically informed report writing and accident and incident reporting.
- The development of a new web site.
- The estate in Brynawel has been consistently refreshed and maintained
- The introduction of a targeted social media presence
- The introduction of canine assisted therapy
- Brynawel now provides clinical placement in Brynawel for Nurses and Therapists in training.
- The review and implementation of all policies via the newly established Policy Committee
- Delivery of a dedicated aftercare support programme, for one year post discharge, with a focus on identifying outcomes from treatment and capturing these for a year post discharge, to provide stakeholders with evidence of the efficacy of the Brynawel programme.

Plans for 2022/2023

- The development of pathways and partnerships that will establish a 'Recovery Village' on the existing Brynawel site, providing a wide menu of interventions for an individual's recovery journey.
- The development of a dedicated listening service for carers and significant others of people who have addiction issues.
- The delivery of on-site detoxification for people who are suitable for a detoxification from alcohol in the community.
- The continued provision of a Welsh Centre of Excellence for working with those with people who have alcohol related brain damage.
- The continued development of the aftercare service to provide a focus on obtaining paid and unpaid employment opportunities for people leaving Brynawel.
- The delivery of a menu of online treatment interventions for pre-rehab preparation, rehabilitation, a targeted online rehabilitation program for cocaine users, after-care and ongoing support. This element of service will ensure parity of esteem between acute care and longer-term care. It will also provide services and support for those living in rural communities and families and carers of people who misuse substances.
- Continuing to develop the Training & Development programme for all staff and devising a training dashboard to provide instant reports on compliance.

Whilst considering the charity's many accomplishments and achievements over the past year, I would like to pay tribute to the outstanding commitment of our staff and volunteers, whose kindness, dedication and passion for championing people in their recovery make Brynawel the centre of excellence that it is.

Sue Gwyn
Executive Director

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd

**Trustees' Annual Report
for the year ended 31 March 2022**

Chairman's Statement

It gives me great pleasure to report on the work undertaken by Brynawel in its 47th year of providing care, relief and rehabilitation for people facing problems relating to an addiction.

I feel it is appropriate that I first pay tribute to our staff whose response to the challenges created by the Coronavirus pandemic has been exemplary. Whilst many organisations closed, or took their services online, Brynawel's doors remained open. Our staff remained fully present in work, offering a compassionate, face to face service.

I'd also like to thank our trustees, who have a wealth of expertise and give their time freely. They have been pivotal, with the Executive Director, in developing a range of Board committees that provide a robust governance structure for the charity.

As other organisations closed, we witnessed difficulties for people who were trying to access detoxification, often needed by people before they access rehabilitation. We had a significant waiting list of people who had been granted funding to access Brynawel, but who could not access detoxification. This reduced the number of admissions to Brynawel. It was frustrating to see access to this intervention reduced at such a significant rate.

During the past year we have appointed a new Executive Director and Registered Manager. We have expanded our team with a Psychology Assistant and sessional Neuro Psychologist. We have also worked in partnership with other healthcare professionals, such as an Occupational Therapist and Consultant Psychiatrist to provide a comprehensive response to the health of our clients.

I would particularly like to extend our thanks to colleagues in the National Health Service. Dr GV Price & Partners at Pencoed Medical Practice, whose support of Brynawel has been unwavering, Also the vaccination team in Cwm Taf University Health Board, for working very flexibly in vaccinating our changing client group.

A considerable amount of progress was achieved during the year and I believe that with the commitment and dedication of our staff and Trustees the future looks extremely promising as we all strive to help our clients on the road to recovery.

Paul Egan

Chair

26th August 2022

Brynewel House Alcohol and Drug Rehabilitation Centre Ltd

Trustees' Annual Report

for the year ended 31 March 2022

Purpose of the Charity

Brynewel House Alcohol & Drug Rehabilitation Centre is one of Wales longest established addictions treatment centres. The service was reconfigured in 2006 to provide a secular approach and Social Learning Model to the therapeutic programme.

