

**Brothers of Charity Services in the
United Kingdom**

(Registered as the Congregation of
the Brothers of Charity)

Charity No: 234252

For the year ended 31 March 2022

**Annual Report and
Financial Statements**

Brothers of Charity Services in the United Kingdom

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Charity Information

Charity registration number	234252
Principal office:	Lisieux Hall Dawson Lane Whittle-le-Woods Chorley PR6 7DX
Trustees:	Brother John Finbar O'Shea Brother Augustine Thomas Hassett Brother Patrick Joseph Killoran Brother Richard Noel Corcoran Stephen Robinson (appointed 23 August 2021 and resigned on 11 July 2023)
Chief Executive Officer:	Darron Grundy
Bankers:	<p>The principal banker for the Charity is:</p> <p>Brothers of Charity – Provincial AIB Group (UK) Plc 10 Berkeley Square London W1X 6DN</p> <p>The following bankers are also utilised by the Charity:</p> <p>Brothers of Charity Services – Merseyside (Thingwall Hall) Royal Bank of Scotland 1 Dale Street Liverpool L2 2PP</p> <p>Brothers of Charity Services – Lancashire (Lisieux Hall) Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2YB</p>
Investment advisers:	Rathbone Investment Management Limited Port of Liverpool Building Pier Head Liverpool L3 1NW
Auditor:	Mazars LLP One St Peter's Square Manchester M2 3DE

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Report of the Trustees

Introduction

This report from the Trustees of the Brothers of Charity Services in the United Kingdom (also known as the Congregation of the Brothers of Charity) is provided in association with the presentation of the financial statements for the year ended 31 March 2022.

Mission Statement

The Trustees of the Congregation of the Brothers of Charity joyfully engage with all people of goodwill in building a better world for every human being and most especially for and with people who are in danger of being marginalised. They do this out of their spiritual heritage as a Religious Congregation in the Roman Catholic Christian tradition and based on the inspiration of their Founder, Canon Peter Joseph Triest.

Brief Historical Note

The Congregation of the Brothers of Charity is part of an international Religious Congregation with headquarters in Rome and with foundations in more than 25 countries around the world.

The organisation was founded in Ghent, Belgium in 1807 by Canon Peter Joseph Triest. The Brothers of Charity established their first foundation in Britain in the 1880s. Initially, the work in Britain concentrated on supporting and educating young boys, providing them with the skills necessary to enter the workforce and adult life in general. In 1931 the Brothers of Charity opened their first service to support adults with learning disabilities in Lancashire. This support is provided in the Merseyside and Lancashire Regions in England and in the Borders Region in Scotland. With effect from 1 April 2007, the services in Scotland became incorporated as the Brothers of Charity Services (Scotland) and now operate as a separate legal entity from the services in Lancashire and Merseyside.

The Defining Characteristics

It is vital to the identity of the services of the Brothers of Charity in England and Wales that the defining characteristics of the Congregation continue to inform and motivate our work, and that we evaluate our services against them. These characteristics, which have shaped the work of the Brothers of Charity since their foundation, are:

- Opting for the most marginalised people in society
- Integrating the best of current trends in service provision
- Striving for the highest possible human dignity in their services
- Valuing expertise highly
- Having an enterprising approach to the organisation and structure of services
- Being willing to function within a social framework and to be recognised by the authorities
- Working in co-operation with other groups to achieve agreed objectives
- Finding final motivation in the Gospel

Organisation and Administration

The ultimate authority in the Congregation rests with the General Chapter which is an assembly of representatives of the Brothers from throughout the world that meets every six years to review the Constitutions (a text offering Inspiration and Guidance) and to elect a Superior General and a General Council who are assigned the task of governing the Congregation.

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Report of the Trustees (continued)

Administratively, the Congregation is divided into four 'Provinces' and within each Province there are a number of Regions. Britain and Ireland form the Region known as 'St Joseph's' which is a part of the European Province. The Superior General and his Council appoint a Regional Leader and a Regional Team with full responsibility for all aspects of the mission of the Congregation within their Region. They are directly responsible for the organisation and spiritual animation of the religious communities within their Region. They are also responsible for the determination, organisation and spiritual animation of the works to be undertaken in the name of the Congregation. In England and Wales this task is carried out on their behalf by the 'Trustees of the Congregation of the Brothers of Charity' - a Trust which has its own Trust Deed approved in 1964. The Trust Deed was amended further in 1996. In accordance with the Trust Deed, the Regional Leader appoints the Trustees. These Trustees are responsible for the management and operation of the Congregation of the Brothers of Charity in England and Wales (which also holds all of the properties of the Congregation in Scotland, England and Wales).

The Brothers of Charity Services in the United Kingdom recognises that a suitably skilled, experienced and well supported board of Trustees is essential if the charity is to be effective both in achieving its Mission Statement and successfully delivering our charitable objects. The Trustees of the Brothers of Charity Services in the United Kingdom ensures its individual Trustee members have full access to all the knowledge and skills required to govern and lead the charity effectively. The Trustee Board ensures that individual trustees have sufficient knowledge, both of trusteeship of the Charity's activities in general and to enable them to carry out their role and to represent the Charity fully. This knowledge is supported by ongoing formation training, mentoring and support for the individual Trustees throughout their tenure.

As new Trustees are appointed, the Trustees of the Brothers of Charity Services in the United Kingdom ensures that the induction process is arranged and completed appropriately. A suitable training programme will be provided to ensure that any newly appointed trustee will receive training on all matters necessary to enable them to perform their duties effectively. This will be tailored to their specific needs and would address key Trustee responsibilities and areas of knowledge such as the Ethos of the charity, Formation training, Charity Governance and Management; Equal Opportunities; a thorough introduction to the range and scope of our current Charitable Activities; Charity Finances; Safeguarding reporting procedures and an explanation of all Charity Policies and Procedures relevant to Trustee activity and governance.

If the new Trustee is to take on any specific duties then any required training needs required in relation to their role will also be assessed and training provided as appropriate. An experienced existing Trustee will also be made available as a key contact point, or mentor, for the new trustee and would be available to speak to, or meet with, the new trustee from time to time to answer any questions that may arise.

In this way, the formal framework of induction and training of any person appointed as a Trustee of the Brothers of Charity Services in the United Kingdom is a supportive and positive experience to ensure we continue to provide good Trustee governance and leadership to the Brothers of Charity Services in the United Kingdom going forward.

The services in England and Wales are provided in Merseyside, Greater Manchester and Lancashire with the services in Greater Manchester being managed through Merseyside. In Merseyside and Lancashire each Region has a Regional Director and Directorate reporting to a Chief Executive and National Directorate who in turn report to the Trustees. The Trustees and the National Directorate seek to give each Region as much autonomy as possible within the framework of overall accountability and encourage each Regional Director and Directorate to have the Principle of Subsidiarity firmly in mind in the organisation of the Services within the Region.

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Report of the Trustees (continued)

Public Benefit

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning the future activities of the Charity.

The Charities Act 2011 sets out descriptions of charitable purposes that are for the public benefit. The defining characteristics of the Brothers of Charity as set out above incorporate some of these charitable purposes, being:

- The advancement of religion
- The advancement of community development
- The relief of those in need by reason of disability

The Charity fulfils these purposes by:

- Providing personalised support for individuals with learning disabilities by working in conjunction with families and commissioners
- The provision of holy spaces, churches and services of worship
- Contributing towards a better society by promoting social cohesion and integration
- The production and development of community programmes in partnership with other agencies
- The carrying out, as a practical effect of religious beliefs, pastoral support for all those who seek it
- Placing no restrictions of any kind or nature on those who can be assisted by the services of the Charity

The achievements and performance of the Charity, as detailed on the following pages, describe the benefits to the public and those people using the services provided by the Brothers of Charity Services.

