

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 2024

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	P Egan W C Donnelly D Jones N Garfield M Penny K Burton P Hubbard Dr D Samuel M Moore R Dancey D McBride H Northmore	Chairman Joint Vice Chair Joint Vice Chair Treasurer Secretary
Secretary	M Penny	
Executive Director	Sue Gwyn	
Company number	5708345	
Charity number	1113952	
Registered office & Business address	Brynawel House Llanharry 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 2024

Introduction

The Trustees present their report together with the financial statements of the Charity for the year ended 31 March 2024. The financial statements have been prepared in accordance with the accounting policies set out on pages 14 - 16 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 (FRS102).

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 were:

P. Egan (Chair)
W.C. Donnelly CBE, (Joint Vice Chair)
D. Jones, (Joint Vice Chair)
M. Penny (Secretary)
N. Garfield (Treasurer)
K. Burton
P. Hubbard
D. Samuel
M Moore
R. Dancey
D. McBride
H. Northmore

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, People's 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.

The Charity's Chief Executive is responsible for the operational leadership and management. of Brynawel

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Chairman's Statement

It is with a mixture of pride and sadness that I write my last statement as Chairman of Brynawel. Having been involved with the charity since 2012, our articles dictate that I have served my maximum term as a trustee.

Over my 12 years of serving as a Trustee I have seen Brynawel grow and evolve to become the unique and well-respected organisation it is today, enjoying an excellent reputation as a rehabilitation provider. We have been a forerunner in the development of specialist rehabilitation service for people with Alcohol Related Brain Damage.

We are grateful for the continued support of our patrons, Huw Irranca Davies MS and Dr. Altaf Hussain MS. With the support of the Welsh Government, our dedicated alcohol detoxification service will open in November 2024. This will provide significant progress towards our overarching aspiration, providing a Recovery Village, that can offer an end-to-end recovery journey.

I will continue to watch Brynawel's progress with interest and pride. My last word, as always, to the staff and volunteers. They continue to champion the recovery of our residents, past and present, and it has been my pleasure and privilege to serve as a Trustee and Chair of the Board.



Paul Egan

Chair

18 July 2024

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
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Chief Executive's Report

Brynawel is in the second year of implementing a five-year strategic plan. This has an overarching aim of developing a Recovery Village on site, providing interventions for every stage of a person's journey in recovery.

The team has made significant progress in furthering this vision, developing the service in several areas, to ensure parity of esteem between acute care and longer-term care. Phase 1 of this development is complete. This includes

Key achievements from the last 12 months

- Development of 'Forgotten Voices'; a targeted support group for the families, carers and significant others.
- Increased occupancy to an average of 87%
- Provision of therapeutic allotments, therapeutic garden and Horticultural Therapy. Incorporating horticultural therapy and gardening into our re-entry program aligns with our commitment to holistic support, rehabilitation, and community engagement.
- Development of an aftercare service, following people up for a year post Brynawel. The 'Beyond Brynawel' service offers all discharged residents a service for a year post discharge. The focus of the service is to promote sustainable recovery. This can include their involvement in Brynawel Outreach Hubs, Community Links, Virtual Brynawel, and Away Days, Job Seeking, or Volunteering. Supportive individual sessions, phone calls or online catch ups are all part of the service to assist the individual achieve successful life in their community.
- Revision of the therapeutic programme, to increase the range of complimentary supportive services.

We wish to acknowledge and extend our gratitude to the following organisations and individuals who have provided us with grant funding and support to improve the services and facilities we offer:

- The Partners and staff of the Pencoed Medical Centre, for their kindness, flexibility and unwavering support in providing a primary care service to our residents; also, for working in partnership in enabling our detoxification offer.
- The Mackie Foundation, for providing financial support for the development of our horticultural therapy service and development of our allotments.
- The Waterloo Foundation, for providing financial support to develop a dedicated family and carer support service.
- The Martin Geddes Foundation, for providing financial support towards our ARBD service.
- The Welsh Government, for providing funding to support the purchase and refurbishment of a building to house a detoxification service.
- Lloyds Foundation, for providing development support and funding for aftercare provision.
- The Net Zero Carbon Start Up Fund, administered by Wales Council for Voluntary Action, for providing financial support towards the development of our horticultural project and development of a dedicated kitchen garden.
- Richard Newton and Rachel Minchinton, from Richard Newton Associates, for their wise counsel and support.

