

Charity Registration No. 1186109

Company Registration No. 02933526 (England and Wales)

**BROOKFIELD HOMECARE LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# **BROOKFIELD HOMECARE LIMITED**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Mr S Heywood Mr P Wilcox Mr W A Twemlow
<b>Secretary</b>	Mr S Heywood
<b>Charity number</b>	1186109
<b>Company number</b>	02933526
<b>Registered office</b>	Southworth House 35 Birkenhead Road Hoylake Wirral Merseyside CH47 5AQ
<b>Auditor</b>	McLintocks (NW) Limited 46 Hamilton Square Birkenhead Wirral Merseyside CH41 5AR
<b>Bankers</b>	Royal Bank of Scotland 1 Exchange Flags Liverpool L2 3XN
<b>Solicitors</b>	Brabners LLP Horton House Exchange Flags Liverpool Merseyside L2 3YL

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# **BROOKFIELD HOMECARE LIMITED**

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# **BROOKFIELD HOMECARE LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees present their annual report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

##### **Purpose and aims**

The Brookfield Homecare charity's objects as stated in the Memorandum of Association are:

2.1. The Objects of the Charity are the relief, care and assistance of persons, irrespective of colour, race or creed suffering from any form of sickness or incapacity and in particular (but without prejudice to the generality of the foregoing):

2.1.1. The relief of those in need because of age, ill-health, disability or other disadvantage by (but without prejudice to the generality of the foregoing) the provision of domiciliary care;

2.1.2. To preserve and protect the health of those caring for people with physical, mental or sensory impairment within the family or home by (but without prejudice to the generality of the foregoing) providing support to carers through the provision of domiciliary care.

The charitable activities that contribute to achievement of those objectives are provision of a 24 hour domiciliary care service to those in the local community who suffer from infirmities which reduce their ability to care for themselves but who prefer to remain in their own homes, rather than enter long term residential care.

Brookfield Homecare provides care services to around 100 clients spread across Wirral but with capacity to provide for higher numbers as demand for these services, which are a local government priority, exceeds supply at present.

##### **How our activities deliver public benefit**

Our aim is to provide high quality affordable services irrespective of financial resources, so our services are open to all who need them. We aim to manage our expenses as efficiently as possible, compatible with meeting legal and regulatory requirements.

We had to increase our fees during the year so that we were able to offer a reasonable salary to attract new staff to enable us to meet demand for our services and to meet increasing expenses related to the pandemic.

Fundraising has not been a priority as effort was concentrated on developing the business and managing it through the pandemic. As the business is domiciled in Hoylake Cottage premises, capital expenditure is unlikely to be a major requirement.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

# **BROOKFIELD HOMECARE LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **Achievements and performance**

The year to 31st March 2021 was dominated by the Coronavirus pandemic which affected the business but proved manageable with careful and consistent application of procedures. The work undertaken in the previous year to update and improve office processes left the business in a stronger position.

Whilst it had been the Trustees intention to increase the number of clients served over the year, that proved impossible to achieve as staff absence due to either infection or self-isolation and inability to recruit more staff meant that we could only serve a similar number of clients as the previous year despite the considerable effort made by the office manager and her staff.

In May 2020, the Trustees applied to our bankers for a Coronavirus "Bounce-Back Loan" of £50,000 so that the loan from Hoylake Cottage could be repaid, which was approved and subsequently drawn. The loan was interest and repayment free for 1 year then repayable over 5 years.

Fees received during the year were 2% higher than the previous year partly due to higher fees paid by Wirral Social Services and a small increase in fees charged to clients who fund themselves. Overheads were well contained relative to income and Government grants supporting exceptional expenditure were received.

The business achieved a surplus of £38,000 largely due to a substantial reduction in the exceptional management charges in the previous year.

### **Financial review**

The results for the year and Brookfield Homecare's financial position at the end of the year are shown on the attached financial statements. The strategic aim is to recover the full cost of services from operating income. It is accepted that this may not always occur within a single financial year.