The Brothers of Charity Services in England Annual Year End Report – Review of Activities:

Introduction

The Financial Year 2021 / 2022 saw the much valued and skilled staff and management teams across the Brothers of Charity Services in the United Kingdom continuing to positively and progressively address the ever increasing complexity and volatility of operational delivery and sustainability issues emerging across the UK Social Care sector along with managing the ever evolving risks and challenges of the Covid 19 endemic with great professionalism, courage, compassion and determination in order focus on and ensure the continued delivery of high quality, safe care and treatment to those we support. The Trustees and all the wider stakeholders of the Brothers of Charity Services in the United Kingdom continue to greatly value, appreciate and be very thankful for all the exceptional efforts of all our staff colleagues across all areas of the Services in animating and manifesting through positive organisational engagement and excellent service delivery the Ethos and Mission Statement of the Brothers of Charity Services in ensuring the wellbeing of all the people we are privileged to support and all our staff colleagues we are honoured to work amongst.

As a team – from the Trustee Board, Leadership Group, Senior Management Team and all our valued Staff Colleagues across the Service - we continue to express great confidence and fully embrace the very positive and resilient team spirit, shared ethos, great compassion and high professionalism across all areas of the operations and wider engagement of the Brothers of Charity Services in the United Kingdom. As we jointly continue to witness the great challenge, substantial need and ever growing demand in and across the UK Social Care sector, underpinned by the sustained impacts of Covid 19 endemic, we bear clear witness and express profound thanks to our colleagues across the Services in standing steadfastly together to continue to focus on, commit to and determinedly support the delivery of incredibly high levels of great quality, compassionate care across all our service provision. In spite of the unceasing volatility in the social care sector and in the country in general our unwavering, shared adherence to the Ethos and Mission Statement of the Brothers of Charity Services has animated our steadfast commitment to providing enabling support to promote real choice, control and independence for the people we are privileged to support, protecting and

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Report of the Trustees (continued)

promoting health and well-being, facilitating meaningful engagement and supporting full social integration into the fabric of the community, promoting great life choices through our mission on behalf of our clients and wider stakeholders. The journey we now take through the experiences and words of our staff teams across the Services during the 2021 / 2022 Financial Year well evidences and clearly illustrates their great commitment and focus on delivering excellent quality care and support in the middle of the continuing, unprecedented challenges, pressure and threats presented both by the prevailing incredibly complex conditions inherent in the contemporary and certainly future social care sector exacerbated by the most concerning and threatening ongoing endemic in living memory.

The Brothers of Charity Services in Liverpool Annual Trustees Report – 2021 / 2022

Within the Brothers of Charity Services in Liverpool Supported Living Services we have 28 supported living properties. The service supports 76 supported living service users and 7 floating support clients.

Achievements:

We continue to have a strong working relationship with key figures with our local Commissioner including Commissioning and Contracts Teams and the Social Workers across the borough. We work closely with the Commissioning and Contracts team, scheduling and attending regular meetings, maintaining regular telephone contact and attending Liverpool Care Forum meetings. As a response to the pandemic, our local Commissioner set up more regular support forums where best practice is shared and celebrated, as well as providers being kept up to date on the authority's ongoing response and guidance to the pandemic. As the infection rate has reduced across the borough, these meetings have remained a regular occurrence (at least three-weekly) and they remain a key point of contact with us and Liverpool City Council. This helps to ensure that we foster a strong working relationship and key representatives of the commissioning team, helping also to ensure that they think of the Brothers of Charity Services as and when new business opportunities might arise.

As we have continued to foster a strong professional relationship with key representatives of Sefton Council, we have been excited to welcome a new service user, who has transitioned from children's services to adult services, supported by our team. This has undoubtedly been a challenging time for the service user in question, who has had to face some very big changes in their life as they have moved from a children's home to their own home, but our staff team has worked hard to get to know them and make this transition a happy time. This was a complex transition but, working alongside our colleagues within Sefton Council, (including the adult social care Commissioning Team and Social Work team, as well as the wider children's services team) we have ensured the transition went as smoothly as possible and hope our new service user will enjoy their new home.

Following an increased level of anti-social behaviour and gang-related activity around one of our service user's homes during the year, the Brothers of Charity Services has purchased a bungalow for this service user. We liaised closely with Liverpool Council commissioners to secure a move for this service user and end his old tenancy. He has now moved in to his new home, which is in a much quieter and safer area and he, and his support staff, have worked hard to make his new house a real 'forever home' for him to enjoy.

As we continue to support our staff teams and service users during times of increased sickness absences and staff shortages, we are pleased to be working with a new agency provider. This relationship means that, where we face staff shortages with little notice, we can source experienced and skilled agency staff to help us deliver a continued safe service, and protect the 'down time' of our team members.

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Report of the Trustees (continued)

In March 2022, Paul Jones (Head of Service for the Brothers of Charity Services in Liverpool Supported Living Services) was awarded his CQC Registered Manager status for the Service. This means that he can join Darren Orme, in a joint CQC Registration for the Merseyside services. This helps to ensure that there is always a registered manager present within the Merseyside services.

As part of our continued focus upon care and health and safety compliance, the Area Coordinators across the service continue to deliver high standards within their areas of responsibility. High scores (over the 97.5% benchmark) are consistently achieved. This is an excellent reflection of the dedication and hard work of all the team members, who have consistently shown that they remain focused upon delivering a safe and well-led service for our service users. The regular quality monitoring inspections across the area have been invaluable in highlighting our strengths and examples of good practice and guiding us to key areas where we can continue to improve further to ensure the highest standard of care is delivered at all times.

As the lockdown restrictions have eased, more and more of our service users have managed to get back to a more 'normal' way of living, enjoying the things they love and taking part in some new experiences and achievements. We have seen service users taking long-awaited trips abroad, days out, theatre visits, cheering on their favourite football teams and enjoying their local area once again, from pub meals to pamper days at their local spa. It has been wonderful to see our service users being able to return to some normality after such a disrupted last couple of years. Notably, it has also been a joy to see so many of the service users enjoying welcoming their friends and family members back in to their homes again.

Family and client questionnaires were sent out to the relatives and clients across the Liverpool Service area. The feedback was very positive, with many complimentary comments about the high quality service we deliver.

This year we have welcomed two new Area Co-ordinators to our Liverpool team. One of these new members of the management team has been promoted from her previous role as Lead Support Worker – we are excited to help her develop her career further. Our other new Area Coordinator has joined us from another organisation and she brings many skills and new ideas to our team. They are both very welcome and have already settled in well.

Throughout the year we have received many compliments from family members, social workers, health professionals etc. thanking us for the service we provide, notably many of them commenting upon the high quality care we deliver and compassion shown by our teams towards those we support.

Following inspections by the Merseyside Fire and Rescue Service in 2021, some issues were identified in some of our supported living properties, with clients who will not leave the property during a fire evacuation. We highlighted our concerns to Merseyside Fire and Rescue Service and Liverpool City Council. We are happy that Liverpool Council has agreed with our concern, and with the report submitted by Merseyside Fire and Rescue, and as a result, they have commissioned additional funding so that we can now place extra staff within these properties during the night. We are pleased that, by advocating for our service users, we are now in a position where we have ensured a much safer service.