Brynewel provides:

- a 16-week therapy programme, informed by Cognitive Behaviour Therapy (CBT) and Dialectical Behaviour Therapy (DBT). The service also offers Eye Movement Desensitization and Reprocessing Therapy (EMDR), a treatment for Post-Traumatic Stress Disorder (PTSD). Brynewel can treat people with complex needs; co-existing mental health problems and complex trauma. Whilst CBT has an evidence base of some 60 years standing, DBT has emerged in recent years as a gold standard treatment for adults with emotionally unstable personality disorder. Provision of DBT is disparate across health services and individuals themselves have found Brynewel through research and search engines, wishing to access our DBT skills programme.
- specialist rehabilitation for people with Alcohol Related Brain Damage (ARBD),

Aim, Vision, Mission

The objectives and activities of Brynewel House Alcohol and Drug Rehabilitation Ltd fully reflect the purposes that the charity was set up to further. Throughout the process of determining these activities, the trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by Brynewel House Alcohol and Drug Rehabilitation Ltd in determining the activities undertaken by the charity.

Aim

Brynewel's aim is to help people transform their lives, to free them from the shackles of their addiction and to offer them hope.

Vision

We believe that the right support enables everyone to recover from alcohol, drug and other dependencies.

Mission

To give people the best support, tools and expertise to recover from their dependencies, to change their lives and become the person they want to be.

Objectives and Activities

The objects of the Charity are to protect, preserve and improve the health of the public by the care, relief and rehabilitation of persons challenged by alcohol and other drug dependency, the provision of guidance and support for the families, dependents and carers of persons suffering alcohol dependency and the provision of education for the public in relation to alcohol dependency and related subjects.

People

28 Employees

2 Volunteers

No employees have total benefits over £60k

Activity

In financial year 2021/22 the client profile was as follows:

- 67 admissions
- 16 people admitted identified as female
- 51 people admitted identified as male
- 14 admissions were privately funded, the remainder from local authorities

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Trustees' Annual Report
for the year ended 31 March 2022

- 43 people had alcohol use disorder
- 12 people had a drug dependency
- 12 people had both alcohol and drug dependency

Referral source for Local Authorities were as follows:

Blaenau Gwent - 2
Bristol - 7
Caerphilly - 2
Cardiff and Vale - 8
Carmarthen - 2
Ceredigion - 1
Cwm Taf - 9
Denbighshire - 1
Newport - 5
NPT - 4
Pembrokeshire - 8
Powys - 2
Swansea - 6
Torfaen - 6
Wrexham - 1
Other - 3

Financial Review

The total income of Brynawel House during 20/21 was £931,970 (prior year £755,531); total expenditure £830,371 (prior year £771,485), resulting in an overall surplus of £101,599 (prior year deficit £15,954). The surplus consists of an unrestricted surplus of £92,720 and a restricted surplus of £8,879. Please see Note 11 in the accounts for the movements in the restricted funds.

Fee income decreased over the previous year by £55,074 which represents a decrease of approximately 7% and this is understandable considering the issues we faced during the initial stages of the pandemic. However, we were supported by a grant for bed voids from the Welsh Government via RCT, of £80k, for which we are extremely grateful. Towards the end of the financial year, we had almost full occupancy and a waiting list. Total expenditure during this year increased by approximately 8% on the prior year, thus enabling the increased surplus.

Reserves Policy

Brynawel House has established a policy whereby the reserves should be between 3 and 6 months of annual budgeted expenditure. The reserves are required to meet working capital requirements and to cover emergency repairs to any of our five buildings. The Trustees are confident that at this level, it would be able to sustain its current activities and meet its contractual obligations to funders and beneficiaries for the short term in the event of a significant drop in income. In financial terms, the recent year's unrestricted expenditure of £804,250 would indicate a reserve figure of between £201,063 and £402,125. The reserve figure currently held is £512,384 and is therefore well above these parameters and provides Brynawel House with a solid foundation from which to deliver its aims and objectives. The cash flow forecast is monitored bi-monthly against the reserves target.

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Trustees' Annual Report
for the year ended 31 March 2022

Statement of Trustees' Responsibilities

The trustees (who are also the directors for the purpose of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees must prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

Our Auditors are RH Jeffs and Rowe of 27/28 Gelliwastad Road, Pontypridd CF37 2BW. They conducted the audit for 2020-2021 through difficult COVID restrictions and we are extremely grateful for their professionalism during their work.

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small entities.