### **Reserves policy**

The Charity's balance sheet showed Unrestricted Funds of £34,164. Free reserves were £24,345 and free cash reserves were £42,907.

The Trustees regularly review the Charity's needs for Reserves in line with guidance issued by the Charity Commission and are of the opinion that the cash balances held during the year and at the year end are adequate relative to the business turnover.

### **Funding sources**

Cash resources were considered adequate to fund working capital requirements and, in due course, repay the bank loan granted in May 2020.

# **BROOKFIELD HOMECARE LIMITED**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **Principal risks and uncertainties**

It had been the Trustees' intention to undertake a full review of the risks during the year but the pandemic has delayed that. It was anticipated that expansion of the business would be dependent upon increasing staff numbers and hours but that was clearly impossible to achieve during the year.

The principal risks facing the business, of which the Trustees are well aware, are:

- A change in Government priorities in funding care for those who need it. At present, domiciliary care has been seen as a cost-effective and caring way to provide care but that could change and funding priority be directed elsewhere
- Restriction in local government funding availability, leading to minimal fee increases despite much higher National Minimum Wage (and the recent introduction of a National Living Wage at higher levels and an increase in National Insurance contributions by both employers and employees)
- Increased regulatory requirements without additional funding to support compliance
- Local competition for domiciliary care
- A national shortage of persons willing to work in the care sector due to its underfunding and, as a consequence, poor rates of pay.

### **Post balance sheet events and plans for the future**

Demand for our services has remained high but continuing difficulty in recruiting more staff impeded our ability to expand the business. It is expected that a surplus will be achieved at the year end.

Earlier in the year, the Bounce Back Loan of £50,000 granted by our bankers in the previous year had to be repaid via a Coronavirus Business Interruption Loan made available to Hoylake Cottage in order to comply with the terms of that loan. Subsequently Brookfield Homecare repaid the £50,000 inter-company loan from Hoylake Cottage.

The trustees consider the charity will be a going concern for at least 12 months after audit report sign off date.

### **Structure, governance and management**

#### **Legal Structure**

Brookfield Homecare Limited ("the Trust") was incorporated on 27th May 1994. The issued share capital was acquired by Hoylake Cottage on 11th March 2019 whereupon new Articles of Association were adopted setting out its objectives and powers and how it is governed. The company was registered as a charity on 1st November 2019.

There are no activities outside England. It is managed by a Board of Directors whose members are the directors for the purposes of Company Law and charity trustees for the purposes of Charity Law.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr S Heywood  
Mr P Wilcox  
Mr W A Twemlow

#### **Pay policy for key management personnel**

The directors consider the senior management team comprise the key management personnel of the Brookfield Homecare and Hoylake Cottage charities in charge of controlling, running and operating the Trust on a day-to-day basis. The pay of the senior staff is reviewed annually and normally increased to the same extent as the rest of the staff. All the directors give of their time freely and no director received remuneration in his capacity as a director in the year.

# BROOKFIELD HOMECARE LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### The Trust Board of Directors

The Board currently comprises 3 Trustees who are also Trustees of Hoylake Cottage. The Articles of Association permit "virtual" Board meetings, which facility has been used effectively in the 2020-21 year and specify that the Board should comprise a minimum of 3 Trustees appointed by the Hoylake Cottage Board of Trustees; no maximum is specified.

Trustees are selected to ensure that they have the necessary skills and experience and are willing to attend regular Board and other meetings. New Trustees are briefed on their legal obligations, the decision-making process and the business plan and financial performance of the Trust.

One third (or the number nearest one third) of the Trustees appointed must retire in each year at a meeting of the Trustees called for that purpose, those longest in office retiring first and the choice between any of equal service being made by drawing lots.

### Management

Day-to-day operational management is under the control of the Office Manager who reports to the Hoylake Cottage management team; the latter being responsible to the Board of Trustees.

Board meetings are held bi-monthly as a minimum and minutes and any supporting documents are distributed to Hoylake Cottage Trustees.