Many of our wider support teams have been nominated by their managers for the monthly 'Going the Extra Mile' recognition. Staff have been nominated where they have demonstrated care, skills or any act which could be deemed above and beyond their role within our service. Such nominations are recognised and celebrated across the service and it has been a joy and privilege to see the vast variety of examples of our dedicated support staff who have done so much for our service users. From organising parties to mark special birthdays, visiting service users in hospital (often done voluntarily by our support teams on their days off) to planning exciting holidays and playing an integral role in doing whatever they can to support our service users in achieving their goals and ambitions. We are lucky and thankful to have such a wonderful group of people working within our service.

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Report of the Trustees (continued)

Challenges:

In the Liverpool service area this year, sadly we have experienced the loss of several of our cherished clients. This has been a difficult and sad time for their friends, families and staff teams. We come together, as the wider BOCS family, to mourn the losses we have experienced over the last year and staff and service users continue to support each other to grieve and celebrate those we have lost.

The UK government's decision to make the Covid-19 vaccination a mandatory requirement for social care staff was a challenge for us, as a service. This decision provoked many discussions around principles and for some colleagues threatened to deplete our support staff workforce, during a time when the wider social care sector was already experiencing significant staff shortages. In any event there was a subsequent last-minute rethink from the UK government despite great deal of preparatory arrangements the service had undertaken a great deal in planning for the mandatory vaccinations.

The Brothers of Charity Services in Liverpool service area continues to strive to fill any voids in a timely manner, however, this year has seen a marked increase in the number of voids. This has been partly due to us sadly losing some clients this year. Commissioner strategies in moving to a 'core and cluster' approach to supported living has also had an effect on our void levels we continue to work hard to carry out admission assessments, liaise with Commissioners and other parties to ensure that bids for care are submitted and new clients are placed in the best homes for their needs.

As Commissioners continue to face budgetary pressures, this in turn, continues to impact our service. The year 2021-2022 has seen Commissioners continue to make reductions in hours of support, where they can. We continue to liaise closely with the council in such decision making, positively challenging where needed and advocating for our service users.

The Brothers of Charity Services in Liverpool continues to advocate for those of our clients who require property repairs, upgrades and refurbishment. Because of the Covid-19 pandemic, some of our service users continue to face significant delays in much-needed work being carried out by Housing Associations. We continue to work closely with them so that such work is carried out in a timely manner.

The wider social care sector has faced significant challenges this year with regards to recruitment and retention of support staff. Like many other organisations, we have faced increased difficulties in attracting and retaining support workers to our service. Various issues have added to this challenge, including the pandemic, the original government mandate for vaccination status of all support staff, and as the wider hospitality sector has reopened, we have lost some staff to this. We are pleased to be working with a new agency to help where staffing issues arise and we continue to work, alongside our colleagues within our recruitment team to attract new staff members.

Unfortunately, an added challenge this year, in line with the increased staff shortages, has been our need to use agency staffing at times. The Brothers of Charity Services in Liverpool has prided itself in our ability to retain a stable and consistent staff team for many years and this year has been the first in a long time, where we needed to call upon the help of a staff agency.

Some of our service users continue to contend with increased hospital waiting lists, following the pandemic. As well as this, we continue to face challenges in securing GP appointments for our service users, as local GP surgeries also contend with the backlog of patients needing care. We continue to advocate for our service users and we liaise with other health professionals and external agencies to ensure our service users receive the best provision of health care as they need it.

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Report of the Trustees (continued)

Innovations:

The continued UK Covid-19 vaccine drive has proved an integral part of helping our service users and staff resume a more normal way of life after the high infection rates experienced within our borough. As a service, we worked closely with the local authority and CCG to advocate for our clients and support them, and our staff, in accessing the Covid-19 vaccine, should they wish. Thanks to the high uptake of the vaccine across our service users and staff teams, many of our service users have been able to enjoy much more freedom, getting back to doing the things they love, and the infection rate across the borough (and the risk of Covid-19 outbreaks within our service) hopefully becomes more a thing of the past.

As a service, we are pleased to have been able to purchase a bungalow for one of our service users, who was experiencing increased gang-related activity around his previous home. We are proud that, our organisation was in a position to secure a new home for this service user and we supported him to move to a safer and happier area. The Brothers of Charity Services' purchase of the property helped to ensure that our service user can enjoy a new 'forever' home.

Many of our service users have been able to access the continued innovative work done by our Regional Advocacy and Community Engagement Team. Thanks to the Regional Advocacy and Community Engagement Team, many of our service users have been taking part in regular service user-led meetings, enjoying trips out and various communal and social activities.

Celebrations:

We continue to work hard to ensure all voids within the service are filled and a financially viable service is delivered. We are facing significant challenges in this but we are pleased that this year, we have welcomed some new service users to our area. Our teams have worked hard to ensure a smooth transition for these new members of our wider BOCS family and they have settled in well, made new friends and have started to meet their goals and aspirations, with the help of Brothers of Charity Services support staff.

This year has seen some much welcomed uplifts to the hourly rate Liverpool City Council are offering to providers. This helps us to fully recognise and reward the valued work of our staff teams as well as hopefully going some way to us attracting and retaining more staff.

Many of our traditional Christmas celebrations have been halted due to the pandemic but we were happy that, this year, the easing of restrictions allowed small groups of our service users and staff to mark the occasion together again. Some of our service users also enjoyed being able to again go home and celebrate Christmas with the families and loved ones.

Some of our service users have once again been able to plan and enjoy birthday celebrations, holidays, days out etc. Our staff team continue to work hard to ensure all service users fulfil their aspirations and dreams. Highlights for some of our Liverpool service users this year include: trips abroad and in the UK, impressive weight loss achievements, football games etc.

This year has seen the creation of some new, extra capacity management positions within the Brothers of Charity Services in Liverpool. We have now welcomed extra Senior Area Coordinators and Area Coordinators to the service. They are all very welcome and help to develop a robust management team and a continued high quality service for those we support.

We strive to celebrate our staff's dedication, and thank them for their continued hard work frequently throughout the year (as best we can during the ever-changing Covid 19 restrictions that we have faced). From goody bags, branded clothing and Easter treats to water bottles, vouchers and bonuses, wherever and whenever we can, we demonstrate how much our staff are valued and we mark the achievements and successes of them.

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Report of the Trustees (continued)

The Brothers of Charity Services in St Helens & Knowsley Annual Trustees Report – 2021 / 2022

For the financial year ending 31st March 2022, the Brothers of Charity Services in St Helens and Knowsley continued to show positive growth and development throughout. Across the service area we have delivered around 5,500 hours of support to 73 Service Users who all have varied needs of care. By delivering this support it has enabled us to reflect on a number of achievements, celebrations challenges and innovations across the service area.

Achievements:

As a service area the Brothers of Charity Services in St Helens and Knowsley have managed as a team to continue to get through the Covid-19 pandemic and all the challenges that were faced during these times. The area managed to maintain safe and effective services and this was successfully achieved by the Senior Area Co-ordinators, Area Co-ordinators, Team Leaders, Lead Support Workers and Support Workers by effective team working with existing and new staff members, all pulled together by being flexible and covering additional shifts.

The Brothers of Charity Services in St Helens and Knowsley have also managed to maintain the health and wellbeing of the people that we support by supporting them with Covid-19 vaccinations, and working with outside agencies to ensure that our service users had the best possible protection against Covid-19. Alongside this, we have also ensured regular testing of our service users and staff and management teams have followed all guidance in place with the effective use of Covid-19 advisories, provided by our health and safety team.

From the beginning of the pandemic the management and administration team have ensured that all locations have been kept fully stocked with the required PPE to enable our support teams to provide the safest care to our service users during the pandemic. Monitoring from the Health and Safety team and the Care Administration team has also supported the area with ensuring all locations have maintained PPE stock levels.