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Trustees' Annual Report
for the year ended 31 March 2022

This report was approved by the Trustees on the 13 December 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Paul Egan', with a stylized flourish at the end.

Mr. Paul Egan

Chairman

**Independent auditors' report to Brynawel House Alcohol and Drug Rehabilitation Centre Ltd,
limited by guarantee, under Section 449 of the Companies Act 2006**

Opinion

We have audited the financial statements of Brynawel House Alcohol and Drug Rehabilitation Centre Ltd (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report other than the financial statements and our auditor's report thereon. 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.

**Independent auditors' report to Brynawel House Alcohol and Drug Rehabilitation Centre Ltd,
limited by guarantee, under Section 449 of the Companies Act 2006**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the charity has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

The extent to which our procedures can detect fraud are vast but not complete as it is not economical or practical to perform a 100% audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Independent auditors' report to Brynawel House Alcohol and Drug Rehabilitation Centre Ltd,
limited by guarantee, under Section 449 of the Companies Act 2006**

Use of our report

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

**Robert Thomas BSc FCA
Senior Statutory Auditor
for and on behalf of RH Jeffs and Rowe,
Statutory Auditors & Chartered Accountants
27/28 Gelliwastad Road
Pontypridd
CF37 2BW
19 December 2022**

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Statement of Financial Activities
for the year ended 31 March 2022

		£	£	£	£
Income and Endowments		Unrestricted	Restricted	2022	2021
Voluntary income:					
Donations and Grants	3	72,583	20,757	93,340	229,696
Investment income:					
Bank interest		1,430	-	1,430	88
Other income:	3	10,489	-	10,489	3,033
Charitable Activities:					
Fee Income		802,284	-	802,284	699,153
Total Incoming Resources		<u>886,786</u>	<u>20,757</u>	<u>907,543</u>	<u>931,970</u>
Expenditure					
Charitable activities	4	907,435	46,713	954,148	830,371
Total Resources Expended		<u>907,435</u>	<u>46,713</u>	<u>954,148</u>	<u>830,371</u>
Movement in total funds for the year:					
Net Incoming (Outgoing) resources	5	(20,649)	(25,956)	(46,605)	101,599
Transfer Between Funds		25,000	(25,000)	-	-
Net Incoming (Outgoing) resources		4,351	(50,956)	(46,605)	101,599
Total Funds brought forward		471,774	1,083,917	1,555,691	1,454,092
Total Funds carried forward		<u>476,125</u>	<u>1,032,961</u>	<u>1,509,086</u>	<u>1,555,691</u>

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Company Registration number 5708345

Balance sheet
as at 31 March 2022

		2022	2021
	Notes	£	£
Fixed Assets			
Tangible assets	7	1,063,247	1,071,553
Current Assets			
Stocks		-	1,128
Debtors	8	142,511	225,700
Cash at bank and in hand		533,775	676,087
		<u>676,286</u>	<u>902,915</u>
Creditors: amounts falling due within one year	9	(209,882)	(390,527)
Net Current assets		466,404	512,388
Net Assets		1,529,651	1,583,941
Creditors: amounts falling due after more than one year	9	(20,565)	(28,250)
		<u>1,509,086</u>	<u>1,555,691</u>
The Funds of the Charity			
Unrestricted Funds		326,125	421,774
Restricted Funds	11	1,032,961	1,083,917
Designated Funds	11	150,000	50,000
Total Charity Funds		<u>1,509,086</u>	<u>1,555,691</u>

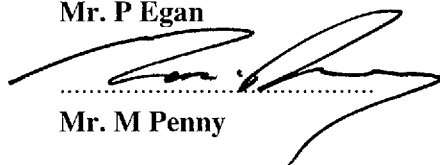
The notes on pages 15 - 23 form part of these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small entities.