Operational decision-making is delegated by Trustees to the Office Manager and to the Hoylake Cottage General Manager and Finance Manager, including financial transactions that are within the annual budgets agreed by the Board and monitored in both formal and informal meetings by members of the Board.

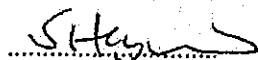
### Auditor

In accordance with the company's articles, a resolution proposing that McLintocks (NW) Limited be reappointed as auditor of the company will be put at a General Meeting.

### Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Mr S Heywood

Trustee

Dated: 5th December 2021

# **BROOKFIELD HOMECARE LIMITED**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 31 MARCH 2021***

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The trustees, who are also the directors of Brookfield Homecare Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# BROOKFIELD HOMECARE LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF BROOKFIELD HOMECARE LIMITED

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#### Opinion

We have audited the financial statements of Brookfield Homecare Limited (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2021 and of its incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, 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.

# **BROOKFIELD HOMECARE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF BROOKFIELD HOMECARE LIMITED**

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#### **Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept, 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, data protection, anti-bribery, employment, food hygiene and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management team and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

# **BROOKFIELD HOMECARE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF BROOKFIELD HOMECARE LIMITED**

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We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management team as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

#### **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 auditors' 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.



**Helen Furlong FCCA (Senior Statutory Auditor)**  
for and on behalf of **McLintocks (NW) Limited**

15.12.21

**Chartered Accountants**  
**Statutory Auditor**

46 Hamilton Square  
Birkenhead  
Wirral  
Merseyside  
CH41 5AR

# BROOKFIELD HOMECARE LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	2020 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	750	34,058	34,808	-
Charitable activities	4	540,455	-	540,455	219,126
Other trading activities	5	-	-	-	310,550
Other income	6	13	-	13	-
<b>Total income</b>		<b>541,218</b>	<b>34,058</b>	<b>575,276</b>	<b>529,676</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	-	-	-	314,693
Charitable activities	8	502,938	34,058	536,996	222,239
<b>Total resources expended</b>		<b>502,938</b>	<b>34,058</b>	<b>536,996</b>	<b>536,932</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>38,280</b>	<b>-</b>	<b>38,280</b>	<b>(7,256)</b>
Fund balances at 1 April 2020		(4,114)	-	(4,114)	3,142
<b>Fund balances at 31 March 2021</b>		<b>34,166</b>	<b>-</b>	<b>34,166</b>	<b>(4,114)</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

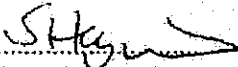
# BROOKFIELD HOMECARE LIMITED

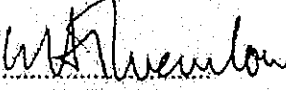
## BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12		8,819		11,593
<b>Current assets</b>					
Debtors	13	42,907		40,145	
Cash at bank and in hand		90,885		44,824	
		133,892		84,969	
<b>Creditors: amounts falling due within one year</b>	15	(109,545)		(100,676)	
<b>Net current assets/(liabilities)</b>			24,347		(15,707)
<b>Total assets less current liabilities</b>			34,166		(4,114)
<b>Income funds</b>					
<u>Unrestricted funds</u>					
General unrestricted funds		34,164		(4,116)	
Share capital	16	2		2	
			34,166		(4,114)
			34,166		(4,114)

The financial statements were approved by the Trustees on 8th December 2021

  
Mr S Heywood  
Trustee

  
Mr W A Twemlow  
Trustee

Company Registration No. 02933526

# BROOKFIELD HOMECARE LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	21		(1,166)		17,239
<b>Investing activities</b>					
Purchase of tangible fixed assets		(2,673)		(7,810)	
<b>Net cash used in investing activities</b>			(2,673)		(7,810)
<b>Financing activities</b>					
Proceeds of new bank loans		50,000		-	
<b>Net cash generated from/(used in) financing activities</b>			50,000		-
<b>Net increase in cash and cash equivalents</b>			46,161		9,429
Cash and cash equivalents at beginning of year			44,824		35,395
<b>Cash and cash equivalents at end of year</b>			90,985		44,824

# **BROOKFIELD HOMECARE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

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### **1 Accounting policies**

#### **Charity information**

Brookfield Homecare Limited is a private company limited by shares incorporated in England and Wales. The registered office is Southworth House, 35 Birkenhead Road, Hoylake, Wirral, Merseyside, CH47 5AQ.