As a Service Area we have continued to maintain positive relationships with our Commissioners throughout. We continue to represent the Brothers of Charity Services at Partnership Board meetings, Provider Forums and other local Authority forums via Teams which have enabled us to keep up to date with any changes made within the local authority. By attending these forums, it has allowed us to gain any advice and feedback required from each local authority and put any actions into place. We have provided the local authorities with regular Covid-19 updates and worked alongside their infection control teams when there have been any new cases.

We have participated in the Investors in People Annual Review and maintained our excellent Gold Standard. We also maintained full compliance within our Customer Service Excellence. The people we support, alongside their families, outside agencies, our support staff and management have enabled us to reach these accreditations, which is a great achievement for the Brothers of Charity Services in St Helens & Knowsley.

The Brothers of Charity Services in St Helens and Knowsley have continued to assess potential new service users for the organisation and have managed to do this safely throughout the Covid-19 pandemic. We have successfully moved new service users into Old Colliery Road, Higher Road and Portico Lane. The management team have worked with the local authority to aim to keep voids to a minimum.

The Brothers of Charity Services at Higher Road, our Assessment Unit, has continued to welcome new service users into the organisation and given them an insight into the amazing support that Brothers of Charity offer. Through the continued success of Higher Road, the staff teams have worked with each individual, promoting

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Report of the Trustees (continued)

their independence and daily living skills, whilst at the same time assessing their needs. This has allowed us to look at our other voids across the Merseyside Service Area and support service users into their new homes.

We have also continued to strengthen our support teams, in line with the increase in support hours being delivered, where service users' needs have changed or we have introduced new service users to the organisation. Although this has presented a challenge during the pandemic, by working in partnership with the recruitment team we have employed a number of new starters, who we know will be an asset to the organisation and enhance our service delivery.

The Brothers of Charity Services in St Helens and Knowsley has welcomed an additional Senior Area Co-ordinator and Area Co-ordinator. This has enabled the management team to be more effective with carrying out their roles and responsibilities and ensured we have continued to deliver the highest possible care to the people we support. With the addition of these Co-ordinators it has shown that the St Helens and Knowsley Services continue to work as a joint management team. The area collectively meets on a regular basis to discuss any potential business opportunities and any issues across the area. We have maintained a consistent and more collaborative approach to the services that we deliver.

We have continued to show excellent examples within the areas of care compliance, and the local management team have consistently worked hard to meet the required levels of compliance under their areas of responsibility. The feedback overall has been positive, showing examples of good practice, accurate record keeping and documentation. The high levels of compliance showed that the care and support services that we deliver are safe, caring, responsive, effective and well-led.

Family and service user's questionnaires were distributed across the area and the services received good feedback. Service users and their families commented on how person centred the staff were and how service users had a great quality of life. Any actions from the questionnaires have been circulated and acted upon.

A number of our staff members have achieved long service awards as well as 100% Attendance awards. This demonstrating the commitment by our staff teams to continue to deliver consistent high quality support and has shown that they are able to learn and adapt to change in need and the environment, particularly during the Covid-19 pandemic.

The Brothers of Charity Services in St Helens and Knowsley have worked hard over the past year to maintain high levels of compliance in Care Quality, Health & Safety, Learning & Development and Supervision. This has been supported by the wider regional support teams providing good quality transactional reports.

Challenges:

During the continued Covid-19 pandemic, we continued to face challenges with new and different variants of the virus and how this had affected our service users and staff members. We have continued to work alongside Public Health England and the infection control teams across the Local Authorities. The Covid-19 advisories that are regularly distributed, allowed staff teams to be updated with the constant change in guidance. Throughout the whole pandemic, the service area continued to face rises in staff absences, although with the support of the HR team, we were able to manage staff absences in an effective way.

Access to outside services and medical professionals also became more limited throughout the pandemic, with a lot of discussions/meetings taking place over the phone or video call. However, staff teams continued to ensure that all our service users' needs were met. A number of service users' mental and physical wellbeing was affected during the pandemic, due to changes to their routines and everyday life being drastically changed and at times, our service users not having full understanding as to why they could not carry out their normal activities. The continuous change in guidance around being able to go out and stay at home, was difficult for our service users to comprehend.

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Report of the Trustees (continued)

Local Authority reviews have continued to take place and have continued to look at ways to reduce levels of support for individuals. We continue to advocate strongly for the people whom we support to ensure their needs are correctly assessed and to maximise the amount of support hours available to them. The service area, collectively have noticed any change in service users' needs and acted upon them, through contact with the relevant agencies.

Due to competition from other sectors we have had a number of staff members resign from their positions within the Brothers of Charity Services, which at times has had a huge impact on staffing teams. Working alongside recruitment, they have targeted certain areas and locations to encourage people to join the organisation. The number of leavers, as well as staff absence has had a significant impact on the service area, which has meant that we have had to use agencies to support with shift cover.

We have had a number of hospital admissions across the area, due to various health concerns for the people that we support. This has presented a challenge due to restrictions around hospital visits and service users being unfamiliar in their surroundings. During these times, staff maintained contact with hospital teams and ensured that safe discharges were planned and managed in an effective way.

Innovations

Staff teams across the Brothers of Charity Services in St Helens and Knowsley have thought of new and innovative ways to keep the clients happy and stimulated during periods of lockdown throughout the pandemic. Staff teams have also followed all guidance in place to ensure that the people we support have been safe when restrictions have been lifted.

Managers across the area have completed Mental Health First Aider courses, organised by the Learning and Development Team to support any staff members that may have any issues around their own mental health or the mental health that the people we support. As there has been an increase in people with mental health issues that have arisen during the pandemic, this training has been vital to maintain the health and wellbeing of our staff teams.

In order to maintain our services, the management teams have been using different online platforms to continue the work that we do. This has meant that managers have continued worked remotely and have been using Google Meets, Zoom, Microsoft Teams etc. to conduct meetings, attend meetings and training sessions to provide the same level of consistency to the people we support and their staff teams. The online platforms have also continued to be used to conduct interviews and discussions with outside agencies.

Amongst the Brothers of Charity Services in St Helens and Knowsley management team we have maintained a positive relationship with one of our main housing associations (Onward Homes) and have met with the housing officer on a quarterly basis. This has ensured that housing and health and safety issues have been rectified in a more efficient manner.

Celebrations:

Many of the people we support have enjoyed birthday celebrations via Zoom, in house activities, days out etc. Our staff teams continue to work hard to ensure all service users fulfil their aspirations, ambitions and dreams.

Staff teams have been very creative in providing individualised person centred support to our service users.

Staff teams across the service area welcomed Brothers of Charity Services branded clothing and water bottles and felt greatly appreciated for all their hard work and commitment by the Services.

At Easter all the staff teams each received their Brothers of Charity Services Easter Egg treat, which again was greatly appreciated and all staff thought it was a wonderful gesture.

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Report of the Trustees (continued)

A number of our service users were finally able to spend Christmas and generally more time with their families as Covid-19 restrictions begun to lift.

We have continued to receive a number of new client referrals to the service area, which at times have been recommended by others, this has shown the continuity and consistency of the Brothers of Charity Services and the reputation it upholds.

Staff welcomed the news of the pay increase and it has certainly lifted morale and will hopefully enable us to get some vacancies filled

The Brothers of Charity Services in Thingwall Annual Trustees Report – 2021 / 2022

Within our Brothers of Charity Services in Thingwall Supported Living Services we have 10 supported living properties. The service supports 41 supported living service users.

Achievements:

In March 2022, Paul Jones (Head of Services) was awarded his CQC Registered Manager status for the services. This means that he can join Darren Orme, in a joint Registration for the Brothers of Charity Services in Merseyside. This helps to ensure that there is always a registered manager present within the Merseyside services.