Plans for 2024/2025

- The Meadow Lodge Unit will open in November 2024 and will provide 3 dedicated detox beds.
- Brynawel is the sole site within Wales delivering services to support those affected by Alcohol Related Brain Injury. This condition is growing in profile, including the establishment of a Welsh Government Action Plan to respond to growing numbers of cases.

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Trustees' Annual Report
for the year ended 31 March 2024

- We have significant intellectual property in this area, and we aim to focus on supporting our colleagues in health, social care and third sector in contributing to creating an awareness of the condition, diagnosis, and treatment pathways. Also, to provide our part in providing meaningful rehabilitation for this much marginalised client group.

Whilst there will always be a rightful place for harm reduction in drug policy and treatment, our staff team, volunteers and Trustees are, as ever, wholly committed to providing people with the opportunity to embrace the joy of sustained, long-term recovery. They are, in themselves, an inspiration to work alongside.

Sue Gwyn
Chief Executive Officer

Brynewel House Alcohol and Drug Rehabilitation Centre Ltd
Trustees' Annual Report
for the year ended 31 March 2024

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

31 Employees

9 Volunteers

One employee has total benefits over £60k

Activity

In financial year 2023/24 the client profile was as follows:

- 82 admissions
- 31 people admitted identified as female
- 51 people admitted identified as male
- 19 admissions were privately funded, 63 from local authorities
- 60 people had alcohol use disorder

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
Trustees' Annual Report
for the year ended 31 March 2024

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

Referral source for Local Authorities were as follows:

Blaenau Gwent - 4
Bristol - 6
Caerphilly - 3
Cardiff and Vale - 5
Ceredigion - 2
Conwy - 2
Cwm Taf - 24
Denbighshire - 2
Newport - 9
NPT - 4
Pembrokeshire - 7
Swansea - 5
Wrexham - 5
Other - 4

Setting Pay and Remuneration

Brynawel is a Real Living Wage employer. The Trustees review the annual staff pay awards for the Chief Executive, senior members of staff and staff members requiring a professional or occupational qualification.

Financial Review

The total income of Brynawel House during 23/24 was £1,307,397 (prior year £1,802,718); total expenditure £1,274,798 (prior year £1,057,506, resulting in an overall surplus of £32,599 (prior year surplus £745,212). The surplus consists of an unrestricted deficit of £49,689 and a restricted surplus of £82,288. Please see Note 11 in the accounts for the movements in the restricted funds.

Fee Income rose over the previous year by £82,701, which represents an increase of approximately 8% and was evident as occupancy had been consistently higher than in previous years. Total expenditure during this year increased by approximately 20% on the prior year as some major maintenance works were undertaken.

The year saw occupancy range from as high as 98% to a low one month of 73% but averaging 87%. Thanks to those who supported us with grants and donations during this period.

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 £1,257k would indicate a reserve figure of between £314k and £628k. Brynawel House reserves provides it with a solid foundation from which to deliver all of 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 2024

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.

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

This report was approved by the Trustees on the 18 July 2024 and signed on its behalf by:

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 2024 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 (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 2024 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 2024

		£	£	£	£
		Unrestricted	Restricted	2024	2023
Income and Endowments					
Voluntary income:					
Donations and Grants	3	74,367	100,000	174,367	762,330
Investment income:					
Bank interest		11,479	-	11,479	5,326
Other income:	3	5,963	-	5,963	2,176
Charitable Activities:					
Fee Income		1,115,587	-	1,115,587	1,032,886
Total Incoming Resources		<u>1,207,396</u>	<u>100,000</u>	<u>1,307,396</u>	<u>1,802,718</u>
Expenditure					
Charitable activities	4	1,257,086	17,712	1,274,798	1,057,506
Total Resources Expended		<u>1,257,086</u>	<u>17,712</u>	<u>1,274,798</u>	<u>1,057,506</u>
Movement in total funds for the year:					
Net Incoming (Outgoing) resources	5	(49,690)	82,288	32,598	745,212
Net Incoming (Outgoing) resources		<u>(49,690)</u>	<u>82,288</u>	<u>32,598</u>	<u>745,212</u>
Total Funds brought forward		544,051	1,710,249	2,254,300	1,509,088
Total Funds carried forward		<u>494,361</u>	<u>1,792,537</u>	<u>2,286,898</u>	<u>2,254,300</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
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Company Registration number 5708345