The financial statements were approved by the Trustee Board on 13 December 2022 and signed on its behalf by :-



Mr. P Egan



Mr. M Penny

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Cash flow statement
for the year ended 31 March 2022

Notes	2022 £	2021 £
Reconciliation of operating (loss)/profit to net cash outflow from operating activities		
Operating (loss)/profit	(46,605)	101,599
Depreciation	42,069	40,394
Decrease in stocks	1,128	(1,128)
Decrease in debtors	83,189	(63,234)
(Decrease) in creditors	(180,645)	306,744
Net cash outflow from operating activities	<u>(100,864)</u>	<u>384,375</u>
 Net cash outflow from operating activities	 (100,864)	 384,375
Grant writedown	(2,500)	-
Capital expenditure	(33,885)	(16,585)
	<u>(137,249)</u>	<u>367,790</u>
 Net cash outflow from financing activities		
Reduction in loan balance	(5,063)	-
Financing	-	25,750
Decrease in cash in the year	<u>(142,312)</u>	<u>393,540</u>
 Reconciliation of net cash flow to movement in net funds		
 Increase / (Decrease) in cash in the year	 (142,312)	 393,540
Change in net funds resulting from cash flows	-	-
Net funds at 1 April 2021	<u>676,087</u>	<u>282,547</u>
Net funds at 31 March 2022	<u><u>533,775</u></u>	<u><u>676,087</u></u>

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2022

Statutory Information

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd is a charitable company in Wales in the United Kingdom. The registered office is Brynawel House, Llanharry Road, Llanharan, Pontyclun, CF72 9RN. The nature of the charities operations and principal activities is disclosed within the Trustees Report.

The financial statements are presented in Sterling (£), the charities functional currency, and rounded to the nearest pound.

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.

1. Accounting policies

1.1. Basis of preparation and assessment of going concern.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The Trustees have considered the charity's finances for the coming year and have no concerns or material uncertainties over the going concern status of the charity.

1.2. Taxation

The Charity has no taxable activities.

1.3. Pensions

Employees of the charity are entitled to join a defined contribution "money purchase" scheme. The charity contribution is restricted to the contribution disclosed.

1.4. Deferred income

Grants for which the money has been spent on capital expenditure is deferred to go through the statement of financial activities at the same rate as the asset is expensed.

Client fees received in advance for the following accounting year has been deferred.

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2022

..... continued

1.5. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade debtors and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

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

1.6. Incoming resources

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date.

Distribution Income is taken into account on the date paid into the charity's bank account.

1.7. Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Appeal centre and other fund raising expenditure comprises those costs incurred in attracting voluntary income, including the running of the Cardiff Appeals Centre.

Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its 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 include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2022

..... continued

1.8. Fund Accounting

The unrestricted funds of the charity comprise those monies which are available to be used towards the meeting of the charitable objectives of the charity at the discretion of the Management Committee.

The restricted funds are monies raised or received for a specific purpose and accounted for in accordance with the donors imposed conditions.

1.9. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold Properties	-	2% Straight Line
Fixtures & Fittings	-	25% Straight Line
Motor Vehicles	-	25% Straight Line

2. Company limited by guarantee

Every member of the company undertakes to contribute to the assets of the company, in the event of the company being wound up, such amounts as may be required not exceeding £1.

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2022

..... continued

3. Incoming Resources	Total year to 31/03/22 £	Total year to 31/03/21 £
Included within Incoming Resources for the year are:		
Grants & Donations:		
Donations	373	1,309
Grants Received (see below for analysis)	92,967	228,387
	<u>93,340</u>	<u>229,696</u>
 Tuck Shop	 7,739	 1,098
Sundry Income	2,750	1,935
	<u>10,489</u>	<u>3,033</u>
 Grants Received:		
Big Lottery Fund	-	10,000
Council COVID Grants	6,987	23,205
HMRC Job Retention Scheme	-	14,440
Lloyds Bank Foundation	25,000	25,000
Moondance Foundation	-	11,756
NHS Staff Bonus	20,757	-
Other	300	5,000
RCT	34,673	80,486
WCVA	5,250	58,500
	<u>92,967</u>	<u>228,387</u>