Throughout the year, the Brothers of Charity Services in Thingwall has been successful with many of our bids for care as well as receiving many direct referrals for new service users from the authority. This has resulted in us welcoming new clients in to the service and is a reflection of our ongoing close working relationships with the local commissioning authority.

One of our properties, Woodview Court (which is split into individual self-contained flats) has been completely refurbished this year. The flats now boast new kitchens, bathrooms, new flooring etc. and our service users are enjoying their newly refurbished homes. Whilst this work was undertaken, the service users of Woodview Court temporarily moved to another of our redeveloped properties, Rowan House (6-10). The service users and staff teams demonstrates great patience and perseverance in making this temporary move whilst works were undertaken. Now they have all returned to their newly refurbished flats. This now also frees up Rowan House (6-10), a series of en-suite bedrooms and communal living areas, for us to offer to any new service users who might be suitable.

This year, Merseyside Fire and Rescue Services have continued to rigorously inspect all our Thingwall Hall located Support Living properties for fire safety. They have been happy with Brothers of Charity Services documentation as well as the precautions we have in place to ensure the safety of our service users and staff.

We were pleased to be able to expand our management team this year, welcoming an additional Area Coordinator – we look forward to welcoming the successful candidate to the team.

Family and Client Questionnaires were sent out to the relatives and clients across the Thingwall Service area. The feedback was very positive, with many complimentary comments about the high quality services that we deliver.

Social care as a wider sector has been impacted by staff shortages and staff absences and in relation to ensuring safe staffing the Brothers of Charity Services in Thingwall are pleased to have secured the services of a local staff agency. Wherever possible, we will always seek to ensure continuity of care for our service users, but we are happy to be working alongside some highly skilled and dedicated agency staff, who are available to help if and when last minute staff shortages affect our service delivery.

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Report of the Trustees (continued)

We continue to foster good working relationships with Commissioning teams in the local service area. We attend regular contract meetings with the commissioners, where we have the opportunity to discuss voids and new services. This has proven a valuable source of information, best practice sharing and helps to ensure that commissioners think of our service as and when new business arises.

We have developed some positive new relationships within Wirral Borough Council this year. Although we currently only have one Wirral-funded service user within our Supported Living service, we hope that our close relationship with the Wirral commissioning team will serve to open new doors for us, in terms of future opportunities.

Perhaps one of the most celebrated achievements across our sector has been the way in which we have now been able to resume more normal activities following the pandemic. One of our greatest achievements has been to see so many of our service users and staff being able to access the vaccine drive, locally spearheaded by one of our Community GPs, and more and more of our service users have been able to enjoy their usual hobbies and interests. We are so pleased to see our service users enjoying their community once again and being able to spend time with their family and friends once more.

The Brothers of Charity Services in Thingwall Supported Living Services management team have consistently worked hard to ensure that the locations within the area remain compliant and deliver the highest possible care to the people we support. Regular quality monitoring inspections, in care and health and safety, have been carried out across the area and these have been invaluable in highlighting our strengths and examples of good practice. They are an important tool used by the staff and management teams, to alert us to key areas where we can continue to improve further to ensure the highest standard of care is delivered at all times. The quality monitoring process (which also includes self-compliance reporting), has helped us, as a service area, to ensure consistently high levels of compliance at all times.

Challenges:

Due to the age of some of our longest term service users, we are very sad to say that we have lost a number of our service users over the year. This has been a difficult time for fellow service users, families and the Brothers of Charity Services support teams who have worked closely with them for a long time. Our support teams have worked with great professionalism, care and compassion during some very sad times. Several of our staff teams have delivered palliative care to service users who were nearing the end of their life. These teams ensured that they continued to provide excellent, personalised care to these service users, who returned home to receive end of life care. For some staff teams, this was something that they hadn't experienced before but each staff member emotionally supported one another to ensure that the care received by the service users was of the highest standard in their final days.

Filling the voids within the services continues to be a challenge for the Brothers of Charity Services in Thingwall. Management staff colleagues are in frequent contact with commissioners to ensure that they are fully aware of our voids and to request that this remains a focus for them. We also attend regular providers' meetings and discuss our voids with commissioners, helping to ensure they consider our service when new opportunities arise.

As with recent years, commissioners continue to face stringent budget constraints and these continue to affect our services. Regular reviews of our service users' support hours have been carried out by commissioners, with a view to making hours efficiency reductions where possible. We continue to advocate for our service users and continue to act in their best interests and protect and preserve their funded hours wherever we can.

Brothers of Charity Services in the United Kingdom

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Report of the Trustees (continued)

This year we have experienced greater difficulty in recruiting support staff to the service (this appears to have been experienced across the whole sector). We continue to work closely with our BOCS Recruitment Team to ensure that vacancies are advertised and safe employment protocols are followed as efficiently as possible, to fill vacancies as quickly as we can.

A continuing challenge remains the length of time taken for housing associations to complete repairs and works upon the properties as needed. The pandemic has undoubtedly added to these delays, meaning some service users are waiting longer times for works to be carried out. The Brothers of Charity Services in Thingwall management team continue to work closely with the Housing Associations, ensuring that all works are recorded and chased up on a regular basis.

Innovations:

Rowan House (6-10) at Thingwall Hall is now vacant and available for us to offer to local authorities, for suitable service users within the boroughs. We look forward to welcoming some new service users to our wider Brothers of Charity Services family.

Many of our service users have been able to access the continued innovative work done by our BOCS Regional Advocacy and Community Engagement Co-ordinator. Thanks to our BOCS Regional Advocacy Team many of our service users have been taking part in regular service user-led meetings, enjoying trips out and various communal and social activities.

We continued to advocate and support for any of our staff or service users who wished to access their Covid-19 vaccinations and/or boosters this year. Notably, our local CCG helped us to deliver vaccine clinics on site. We also worked together with local GPs, nurses and pharmacies to deliver a flu vaccine clinic at Thingwall Hall.

As a direct result of the country's response to the pandemic, we are pleased that the UK Government has confirmed funding for PPE for Social Care until 2023. The BOCS managed to secure sufficient PPE early in the pandemic, and continues to supply all our support staff with supplies of PPE and managers follow a service-wide process in ensuring that PPE stock levels remain sufficient in all our properties.

Celebrations:

We are pleased to see so many of our service users being able to enjoy a more 'normal' way of life, following the easing of lockdown restrictions. Our service users are, once again, enjoying very active social lives, engaging in the local community, attending various activities and booking holidays and days out.

Many of our Thingwall Supported Living service users have marked special birthdays this year, with many of them being able to now plan and partake in parties together with friends and family, and many of our properties have organised and enjoyed communal celebrations such as football matches, Halloween parties, BBQs, garden parties (and some are busy right now planning their upcoming Jubilee celebrations).

This year has seen some much welcomed uplifts to the hourly rate of pay being offered to providers by Commissioners. This is a much welcomed increase which helps us to fully recognise and reward the valued work of our staff teams.

Knowsley Council Quality Monitoring Team carried out a desktop quality monitoring audit of our service this year. This was a rigorous activity, assessing many areas of the care delivery. Policies and procedures, as well as key areas of care delivery were assessed. We provided the council with all of the evidence they requested and received some very positive feedback from this process.