Balance sheet
as at 31 March 2024

		2024		2023	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	7		1,885,619		1,751,993
Current Assets					
Debtors	8	267,021		188,427	
Cash at bank and in hand		490,632		673,067	
		<u>757,653</u>		<u>861,494</u>	
Creditors: amounts falling due within one year	9	<u>(346,102)</u>		<u>(345,420)</u>	
Net Current assets			411,551		516,074
Net Assets			2,297,170		2,268,067
Creditors: amounts falling due after more than one year	9		<u>(10,271)</u>		<u>(13,767)</u>
			<u>2,286,899</u>		<u>2,254,300</u>
The Funds of the Charity					
Unrestricted Funds	11		372,015		394,051
Restricted Funds	11		1,792,537		1,710,249
Designated Funds	11		<u>122,347</u>		<u>150,000</u>
Total Charity Funds			<u>2,286,899</u>		<u>2,254,300</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 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 18 July 2024 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 2024

Notes	2024 £	2023 £
Reconciliation of operating profit to net cash outflow from operating activities		
Operating profit	32,599	745,212
Depreciation	55,494	41,716
(Increase) in debtors	(78,595)	(45,915)
Increase in creditors	682	131,549
Net cash outflow from operating activities	<u>10,180</u>	<u>872,562</u>
 Net cash outflow from operating activities	 10,180	 872,562
(Gain) / Loss on Disposal of Tangible Fixed Assets	2,367	
Capital expenditure	(191,486)	(730,461)
	<u>(178,939)</u>	<u>142,101</u>
 Net cash outflow from financing activities		
Reduction in loan balance	(3,496)	(2,809)
Decrease in cash in the year	<u>(182,435)</u>	<u>139,292</u>
 Reconciliation of net cash flow to movement in net funds		
Increase / (Decrease) in cash in the year	(182,435)	139,292
Net funds at 1 April 2023	<u>673,067</u>	<u>533,775</u>
Net funds at 31 March 2024	<u>490,632</u>	<u>673,067</u>

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
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Notes to the financial statements
for the year ended 31 March 2024

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 2024

..... 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.

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.

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 Board of Trustees.

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

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
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Notes to the financial statements
for the year ended 31 March 2024

..... continued

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.

3. Incoming Resources

	Total year to 31/03/24 £	Total year to 31/03/23 £
Included within Incoming Resources for the year are:		
Grants & Donations:		
Donations	690	2,361
Grants Received (see below for analysis)	173,677	759,969
	<u>174,367</u>	<u>762,330</u>
 Tuck Shop	 -	 241
Sundry Income	5,963	1,935
	<u>5,963</u>	<u>2,176</u>
 Grants Received:		
Council COVID Grants	-	22
Lloyds Bank Foundation	13,574	25,000
RCT Staff Bonus (PY: NHS)	-	31,458
Other	47,603	4,050
RCT	-	4,439
RCT Meadow Lodge purchase and refurbishment	100,000	695,000
WCVA	12,500	-
	<u>173,677</u>	<u>759,969</u>

Brynawel House Alcohol and Drug Rehabilitation Centre Ltd
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Notes to the financial statements
for the year ended 31 March 2024

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4. Total resources expended	Basis of Allocation	Voluntary Income	Charitable Activities	Governance	Total year to 31/03/24	Total year to 31/03/23
		£	£	£	£	£
Costs directly allocated to activities						
Wages and Salaries	Direct	-	598,812	-	598,812	455,754
Recruitment	Direct	-	1,763	-	1,763	1,078
Travel expenses	Direct	-	30,263	-	30,263	25,267
Resident expenses	Direct	-	78,847	-	78,847	68,138
Training	Direct	-	3,641	-	3,641	9,333
Cleaning	Direct	-	2,845	-	2,845	3,275
Subscriptions	Direct	-	26,462	-	26,462	13,398
Profits/losses on disp of tangibles	Direct	-	2,367	-	2,367	-
Release of Historic Prepayments	Direct	-	(5,245)	-	(5,245)	-
		-	739,755	-	739,755	576,243
Support costs allocated to activities						
Salary Costs	Staff Time	3,560	138,838	35,600	177,998	209,863
Settlement costs	Direct	-	-	-	-	-
Audit & Accountancy	Direct	-	-	4,200	4,200	4,040
Legal & Professional	Direct	-	-	82,426	82,426	42,833
Premises	Floor	1,626	151,624	6,504	159,754	125,295
General Office Costs	Usage	514	48,855	2,057	51,426	43,523
Marketing	Usage	209	2,692	90	2,991	13,454
Bank Charges & Interest	Direct	-	261	-	261	306
Loan interest	Direct	-	493	-	493	233
Depreciation	Usage	1,110	52,719	1,665	55,494	41,716
		7,019	395,482	132,542	535,043	481,263
		7,019	1,135,237	132,542	1,274,798	1,057,506