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2022

..... continued

4. Total resources expended	Basis of Allocation	Voluntary Income	Charitable Activities	Governance	Total year to 31/03/22	Total year to 31/03/21
		£	£	£	£	£
Costs directly allocated to activities						
Wages and Salaries	Direct	-	451,574	-	451,574	399,386
Recruitment	Direct	-	3,598	-	3,598	710
Travel expenses	Direct	-	11,765	-	11,765	2,997
Resident expenses	Direct	-	64,043	-	64,043	63,906
Training	Direct	-	2,567	-	2,567	6,188
Cleaning	Direct	-	3,300	-	3,300	5,323
Subscriptions	Direct	-	7,044	-	7,044	3,126
Bad debts	Direct	-	7,276	-	7,276	-
		-	551,167	-	551,167	481,636
Support costs allocated to activities						
Salary Costs	Staff Time	3,554	138,589	35,536	177,679	137,849
Settlement costs	Direct	-	13,538	-	13,538	30,461
Audit & Accountancy	Direct	-	-	4,020	4,020	4,000
Legal & Professional	Direct	-	-	27,885	27,885	8,232
Premises	Floor	973	92,451	3,893	97,317	93,923
General Office Costs	Usage	354	33,602	1,415	35,371	32,608
Marketing	Usage	323	4,155	139	4,617	887
Bank Charges & Interest	Direct	-	267	-	267	381
Loan interest	Direct	-	218	-	218	-
Depreciation	Usage	841	39,966	1,262	42,069	40,394
		6,045	322,786	74,150	402,981	348,735
		6,045	873,953	74,150	954,148	830,371

Support costs are allocated on the following basis:

	Voluntary	Charitable	Governance
Premises	1%	95%	4%
General Office Costs	1%	95%	4%
Marketing	7%	90%	3%
Depreciation	2%	95%	3%
Salary Costs	2%	78%	20%

5. Net Incoming (Outgoing)/Resources	Total year to 31/03/22	Total year to 31/03/21
	£	£
This is stated after charging/(crediting):		
Depreciation	42,069	40,394
Auditors Remuneration	4,020	4,000

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2022

..... continued

6. Staff Costs	Total year to 31/03/22 £	Total year to 31/03/21 £
Staff costs during the year comprised of the following:		
Staff Salaries	578,519	493,337
Settlement Costs	13,538	30,461
Employers National Insurance	41,207	35,539
Employers Pension Costs	9,527	8,359
	<u>642,791</u>	<u>567,696</u>

The average number of full time and full time equivalent employees during the year amounted to 21 (2021 :19), and can be analysed as follows:

Senior Management	3	3
Administration	2	1
Support Workers	9	7
Kitchen	3	3
Therapy	3	4
Maintenance (included in different category last year)	<u>1</u>	<u>-</u>

No employee was paid £60,000 or more during the year.(2021 :nil)

The trustees received no remuneration or benefits in connection with the performance of their duties

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2022

..... continued

7. Tangible fixed assets	Land and buildings freehold £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost or Valuation				
At 1 April 2021	1,150,000	200,684	30,660	1,381,344
Additions	-	33,885	-	33,885
At 31 March 2022	<u>1,150,000</u>	<u>234,569</u>	<u>30,660</u>	<u>1,415,229</u>
Depreciation				
At 1 April 2021	115,000	164,131	30,660	309,791
Charge for the year	23,000	19,191	-	42,191
At 31 March 2022	<u>138,000</u>	<u>183,322</u>	<u>30,660</u>	<u>351,982</u>
Net book values				
At 31 March 2022	<u>1,012,000</u>	<u>51,247</u>	<u>-</u>	<u>1,063,247</u>
At 31 March 2021	<u>1,035,000</u>	<u>36,553</u>	<u>-</u>	<u>1,071,553</u>

The freehold property known as Brynawel House was revalued on 31st August 2016 by Herbert R. Thomas, Chartered Surveyors, on the basis of open market value, at £650,000 and is included in the accounts at valuation.

The historical cost of this freehold property was £1,108,365 and aggregated depreciation thereon would have been £280,109 had there been no revaluation.

The freehold property known as Pen Y Parc was revalued on 31st August 2017, also by Herbert R. Thomas, Chartered Surveyors, on the basis of open market value at £500,000 and is included in the accounts at valuation.

The historic cost of this freehold property was £755,121 and aggregated depreciation thereon would have been £102,461 had there been no revaluation.

The trustees are not aware of any material changes in the value of the property since the last valuation.