Brothers of Charity Services in the United Kingdom

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Report of the Trustees (continued)

Although we have not yet been able to resume our normal staff recognition events, such as the Awards Ceremony, we have still continued to celebrate the achievements of our staff in many ways. Our 'Go the Extra Mile' monthly nominations mark an opportunity for staff members of all levels to be recognised and thanked for their work 'above and beyond'. Staff have also been treated to goody bags, branded clothing. Easter treats and vouchers by way of a small token of appreciation and thanks for all they do. Several of our staff members also marked their long service achievements recognised and rewarded by our BOCS 'Long Service Awards' with us this year and their loyalty to our service is admirable and much appreciated. We recognise the high levels of care, professionalism and frequent examples of them going above and beyond for the people we support. We strive to celebrate our staff's dedication frequently throughout the year.

This year, our service area has received several compliments. Social Workers, family members and other health professionals have passed on various thanks and compliments about staff teams and individual staff members within our service area. Where such feedback has been received, we ensure that staff members are always made aware and thanked and recognised for their hard work. One particularly example this year came from a Social Worker who we work closely with. She wrote to us to commend a particular staff team, who she had witnessed supporting one of our service users. She stated that she was "visibly moved" by the care she had witnessed our staff team delivering to one service user and by the progress that this gentleman was making due to the dedication and commitment of our staff.

The Brothers of Charity Services in Lancashire Annual Trustees Report – 2021 / 2022

At the end of the financial year 31st March 2022 the Brothers of Charity Services in Lancashire had continued to develop, the overall service is currently delivering approximately 10,000 hours per week to 156 individual Service Users.

Each service user is unique, the service provided is tailored to incorporate individual need and the support provided is based on a person centred holistic approach. The services in Lancashire are provided to meet the needs of people with varying support requirements. We continue to be creative in our approach to ensuring that support can be flexible and adapted to meet service users changing needs and requirements throughout.

There have been many achievements and celebrations this financial year, although the constraints and challenges associated with the Covid-19 Pandemic have made these achievements even more notable. The many achievements, and celebrations are testimony to the dedication and commitment of the wider team within the Brothers of Charity Services in Lancashire.

Achievements

In June 2021 The Brothers of Charity Services in Lancashire Supported Living Service received a 'Good' score following their full compliance inspection from the Care Quality Commission. This is a fabulous achievement and reflects the high standards of person centred support provided by the dedicated and committed support teams. The positive outcome also is testimony to the quality management processes and the adherence to evidencing good quality care in and around the Brothers of Charity Services in Lancashire. The overall score is important and extremely valuable in that it clearly illustrates both a significant level of care quality which positively reinforces the position of the Brothers of Charity Services as a preferred supplier of the Lancashire County Council Framework. The Brothers of Charity Services in Lancashire management and care teams will always strive to work towards achieving 'Outstanding' in all areas.

As a service area we have maintained positive relationships with commissioners such as Lancashire County Council. A reflection of this was the successful application for inclusion to the Lancashire County Council Approved Provider List. The development of the Annual Service Development Plan is currently ongoing,

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Report of the Trustees (continued)

although this achievement has created the opportunity for potential business development within the grounds of Lisieux Hall and also the effective management of existing vacancies within properties in the local community.

In September 2021 Investors in People (Gold Standards Framework) undertook a full reaccreditation review of the Brothers of Charity Services in Lancashire area. The outcome of the accreditation was highly impressive. The areas reviewed were- Customer Insight –The Culture of the Organisation – Information and Access – Delivery and Timescales and Quality of Service. The positive outcomes demonstrates excellent customer service and is testimony to the high standard of service provided in the Lancashire service area.

We have continued to develop our strong working relationship with Lancashire County Council Commissioning Team. Weekly virtual meetings with the commissioning team have had a fundamental impact to more effective void management. These meetings have enabled us to develop and establish an effective strategy for active management of existing vacancies. Vacancies within existing properties are now minimal and a plan is currently ongoing which projects that all properties will be at full occupancy within the Financial Year 2022 /2023.

Despite the challenges relating to the Covid-19 Pandemic we have continued to attend Partnership Board meetings and other local authority forums via virtual methods. This has enabled us to be kept aware of changes being made within the Local Authority and also ensure we are working to Government guidelines at a local and national level. Virtual meetings have also created an improved platform for communication between both external and internal department within the business.

Four Service users have been supported to move into service vacancies situated within properties within the ground of Lisieux Hall. The Oaks, The Beeches, The Chimes and Sacred Heart are now all at full occupancy.

There have been some changes to the operational care team structures including introducing very welcome extra capacity into the care management team. As such there are now two Heads of Services roles along with 3 Senior Area Coordinators supporting the Area Coordinators, Lead Support Workers and Care Staff Teams. The Brothers of Charity Services in Lancashire team have worked consistently hard to ensure that the locations within the area remain compliant and deliver the highest possible care to the people we support. We have adopted alternative methods to ensure that communication between the wider team remains consistent, weekly team briefings and Monthly management team meeting are facilitated remotely.

We now attend monthly virtual meetings to discuss in length with Lancashire County Council current voids within the Lancashire Services.

Throughout the year, due to the resilience and commitment of the support wider team we were able to respond effectively and efficiently to manage the impact of the Covid-19 pandemic. This involved effective partnership working with other business functions and robust contingency planning, ensuring that 'Trackers' are updated by the management team.

There has been a notable increase to the overall compliance relating to Learning and Development. Due to the constraints of the Pandemic, all face to face training has been delivered remotely via our BOCS E-learning platform. This alternative approach to delivering training has now become an established aspect of the service framework and the feedback from staff and also external partners has been very positive. We are now starting to reintroduce face to face training which in turn has been given a great response to all staff over the Brothers of Charity Services in Lancashire. We have had great feedback from staff, letting us know how much they enjoy Face to face training.

Brothers of Charity Services in the United Kingdom

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Report of the Trustees (continued)

Several members of our staff team have achieved Long Service awards. One Support staff colleague and one of the Care Management team have recently retired after 30 years' service at Brothers of Charity Services. This achievement demonstrates the commitment by our staff teams to continue to deliver consistent high quality support and they are able to learn and adapt to change to people's needs and the associated environment.

The weekly Covid 19 testing for support staff and 28 day testing for service users has had positive outcomes. The take up of the vaccine has also been very positive and two thirds of the workforce in Lancashire are reported to have had both doses of the vaccine.

Service users have also been actively encouraged and supported to access the vaccine where applicable. The majority of service users have now had their second Covid-19 Jab and Booster. Appointments are now being made to have their 4th.

Challenges:

At the onset of the financial year 2021/ 2022 there was a number of vacancies (voids) within established tenancies. Following a focused and determined approach by the Brothers of Charity Services in Lancashire management team there are realistic plans to significantly reduce these, and a clear strategy has been agreed to achieve full occupancy by the end of the financial year 2022/2023. Lancashire County Council have now adopted a positive approach to the commissioning of services to tenancies within the grounds of Lisieux Hall.

Due to an ageing population, and also due to the impact of the pandemic sadly we have lost five service users within the Lancashire service area. This has been very distressing for us all and assistance has been provided to the support teams and we have remained in close communication with family members. Staff past and present attended the funerals to offer their condolences and to share stories and memories.

There have been particular challenges this financial year in relation to staff retention. This has had a challenging impact to the physical staffing resources and consequently has led to a high amount of agency use. A concentrated focus has been given to a review of the existing Bank Support Worker Team. We have recruited new Bank Staff colleagues and we are working closely with the Brothers of Charity Services Recruitment team to ensure that the vacant staffing hours can be recruited too. Retention is now improving and there are a number of new staff currently completing the on boarding process.

