

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 2023

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

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Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
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Company information

Directors	Dr A Hussain (resigned 3 January 2023) P Egan - Chairman Dr J Hard - Joint Vice Chair (resigned 31 October 2022) W Donnelly - Joint Vice Chair D Jones M Penny M Moore (resigned 25 July 2022, appointed 13 December 2022) K Burton (appointed 26 July 2022) R Dancey (appointed 26 July 2022) N Garfield (appointed 26 July 2022) D McBride (appointed 26 July 2022) P Hubbard (appointed 31 January 2023) H Northmore (appointed 31 January 2023) Dr D Samuel (appointed 31 January 2023) R P Morgan (appointed 26 July 2022, resigned 14 November 2022)
Secretary	M Penny
Executive Director	Sue Gwyn
Company number	5708345
Charity number	1113952
Registered office & Business address	Brynawel House Llanharri Road Llanharan Pontyclun CF72 9RN
Auditors	RH Jeffs and Rowe 27/28 Gelliwastad Road Pontypridd CF37 2BW
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 2023

Introduction

The Trustees present their report together with the financial statements of the Charity for the year ended 31 March 2023. 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 2022/2023 were:

P. Egan (Chair)
W.C. Donnelly CBE, (Joint Vice Chair)
Dr. J. Hard (Joint Vice Chair, resigned 31.10.22)
M. Penny (Secretary)
Dr A. Hussain (resigned 03.01.23)
M. Moore (resigned 25.07.22, re-appointed 13.12.22)
D. Jones
K. Burton (appointed 26.07.22)
R. Dancey (appointed 26.07.22)
N. Garfield (Treasurer) (appointed 26.07.22)
D. McBride (appointed 26.07.22)
P. Hubbard (appointed 31.01.23)
H. Northmore (appointed 31.01.23)
Dr. D. Samuel (appointed 31.01.23)
R. P. Morgan (appointed 26.07.22, resigned 14.11.22)

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.

Brynewel House Alcohol and Drug Rehabilitation Centre Ltd
Trustees' Annual Report
for the year ended 31 March 2023

Chairman's Statement

It gives me great pleasure to report on the work undertaken by Brynewel in its 48th year of helping to transform the lives of people facing problems relating to an addiction.

During the last year we have made progress on many fronts. The exciting changes that I am now witnessing during my tenure is the development of partnerships and pathways in Brynewel that will provide cohesive, practical and meaningful support to the people who use our services. Brynewel have started to provide ambulatory detoxification, in partnership with our colleagues in Pencoed Surgery. I extend our thanks to Dr. GV Price, partners and staff. Their kindness and patience are much appreciated and the clinical care they provide to our residents is exemplary.

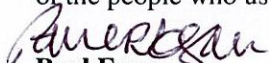
With the support of the Lloyds Foundation, we have a well-attended 'after care' service, that follows people up for one year post discharge. We also have a thriving peer mentor service, enhancing this after care support.

The provision of Horticultural Therapy and wellbeing has been significantly enhanced by the provision of a Places for Nature grant from Keep Wales Tidy Cymru and grant support from the Gwendoline and Margaret Davies Charity and Social Farms and Gardens Wales. We are also very grateful to the Martin Geddes Foundation in funding an Occupational Therapy service to our residents with Alcohol Related Brain Damage.

It is with great pride that we welcomed Their Royal Highnesses the Prince and Princess of Wales to Brynewel in February 2023. The Royal Foundation of The Prince and Princess of Wales are participating in schemes to create therapy allotments and gardens that will provide mental health support for communities across South Wales.

We approach the new financial year with renewed ambition. We are very appreciative of the support we have received from the Welsh Government in the provision of a capital grant of £695,000 which can be seen in the income statement to purchase a neighbouring property, the cost of which will be depreciated over the life of the property. This will enable us to develop an on-site detoxification unit that will open in early 2024.

My thanks, as always, to the relentless dedication of our staff, volunteers and trustees in transforming the life of the people who use the services of Brynewel.


Paul Egan

Chair

26th April 2023

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
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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

- Receiving a 'Places for Nature' Award from Keep Wales Tidy Cymru
- Receiving a Community Management Award from Community Land Advisory Service Cymru'. These awards recognise organisations who Build the health and wellbeing of participants, increasing the amount of community grown food, making effective use of underused spaces across Wales, increasing social prescribing activities
- Accredited Peer Mentor training has been delivered for members of the After Care group
- Increased occupancy to an average of 85%
- Development of a partnership detoxification service for people suitable for ambulatory detoxification from alcohol

Plans for 2023/2024

- The development of a dedicated 4 bedded detoxification unit on site
 - The provision of therapeutic allotments, a therapeutic garden and Horticultural Therapy
 - The continued provision of a Welsh Centre of Excellence for working with those with people who have alcohol related brain damage and the development of a Diagnostic Clinic
 - The continued development of a peer mentor service that will be an integral part of the aftercare offer of Brynawel
 - The development of a dedicated social enterprise to generate funds for reinvestment into the charity
- The charity is in a much stronger position, financially and organisationally than of recent years. I would like to extend my gratitude to the staff, volunteers, partners and commissioners who work determinedly in delivering a kind, compassionate and effective service to the people who use our services.