Charitable status was obtained on 1 November 2019.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. Since the year end it has been recognised that the Covid-19 Pandemic has not had an adverse financial impact on the charity and is not considered to do so in the near future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. Also since the year end the charity has been able to repay the loan from its parent company thus clearing its balance sheet liability.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### **1.4 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income from charitable activities includes income received under contract. Income is recognised in the Statement of Financial Activities when the related services have been provided.

Local government covid-19 related grants are recognised on receipt.

Income from trading activities, includes income from trading activities to raise funds for the charity. Income is recognised when earned and the charity is entitled to the receipt.

# BROOKFIELD HOMECARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable activities.

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Support costs are those that assist the work of the charity but are not directly attributable to the charitable activities. Support costs include office costs, administrative payroll costs and governance costs which support the charity's activities. Where the support costs cannot be attributable to a direct activity they have been allocated to the costs of raising funds and charitable activities on a pro-rata basis.

Governance costs represent 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.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% on cost
Computers	33.33% & 20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).



# BROOKFIELD HOMECARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Taxation

The charity is exempt from corporation tax on its activities.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# BROOKFIELD HOMECARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 2 Critical accounting estimates and judgements

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

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

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2021 £	2021 £	2021 £	2020 £
Donations and gifts	750	-	750	-
Government grants	-	34,058	34,058	-
	<u>750</u>	<u>34,058</u>	<u>34,808</u>	<u>-</u>

### 4 Charitable activities

	Domiciliary care 2021 £	Domiciliary care 2020 £
Sales within charitable activities	<u>540,455</u>	<u>219,126</u>

### 5 Other trading activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Trading activity income: Domiciliary care	<u>-</u>	<u>310,550</u>

# BROOKFIELD HOMECARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 6 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Other income	13	-

### 7 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Trading costs</u>		
Other trading activities	-	19,624
Staff costs	-	223,908
Depreciation and impairment	-	2,077
Support costs	-	69,084
Trading costs	-	314,693
	-	314,693

# BROOKFIELD HOMECARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 8 Charitable activities

	Domiciliary care 2021 £	Domiciliary care 2020 £
Staff costs	374,232	157,994
Depreciation and impairment	4,447	1,465
Insurance	2,911	959
Training	2,725	-
Phone	1,037	1,054
Advertising, printing, postage & stationery	4,667	2,576
General expenses	12,643	2,141
Medical supplies	7,245	530
Recruitment & other staff costs	565	3,165
Repairs & maintenance	9,363	3,423
	<u>419,835</u>	<u>173,307</u>
Share of support costs (see note 9)	108,148	46,192
Share of governance costs (see note 9)	9,013	2,740
	<u>536,996</u>	<u>222,239</u>
<b>Analysis by fund</b>		
Unrestricted funds	502,938	222,239
Restricted funds	34,058	-
	<u>536,996</u>	<u>222,239</u>

# BROOKFIELD HOMECARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 9 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	97,808	-	97,808	72,979	-	72,979
Professional fees	9,463	-	9,463	37,381	-	37,381
Bank charges	877	-	877	1,033	-	1,033
Audit fees	-	3,300	3,300	-	1,200	1,200
Accountancy	-	1,500	1,500	-	-	-
Legal and professional	-	4,213	4,213	-	5,423	5,423
	<u>108,148</u>	<u>9,013</u>	<u>117,161</u>	<u>111,393</u>	<u>6,623</u>	<u>118,016</u>
Analysed between						
Trading	-	-	-	65,201	3,883	69,084
Charitable activities	<u>108,148</u>	<u>9,013</u>	<u>117,161</u>	<u>46,192</u>	<u>2,740</u>	<u>48,932</u>
	<u>108,148</u>	<u>9,013</u>	<u>117,161</u>	<u>111,393</u>	<u>6,623</u>	<u>118,016</u>

Governance costs includes payments to the auditors of £3,300 (2020- £1,200) for audit fees.