Throughout the numerous challenges the common factor has been that the overall workforce within the Brothers of Charity Services in Lancashire has remained committed and absolutely dedicated to ensuring that the service users receive high quality support services. The introduction of the increased hourly and sleep in rate for all our staff colleagues has had a massive impact on staff morale and will hopefully bring more staff into the service

Innovations

The Brothers of Charity Services in Lancashire management team have recently undertaken professional workshops with the Lead Support Workers, the professional workshops focused on the completion of Quality Assurance documentation and also other compliance aspects of the role. Our Lead Support Workers are a key and crucial part of the management structure and this additional support and training offers further support and encouragement for future succession planning.

There are a number of our staff who received nominations for 'Going The Extra Mile' at various times throughout the year. The nominations were primarily for their commitment and reliance relating to supporting service users and Brothers of Charity Services throughout the Covid-19 Pandemic.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Report of the Trustees (continued)

In response to feedback from family members we have developed a 'Family Forum'. Friends, Relatives and Representatives of the people we support are invited to attend quarterly meetings to discuss and share their ideas and feedback with the Brothers of Charity Services in Lancashire Management Team. The outcomes from the meetings are shared at a Senior Management Level and the ideas and suggestions are used to support future business plans and quality improvement.

Celebrations

The Staff within the Brothers of Charity Services in Lancashire all received an Easter gift, the chocolate crème eggs where very much appreciated and this was seen as a very kind and welcomed gesture by the Brothers of Charity themselves.

Many of the people we support have now stated to enjoy birthday celebrations, holidays, and days out. The staff teams continue to work hard to ensure all service users fulfil their aspirations, ambitions and dreams.

A virtual Christmas party was hosted by the Voice for All Advocacy Group and the service users from Sacred Heart and Windermere Drive said this was a fantastic party.

Lead Support Workers and Area Coordinators have been signed up to 'Skills for Care' which are split into different modules to promote developmental skills.

All staff have been provided with a selection of Brothers of Charity Services branded clothing items which where all very popular and staff have enjoyed wearing their new items.

One of the Services completed an 'Ascot Virtual Races Day'. Service users and staff wore there 'bets outfits' and the ladies wore hats. Everyone watched the races on the television and enjoyed a homemade buffet.

The Brothers of Charity Services Nursing and Healthcare Services Annual Trustees Report – 2021 / 2022

Achievements:

During the continued Covid 19 pandemic the Brothers of Charity Services Nursing and Healthcare Services have continued to implement policies and procedures to assist the home in protecting service users and staff, supporting them to feel the home is a safe place to work and live. Although there are financial restraints in this current climate the Brothers of Charity Services have ensured this has not affected the care provided and the health and safety of staff and service users has remained a priority with PPE and Covid 19 Guidance and support always readily available. We have continued to overcome personal anxieties to ensure service user's care has remained consistent and person centred. Families and loved ones have been centrally involved in the decisions made and in times of outbreak we have ensured the impact on the people has been minimal and necessary restrictions for the shortness possible period.

The Brothers of Charity Services Covid 19 Infection Control procedures put in place have contributed to service users feeling assured that their health and wellbeing has been protected fully throughout and this has promoted the ability to fight infection at such a volatile and personally challenging time in the pandemic. We have 20 service users in the home who are vulnerable due to their disability and co-morbidities. These service users have not required hospital admissions due to the pandemic and we are sure this is thanks to the close monitoring and support for individual health needs. The Brothers of Charity Services Nursing and Healthcare Services Team was chosen to pilot oxygen saturation recording as part of Public Health England research project. We were then invited to talk at a Public Health forum due to our knowledge and findings of the pilot.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Report of the Trustees (continued)

Recruitment:

We have maintained high levels of staff during the pandemic. Compulsory vaccinations resulted in 3 members of staff leaving the service. When the guidance was amended 2 members of staff returned to the Nursing services.

We have recently seen a number of staff retire following lengthy service with the Brothers of Charity Services and the recruitment of new staff has been a priority. Recently young members of staff have joined the team bringing ideas and encouraging the positive learning environment of the home. Staff are enjoying mentoring new staff and being part of their learning. The increase in staff pay has made it much easier to retain our staff.

Staff

We encourage innovation and learning. The aim continues to be clear communication and inclusion within the staff team. Every member of staff is encouraged to be involved and contribute to the day to day running of the home.

Student Nurses

We have welcomed student nurses back into the Nursing home. This promotes a nursing environment and ensures we, as a service, update knowledge and skills. Mentors continue to receive positive feedback.

Health and Safety

The Brothers of Charity Services Nursing and Healthcare Services Nursing Home team, Care Administration team and Health and Safety Department have worked together to ensure the Thingwall Nursing home is a safe place to live and work. We have worked to ensure everything available has been accessed and the priority has remained safety and comfort for staff and service users.

Training

We have facilitated training in the home by e-Learning and virtual attendance. Staff have completed mandatory training and specific training for service user's individual needs has continued.

Regulation

Again we have maintained The Gold Standard Award for Infection Control. Awarded by Knowsley Infection Control service confirming we are getting it right.

Following a number of reviews with the Continuing Health Care and commissioners the feedback has remained positive.

Development

The home has built a very positive relationship with Knowsley Continuing Health Care and due to this connection we have received a number of new contracts.

The Brothers of Charity Services Nursing home in Merseyside continues to develop in 2021/ 22. We have updated equipment to support service users to remain independent. We have purchased new lifting and handling equipment to compliment the overhead tracking in bedrooms. This equipment ensures comfort and security for service users with a wide range of disabilities.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Report of the Trustees (continued)

Challenges

The day to day running and operation of the Nursing home can be challenging at times. We support 20 service users with complex needs whom require person centred care. This can be a challenge, however it is a challenge the nursing home team are committed to and it is a rewarding and fundamental part of our day to day roles.

The risk of depriving service users of their liberty has been a challenge in the current Covid 19 pandemic. We support service users who lack capacity in relation to their care. During outbreaks and the need for isolation this can be difficult for service users and families. We continue to communicate with family members and ensure service users and their views are listened to. We also continue to communicate with commissioners and local authorities to ensure the service users and their best interests remain at the heart of all decisions made.

Maintaining individual health and wellbeing has been a challenge in the current climate. We have seen service users wait longer than usual for appointments and we have also experienced many cancelled appointments. We now have a weekly meeting via Zoom to ensure we have medical input at the earliest possible times.

Innovations.

The aim of the Brothers of Charity Services Nursing and Healthcare Services is to ensure we remain a service that promotes positive learning opportunities and motivated and skilled employees. The service will benefit due to this approach as it is essential to ensure that key values and facilitative learning are evident in the Nursing Home. We must ensure the knowledge we bring is research based and current. Clinical decisions are made as part of a Multi- disciplinary team and the service users are supported to reach their optimum health.

We acknowledge the importance of positive and respectful engagement for service users. It is essential to promote physical and mental wellbeing and we continue to aim for active days and meaningful activities. We ensure Birthdays and Special Occasions are celebrated and we recognised the importance of social inclusivity.

We will continue to be involved in the Brothers of Charity Services progressive and thoughtful initiatives that are always introduced for the benefit of the staff and service users. They have often improved the lives of the services and promoted staff wellbeing.

The team would like to see the Brothers of Charity Services Nursing and Healthcare Services grow to ensure we can accommodate more people with specific needs to receive the specialised care they require. People with Learning difficulties have few options when their health or mental wellbeing deteriorates. They also find themselves in hospital for longer than required due to lack of services in Merseyside. We would like to reduce this time significantly offering a safe place to recuperate and get back to health.

Celebrations:

We celebrated the reduction of social restrictions and are making the most of accessing community venues that the service users have missed. Risk management and the administration of the 4th vaccination to the vulnerable has ensured this can happen safely. We continue to review the risk and remain proactive.