Sue Gwyn

Executive Director

Brynewel House Alcohol and Drug Rehabilitation Centre Ltd
Trustees' Annual Report
for the year ended 31 March 2023

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

10 Volunteers

No employees have total benefits over £60k

Activity

In financial year 2022/23 the client profile was as follows:

- 80 admissions
- 30 people admitted identified as female
- 50 people admitted identified as male
- 21 admissions were privately funded, 59 from local authorities
- 61 people had alcohol use disorder

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Trustees' Annual Report
for the year ended 31 March 2023

- 12 people had a drug dependency
- 7 people had both alcohol and drug dependency

Referral source for Local Authorities were as follows:

Blaenau Gwent - 1
Bristol - 7
Caerphilly - 2
Cardiff and Vale - 7
Carmarthen - 4
Ceredigion - 2
Conwy - 1
Cwm Taf - 13
Denbighshire - 3
Newport - 7
NPT - 3
Pembrokeshire - 8
Powys - 4
Swansea - 5
Torfaen - 5
Wrexham - 4
Other - 1

Financial Review

The total income of Brynawel House during 22/23 was £1,802,718 (prior year £907,543); total expenditure £1,057,506 (prior year £954,148), resulting in an overall surplus of £745,212 (prior year deficit £46,605). The surplus consists of an unrestricted surplus of £67,924 and a restricted surplus of £677,288. Please see Note 11 in the accounts for the movements in the restricted funds.

Fee income increased over the previous year by £230,602 which represents a increase of approximately 29% which was supplemented by Grant income of £762,330, a major increase from the previous year due to funding being awarded for the purchase of a new building on the site. Towards the end of the financial year, we had almost full occupancy and a waiting list. Total expenditure during this year increased by approximately 11% 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 £1,008,336 would indicate a reserve figure of between £252,084 and £504,168. The reserve figure currently held is £520,061 and is therefore 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 2023

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.

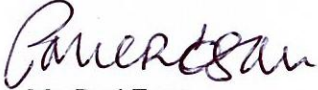
Auditors

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 2023

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

A handwritten signature in dark ink, appearing to read 'P. Egan', written in a cursive style.

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 2023 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 2023 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**

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

Statement of Financial Activities
for the year ended 31 March 2023

		£	£	£	£
		Unrestricted	Restricted	2023	2022
Income and Endowments					
Voluntary income:					
Donations and Grants	3	35,872	726,458	762,330	93,340
Investment income:					
Bank interest		5,326	-	5,326	1,430
Other income:	3	2,176	-	2,176	10,489
Charitable Activities:					
Fee Income		1,032,886	-	1,032,886	802,284
Total Incoming Resources		<u>1,076,260</u>	<u>726,458</u>	<u>1,802,718</u>	<u>907,543</u>
Expenditure					
Charitable activities	4	<u>1,008,336</u>	<u>49,170</u>	<u>1,057,506</u>	<u>954,148</u>
Total Resources Expended		<u>1,008,336</u>	<u>49,170</u>	<u>1,057,506</u>	<u>954,148</u>
Movement in total funds for the year:					
Net Incoming (Outgoing) resources	5	<u>67,924</u>	<u>677,288</u>	<u>745,212</u>	<u>(46,605)</u>
Net Incoming (Outgoing) resources		<u>67,924</u>	<u>677,288</u>	<u>745,212</u>	<u>(46,605)</u>
Total Funds brought forward		<u>476,125</u>	<u>1,032,961</u>	<u>1,509,086</u>	<u>1,555,691</u>
Total Funds carried forward		<u><u>544,049</u></u>	<u><u>1,710,249</u></u>	<u><u>2,254,298</u></u>	<u><u>1,509,086</u></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 2023

		2023	2022
	Notes	£	£
Fixed Assets			
Tangible assets	7	1,751,993	1,063,247
Current Assets			
Debtors	8	188,425	142,511
Cash at bank and in hand		673,067	533,775
		861,492	676,286
Creditors: amounts falling due within one year	9	(341,431)	(209,882)
Net Current assets		520,061	466,404
Net Assets		2,272,054	1,529,651
Creditors: amounts falling due after more than one year	9	(17,756)	(20,565)
		2,254,298	1,509,086
The Funds of the Charity			
Unrestricted Funds		394,049	326,125
Restricted Funds	11	1,710,249	1,032,961
Designated Funds	11	150,000	150,000
Total Charity Funds		2,254,298	1,509,086

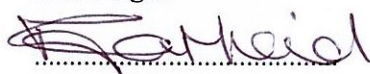
The notes on pages 15 - 23 form part of these accounts.