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%

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Notes to the financial statements
for the year ended 31 March 2024

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5. Net Incoming (Outgoing)/Resources	Total year to 31/03/24 £	Total year to 31/03/23 £
This is stated after charging/(crediting):		
Depreciation	55,493	41,716
Auditors Remuneration	4,200	4,040
	<u>59,693</u>	<u>45,756</u>
 6. Staff Costs	 Total year to 31/03/24 £	 Total year to 31/03/23 £
Staff costs during the year comprised of the following:		
Staff Salaries	705,826	615,933
Employers National Insurance	58,495	40,581
Employers Pension Costs	11,995	8,778
Staff Uniform	494	325
	<u>776,810</u>	<u>665,617</u>

The average number of full time and full time equivalent employees during the year amounted to 26 (2023 :20), and can be analysed as follows:

Senior Management	2	2
Administration	6	3
Support Workers	9	9
Kitchen	3	2
Therapy	5	3
Maintenance	1	1
	<u>26</u>	<u>20</u>

1 employee was paid £60,000 or more during the year.(2023 :nil)

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

£420 was paid to Trustees to cover legitimate expenses (LY: £209).

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Notes to the financial statements
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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 2023	1,845,000	270,031	30,660	2,145,691
Additions	111,755	61,731	18,000	191,486
Disposals	-	(102,242)	-	(102,242)
At 31 March 2024	<u>1,956,755</u>	<u>229,520</u>	<u>48,660</u>	<u>2,234,935</u>
Depreciation				
At 1 April 2023	161,000	202,038	30,660	393,698
On disposals	-	(99,875)	-	(99,875)
Charge for the year	23,234	28,509	3,750	55,493
At 31 March 2024	<u>184,234</u>	<u>130,672</u>	<u>34,410</u>	<u>349,316</u>
Net book values				
At 31 March 2024	<u>1,772,521</u>	<u>98,848</u>	<u>14,250</u>	<u>1,885,619</u>
At 31 March 2023	<u>1,684,000</u>	<u>67,993</u>	<u>-</u>	<u>1,751,993</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 £291,193 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 £110,012 had there been no revaluation.

The freehold property known as Meadow Lodge is currently under development. It is included in the accounts at cost of £795,043.

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

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for the year ended 31 March 2024

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8. Debtors	2024	2023
	£	£
Outstanding fees	244,782	181,989
Accrued Income (Bank Interest)	7,197	5,133
Prepayments and accrued income	15,041	1,303
	<u>267,020</u>	<u>188,425</u>

9. Creditors: amounts falling due within one year	2024	2023
	£	£
WCVA Loan	3,989	3,989
Charitable activities	125,427	17,729
Other taxes and social security costs	15,412	10,768
Credit Card	1,324	256
Other creditors	17,440	9,847
Deferred income*	182,510	302,831
	<u>346,102</u>	<u>345,420</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	2024	2023
	£	£
WCVA Loan	10,271	13,767
	<u>10,271</u>	<u>13,767</u>

10. Analysis of Net Assets between Funds	Unrestricted	Restricted	Total
	£	£	2024
			£
Tangible Fixed Assets	351,051	1,534,568	1,885,619
Current Assets	153,582	257,969	411,551
Long Term Liabilities	(10,271)	-	(10,271)
	<u>494,362</u>	<u>1,792,537</u>	<u>2,286,899</u>

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11. Restricted Funds

	At 01/04/23 £	Incoming Resources £	Outgoing Resources £	At 31/03/24 £
NAW property improvements	582,427	-	(7,712)	574,715
RCT/WAG Capital grant (1)	342,422	-	(7,840)	334,582
RCT/WAG Capital grant (2)	90,400	-	(2,160)	88,240
RCT Meadow Lodge (3)	695,000	100,000	-	795,000
Total Restricted funds	1,710,249	100,000	(17,712)	1,792,537
Unrestricted funds	394,051	1,207,397	(1,229,433)	372,015
Designated funds*	150,000	-	(27,653)	122,347
Total funds	<u>2,254,300</u>	<u>1,307,397</u>	<u>(1,274,798)</u>	<u>2,286,899</u>

* 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.

RCT Meadow Lodge (3) - A capital grant of £695,000 was received from Welsh Assembly/Rhondda Cynon Taff County Council for the purpose of purchasing a property known as Meadow Lodge in March 2023. A further grant of £100,000 was received in March 2024 to improve the property.