### 10 Trustees

During the year Mr S Heywood received £7,288 (2020: £10,446) for professional services supplied to Brookfield Homecare Limited in addition to normal trustee duties which have not been remunerated.

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the period ended 31 March 2020.

### 11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Admin	3	2
Domiciliary care	30	28
Total	<u>33</u>	<u>30</u>

# BROOKFIELD HOMECARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 11 Employees (Continued)

Employment costs	2021 £	2020 £
Wages and salaries	436,654	424,500
Social security costs	28,186	24,065
Other pension costs	7,200	6,316
	<u>472,040</u>	<u>454,881</u>

Key management personnel of the charity consisted of the office manager whose employee benefits total £38,767 (2020: £37,166),

There were no employees whose annual remuneration was more than £60,000.

### 12 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>			
At 1 April 2020	11,880	3,303	15,183
Additions	-	2,673	2,673
At 31 March 2021	<u>11,880</u>	<u>5,976</u>	<u>17,856</u>
<b>Depreciation and impairment</b>			
At 1 April 2020	2,903	687	3,590
Depreciation charged in the year	2,965	1,482	4,447
At 31 March 2021	<u>5,868</u>	<u>2,169</u>	<u>8,037</u>
<b>Carrying amount</b>			
At 31 March 2021	<u>6,012</u>	<u>3,807</u>	<u>9,819</u>
At 31 March 2020	<u>8,977</u>	<u>2,616</u>	<u>11,593</u>

### 13 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	38,181	24,697
Prepayments and accrued income	4,726	15,448
	<u>42,907</u>	<u>40,145</u>

# BROOKFIELD HOMECARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 14 Loans and overdrafts

	2021 £	2020 £
Bank loans	50,000	-
Payable within one year	50,000	-

The loan relates to a bounce back loan scheme with Royal Bank of Scotland. The term of the loan was 6 years with repayments payable after year 1. This was repaid in full in May 2021 through a loan from the parent company Hoylake Cottage.

### 15 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	14	50,000	-
Other taxation and social security		8,320	6,282
Trade creditors		6,262	4,150
Amount owed to parent undertaking		1,729	55,512
Other creditors		37,977	32,260
Accruals and deferred income		5,257	2,472
		109,545	100,676

### 16 Share capital

	2021 £	2020 £
Ordinary share capital Issued and fully paid 2 of £1 each	2	2

### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
WBC Adult Social Care Infection Control Fund	-	34,058	(34,058)	-

The grants from Wirral Borough Council were to provide for additional cleaning materials and equipment to maintain infection control required during the Coronavirus pandemic as well as to allow full salary payment to be made for staff members who either had contracted the virus or who were required to self isolate having come into contact with someone who had developed symptoms.

# BROOKFIELD HOMECARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	270	270
Between two and five years	-	270
	<u>270</u>	<u>540</u>



# BROOKFIELD HOMECARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 19 Related party transactions

As disclosed in note 10, trustee, Mr S Heywood, received fees in connection with his company secretarial duties.

### 20 Parent Company

Hoylake Cottage is regarded by the trustees as being the charity's ultimate parent charitable company. Its registered office and principal place of business is Southworth House, 35 Birkenhead Road, Hoylake, Wirral, Merseyside CH47 5AQ.

21 Cash generated from operations	2021 £	2020 £
Surplus/(deficit) for the year	38,280	(7,256)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	4,447	3,542
Movements in working capital:		
(Increase) in debtors	(2,762)	(3,916)
(Decrease)/increase in creditors	(41,131)	24,869
<b>Cash (absorbed by)/generated from operations</b>	<b>(1,166)</b>	<b>17,239</b>

### 22 Analysis of changes in net funds

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	44,824	46,161	90,985
Loans falling due within one year	-	(50,000)	(50,000)
	<u>44,824</u>	<u>(3,839)</u>	<u>40,985</u>