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 and signed on its behalf by :-



Mr. P Egan



Ms. N Garfield

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

Cash flow statement
for the year ended 31 March 2023

Notes	2023 £	2022 £
Reconciliation of operating profit/(loss) to net cash inflow from operating activities		
Operating profit/(loss)	745,212	(46,605)
Depreciation	41,716	42,069
(Increase) in stocks	-	1,128
(Increase) in debtors	(45,915)	83,189
Increase in creditors	131,549	(180,645)
Net cash inflow from operating activities	<u>872,562</u>	<u>(100,864)</u>
Net cash inflow from operating activities	872,562	(100,864)
Grant writedown	-	(2,500)
Capital expenditure	(730,461)	(33,885)
	<u>142,101</u>	<u>(137,249)</u>
Net cash inflow from financing activities		
Reduction in loan balance	(2,809)	(5,063)
Increase in cash in the year	<u>139,292</u>	<u>(142,312)</u>
Reconciliation of net cash flow to movement in net funds		
Increase / (Decrease) in cash in the year	<u>139,292</u>	<u>(142,312)</u>
Change in net funds resulting from cash flows	-	-
Net funds at 1 April 2022	<u>533,775</u>	<u>676,087</u>
Net funds at 31 March 2023	<u>673,067</u>	<u>533,775</u>

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

Notes to the financial statements
for the year ended 31 March 2023

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.

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

Notes to the financial statements
for the year ended 31 March 2023

..... 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 2023

..... 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
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Notes to the financial statements
for the year ended 31 March 2023

..... continued

3. Incoming Resources	Total year to 31/03/23 £	Total year to 31/03/22 £
Included within Incoming Resources for the year are:		
Grants & Donations:		
Donations	2,361	373
Grants Received (see below for analysis)	759,969	92,967
	<u>762,330</u>	<u>93,340</u>
 Tuck Shop	 241	 7,739
Sundry Income	1,935	2,750
	<u>2,176</u>	<u>10,489</u>
 Grants Received:		
Council COVID Grants	22	6,987
Lloyds Bank Foundation	25,000	25,000
RCT Staff Bonus (PY: NHS)	31,458	20,757
Other	4,050	300
RCT	4,439	34,673
RCT Meadow Lodge purchase and refurbishment	695,000	-
WCVA	-	5,250
	<u>759,969</u>	<u>92,967</u>

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
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Notes to the financial statements
for the year ended 31 March 2023

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4. Total resources expended	Basis of Allocation	Voluntary Income	Charitable Activities	Governance	Total year to 31/03/23	Total year to 31/03/22
		£	£	£	£	£
Costs directly allocated to activities						
Wages and Salaries	Direct	-	455,754	-	455,754	451,574
Recruitment	Direct	-	1,078	-	1,078	3,598
Travel expenses	Direct	-	25,267	-	25,267	11,765
Resident expenses	Direct	-	68,138	-	68,138	64,043
Training	Direct	-	9,333	-	9,333	2,567
Cleaning	Direct	-	3,275	-	3,275	3,300
Subscriptions	Direct	-	13,398	-	13,398	7,044
Bad debts	Direct	-	-	-	-	7,276
		-	576,243	-	576,243	551,167
Support costs allocated to activities						
Salary Costs	Staff Time	4,197	163,693	41,973	209,863	177,679
Settlement costs	Direct	-	-	-	-	13,538
Audit & Accountancy	Direct	-	-	4,040	4,040	4,020
Legal & Professional	Direct	-	-	42,833	42,833	27,885
Premises	Floor	1,253	119,030	5,012	125,295	97,317
General Office Costs	Usage	435	41,347	1,741	43,523	35,371
Marketing	Usage	942	12,108	404	13,454	4,617
Bank Charges & Interest	Direct	-	306	-	306	267
Loan interest	Direct	-	233	-	233	218
Depreciation	Usage	834	39,631	1,251	41,716	42,069
		7,661	376,348	97,254	481,263	402,981
		7,661	952,591	97,254	1,057,506	954,148

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 31/03/23	Total year to 31/03/22
	£	£
This is stated after charging/(crediting):		
Depreciation	41,716	42,069
Auditors Remuneration	4,040	4,020

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
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Notes to the financial statements
for the year ended 31 March 2023

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6. Staff Costs	Total year to 31/03/23 £	Total year to 31/03/22 £
Staff costs during the year comprised of the following:		
Staff Salaries	615,933	578,519
Settlement Costs	-	13,538
Employers National Insurance	40,581	41,207
Employers Pension Costs	8,778	9,527
Staff Uniform	325	-
	<u>665,617</u>	<u>642,791</u>

The average number of full time and full time equivalent employees during the year amounted to 20 (2022 :21), and can be analysed as follows:

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

No employee was paid £60,000 or more during the year.(2022 :nil)

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

£209 was paid to Trustees to cover legitimate expenses (LY: £1,102).