8. Debtors	2022 £	2021 £
Outstanding fees	139,959	224,370
Prepayments	2,552	1,330
	<u>142,511</u>	<u>225,700</u>

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2022

..... continued

9. Creditors: amounts falling due within one year	2022	2021
	£	£
Charitable activities	26,952	11,380
Other taxes and social security costs	12,964	10,478
Credit Card	1,983	-
Other creditors	7,316	35,512
Deferred income*	160,667	333,157
	<u>209,882</u>	<u>390,527</u>

*Local authorities may enter into a contract to pay Brynawel House up to the equivalent of 16 weeks treatment in advance. The money may be returned subject to specific conditions. Assuming residents will remain in Brynawel House for the full course of treatment, advanced rental income will be applied as above.

Creditors: amounts falling due after more than one year	2022	2021
	£	£
WCVA Loan	20,565	25,750
National Lottery Grant	-	2,500
	<u>20,565</u>	<u>28,250</u>

10. Analysis of Net Assets between Funds	Unrestricted	Restricted	Total
	£	£	2022
			£
Tangible Fixed Assets	283,937	779,310	1,063,247
Current Assets	207,008	259,395	466,403
Long Term Liabilities	(20,565)	-	(20,565)
	<u>470,380</u>	<u>1,038,705</u>	<u>1,509,085</u>

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Company limited by guarantee

Notes to the financial statements
for the year ended 31 March 2022

..... continued

11. Restricted Funds

	At 01/04/21 £	Incoming Resources £	Outgoing Resources £	Transfers	At 31/03/22 £
NAW property improvements	597,851	-	(7,712)	-	590,139
RCT/WAG Capital grant (1)	358,102	-	(7,840)		350,262
RCT/WAG Capital grant (2)	94,720	-	(2,160)	-	92,560
National Lottery Capital grant (2018)	2,500	-	(2,500)	-	-
Big Lottery Grant - Winter activities	5,744	-	(5,744)	-	-
Lloyds Foundation Grant (2021)	25,000	-	-	(25,000)	-
NHS Staff Bonus	-	20,757	(20,757)	-	-
Total Restricted funds	1,083,917	20,757	(46,713)	(25,000)	1,032,961
Unrestricted funds	421,774	886,786	(907,435)	75,000	326,125
Designated funds*	50,000	-	-	100,000	150,000
Total funds	1,555,691	907,543	954,148	-	1,509,086

* Funds designated as follows: £50,000 to be used for the development of an aftercare service and £100,000 agreed by Board in September 2022 to be used for development of a detox service.

NAW property improvements - A capital grant of £842,744 was received from the National Assembly of Wales for the purpose of refurbishing Brynawel House in 2007. Further capital grants of £80,618 were received up to 2010 to construct a family therapy centre and tarmac the car park.

RCT/WAG Capital grant (1) - A capital grant of £600,000 was received from Welsh Assembly/Rhondda Cynon Taff County Council for the purpose of purchasing and improving a property known as Pen Y Parc farm in 2010.

RCT/WAG Capital grant (2) - A capital grant of £158,000 was received from WAG in March 2011 for further improvements at Pen Y Parc farm completed in March 2011.

	2022		2021	
	£	£	£	£
Incoming Resources				
Fee Income		802,284		699,153
		<u>802,284</u>		<u>699,153</u>
Cost of Care				
Wages and Salaries (including settlement costs)	642,791		567,696	
Resident expenses	64,043		63,906	
Cleaning	<u>3,300</u>		<u>5,323</u>	
		710,134		636,925
		<u>92,150</u>		
Gross profit	23%	92,150	9%	<u>62,228</u>
Operating expenses				
Recruitment	3,598		710	
Travel expenses	11,765		2,997	
Audit & Accountancy	4,020		4,000	
Legal & Professional	27,885		8,232	
Training	2,567		6,188	
Subscriptions	7,044		3,126	
Bank charges	267		381	
Premises	97,317		93,923	
General Office Costs	35,371		32,608	
Marketing	4,617		887	
Depreciation	<u>42,069</u>		<u>40,394</u>	
		236,520		193,446
		(144,370)		(131,218)
Other operating income				
Grants Received	92,967		228,387	
Donations	373		1,309	
Tuck Shop	7,739		1,098	
Bank Interest Received	1,430		88	
Sundry Income	<u>2,750</u>		<u>1,935</u>	
		105,259		232,817
Operating (loss)/profit	5%	<u>(39,111)</u>	16%	<u>101,599</u>