Brynewel House Alcohol and Drug Rehabilitation Centre Ltd
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Notes to the financial statements
for the year ended 31 March 2023

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7. Tangible fixed assets	Land and buildings freehold £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost or Valuation				
At 1 April 2022	1,150,000	234,570	30,660	1,415,230
Additions	695,000	35,461	-	730,461
At 31 March 2023	<u>1,845,000</u>	<u>270,031</u>	<u>30,660</u>	<u>2,145,691</u>
Depreciation				
At 1 April 2022	138,000	183,322	30,660	351,982
Charge for the year	23,000	18,716	-	41,716
At 31 March 2023	<u>161,000</u>	<u>202,038</u>	<u>30,660</u>	<u>393,698</u>
Net book values				
At 31 March 2023	<u>1,684,000</u>	<u>67,993</u>	<u>-</u>	<u>1,751,993</u>
At 31 March 2022	<u>1,012,000</u>	<u>51,248</u>	<u>-</u>	<u>1,063,248</u>

The freehold property known as Brynewel 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	2023 £	2022 £
Outstanding fees	181,989	139,959
Accrued Income (Bank Interest)	5,134	-
Prepayments and accrued income	1,303	2,551
	<u>188,426</u>	<u>142,510</u>

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
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Notes to the financial statements
for the year ended 31 March 2023

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9. Creditors: amounts falling due within one year	2023	2022
	£	£
Charitable activities	17,729	26,952
Other taxes and social security costs	10,768	12,964
Credit Card	256	1,983
Other creditors	9,847	7,316
Deferred income*	302,831	160,667
	<u>341,431</u>	<u>209,882</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	2023	2022
	£	£
WCVA Loan	17,756	20,565
	<u>17,756</u>	<u>20,565</u>

10. Analysis of Net Assets between Funds	Unrestricted	Restricted	Total
	£	£	2023
			£
Tangible Fixed Assets	295,394	1,456,599	1,751,993
Current Assets	266,411	253,650	520,061
Long Term Liabilities	(17,756)	-	(17,756)
	<u>544,049</u>	<u>1,710,249</u>	<u>2,254,298</u>

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
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Notes to the financial statements
for the year ended 31 March 2023

..... continued

11. Restricted Funds

	At 01/04/22 £	Incoming Resources £	Outgoing Resources £	At 31/03/23 £
NAW property improvements	590,139	-	(7,712)	582,427
RCT/WAG Capital grant (1)	350,262	-	(7,840)	342,422
RCT/WAG Capital grant (2)	92,560	-	(2,160)	90,400
RCT Meadow Lodge purchase and refurbishment	-	695,000	-	695,000
RCT Staff Bonus	-	31,458	(31,458)	-
Total Restricted funds	1,032,961	726,458	(49,170)	1,710,249
 Unrestricted funds	 326,125	 1,076,260	 (1,008,336)	 394,049
Designated funds*	150,000	-	-	150,000
Total funds	1,509,086	1,802,718	1,057,506	2,254,298

* 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.

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
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Statement of Financial Activities
for the year ended 31 March 2023

	2022		2021	
	£	£	£	£
Incoming Resources				
Fee Income		1,032,886		802,284
		<u>1,032,886</u>		<u>802,284</u>
Cost of Care				
Wages and Salaries (including settlement costs)	665,617		642,791	
Resident expenses	68,138		64,043	
Cleaning	<u>3,275</u>		<u>3,300</u>	
		<u>737,030</u>		<u>710,134</u>
Gross profit	29%	295,856	11%	92,150
Operating expenses				
Recruitment	1,078		3,598	
Travel expenses	25,267		11,765	
Audit & Accountancy	4,040		4,020	
Legal & Professional	42,833		27,885	
Training	9,333		2,567	
Subscriptions	13,398		7,044	
Bad debts	-		7,276	
Bank charges	306		267	
Loan interest	233		218	
Premises	125,295		97,317	
General Office Costs	43,523		35,371	
Marketing	13,454		4,617	
Depreciation	<u>41,716</u>		<u>42,069</u>	
		<u>320,476</u>		<u>244,014</u>
		(24,620)		(151,864)
Other operating income				
Grants Received	759,969		92,967	
Donations	2,361		373	
Tuck Shop	241		7,739	
Bank Interest Received	5,326		1,430	
Sundry Income	<u>1,935</u>		<u>2,750</u>	
		<u>769,832</u>		<u>105,259</u>
Operating profit/(loss)	73%	745,212	5%	(46,605)