‘Going the Extra Mile’ in our monthly reports promotes staff celebrations and it’s usually any excuse for a party in the nursing home!

Birthdays are always celebrated with the involvement of families and friends. We have recently celebrated an 81st Birthday. The client has been with the Brothers of Charity Services for 63 years. A further client has also celebrated his 96th birthday and has been with the service for 47 years. One other client has celebrated has celebrated his 75th birthday and has been with the service for 62 years.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Report of the Trustees (continued)

We celebrate new clients to the home who have settled and their overall wellbeing has improved. We have nursed service users to their optimum health and staff have remained committed and caring throughout the year.

The nursing home has a committed team who have worked tirelessly through the Covid 19 pandemic to ensure the standards are maintained and the service users we support remained safe. We continue to have minimal sickness in the home and staff feel valued due to individual bonuses, a rise in hourly rates and a number of recognition rewards facilitated by the Brothers of Charity Services. These initiatives have ensured staff feel appreciated at such difficult and demanding times.

We have celebrated together special occasions including Christmas and Easter and we have planned celebrations throughout the week of the Platinum Jubilee in 2022.

The Brothers of Charity Services in Greater Manchester Annual Trustees Report – 2021/2022

The financial year ending 31 March 2022 showed a continued growth of the Brothers of Charity Services in Greater Manchester as a very positive and respected service within the Greater Manchester region, delivering almost 908 hours per week to 83 Service users who have a diverse range of support needs from very marginalised communities, supporting each and every individual has helped us to reflect on a number of noticeable achievements, celebrations, challenges and innovations across the whole of the Brothers of Charity Services in Greater Manchester.

Achievements

In the past year we have participated in the Investors in People and retained a Gold Standard Award and we also participated in Customer Service Excellence and we were rewarded Compliance Plus which we were delighted to be awarded.

Claire Rowley who leads the Service passed her CQC interview and became the registered Manager for the Greater Manchester Services.

The past 2 years have been one of the most challenging years that the Health & Social care sector has had to deal with. The Covid-19 Pandemic has caused upheaval to all our service users and the wider BOCS Family. The Brothers of Charity Services teams in Greater Manchester have worked extremely hard to ensure all service users have remained safe in their home environments. We have ensured the delivery of key PPE to all the support workers on a weekly basis. We have also enabled support workers and service users to have the COVID vaccine booster as soon as it became available.

The Brothers of Charity Services in Greater Manchester has maintained a high level of Compliance in Health & Safety and Learning Development at 100% and the key performance indicator for Care Compliance has been maintained constantly above 99.5%. The Team here in Brothers of Charity Services in Greater Manchester have worked very hard to reach these high standards in care compliance.

Over the last year we have continued to provide staff with training via E-learning and Zoom. Staff have completed their QCF level 2&3 which they all passed with flying colours. We have now enrolled 8 new staff onto QCF level 2&3 and we have also enrolled our Team Leader onto the new Level 4 program. Senior Managers have completed Well Led training and all the senior staff have attended the Brothers of Charity Services provided Mental Health First Aid training. We now have 6 key staff who are all now trained in Mental Health First Aid to ensure appropriate knowledge and leadership in the workplace for staff suffering or at risk from mental health issues.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Report of the Trustees (continued)

As a Service we have gained and maintained real positive relationships with Bury Council, Rochdale Council and Stockport Council commissioners. We continue to attend Partnership Board meetings, Provider Forums and other local Authority Forums via Microsoft Teams which have enabled us to keep up to date with any changes made within the local authority and how this will affect our services as well as contributing to the continued growth of our service - and not only branding who we are and what we do - but doing it so positively in advocating the vision and values of the Brothers of Charity Services. These meetings will continue for now via Teams.

Staff recruitment and retention has also been a challenge, not only did we ensure that no agency has been used, with agency expenditure recorded as zero over this financial year, but we have managed to recruit and retain staff members in a very challenging recruitment environment. This has been achieved with the support of the regional management teams across the English services, working together and ensuring that not only effective recruitment is taking place, but also ensuring that the recognition for the hard work, flexibility, above and beyond attitude of the staff teams is celebrated.

Family and service user questionnaires continue to be circulated to relatives and service users across the Brothers of Charity Services in Greater Manchester. The feedback was very positive, with many complimentary comments about the high quality, person centred support that we deliver. Any actions identified from the service user and family questionnaires have been acted upon and feedback given.

We have managed to refrain from using any agency staff during the past year; this is due to excellent rota management and excellent recruitment and retention from the Team Leader and wider regional teams, the non-use of agency staffing leads to greater constancy of care, better outcomes for the people whom we support and a real positive impact on finances.

Challenges

This past year has been very challenging for our staff teams in the Greater Manchester Services, Administration teams have been arranging PPE packs for the staff on a weekly basis with Care Management teams have been delivering the PPE to all the staff and clients.

Clients who were to receive their support during Covid lockdown have now returned back to Brothers of Charity Services whilst any clients who were shielding and were unable to go out, attend day centres or see their families are all now enjoying the reunions with family and friends at the Day Centres.

Since coming out of the restrictions from Covid we have seen an increase in Mental Health issues with our clients and our staff teams, with receiving the Mental Health First Aid this has helped us to give the right support and to direct them to the right services.

Sadly, we have lost a number of service users across our service this year due to ongoing health issues and we have continued to support our staff during these difficult times.

Staff recruitment has been a challenge especially due to the pandemic with staff interviews being held over the Zoom remote communications platform. Our BOCS Recruitment Team constantly change and evolve our recruitment approaches to maximise the number of recruited staff coming into the Brothers of Charity Services to see if this will help with recruitment, CV searches are being completed on a weekly basis to reach out to people who have experience in many sectors that may want a career change.

Local Authority reviews continue looking at ways to reduce levels of support for individuals. We continue to advocate strongly for the people whom we support to ensure their needs are correctly assessed and to maximise the amount of support hours available to them.

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Innovations

A lot of our service users live alone and rely on their support from the Brothers of Charity Services in Greater Manchester not only for daily tasks to be completed but also as company and someone to talk to. Daily/Weekly Zoom activities have really helped keep connected with these service users so they can still see friendly and familiar faces across the Service when they would usually only be able to do this at coffee mornings and film nights which are currently on hold.

One major area of innovation over the past year has been how to best support our clients who had been advised to shield from Covid 19. Many have no family or relations and so rota compilation was used innovatively to ensure our clients safety and best interests. Social calls were restructured to both shopping calls and also support within the home, where arts and crafts and other activities took place ensuring the clients had enough food supplies and that they were kept mentally stimulated.

Celebrations

Greater Manchester staff welcomed the pay uplift which is greatly appreciated and felt valued for all their hard work and commitment by the Brothers of Charity Services.

All staff welcomed the Brothers of Charity Services branded T-shirts, hoodies and jackets, they all thought it was a lovely idea.

Our greatest celebration is that we have kept our staff and services users safe and minimised the spread and risk of Covid 19. During the pandemic we have only had one bout of Covid 19 which was contaged between staff members and clients in the Bury which we then addressed with donning full PPE when entering and supporting our clients which stopped the spread of COVID.

At Easter all the staff teams each received their Brothers of Charity Services Easter egg treat, all staff thought it was a wonderful gesture and very thankful for the gift.

We have started up drop-in sessions every Thursday and various clients attend them. They enjoy meeting new people and chatting whilst doing various arts and craft activities.

On Wednesday's the clients attend the local Snooker Club and have a few games of pool; this has helped some of the more isolated clients gain confidence in Social settings.

The Brothers of Charity Services Day Opportunities Annual Trustees Report – 2021/2022

The twelve months from March 2021 to April 2022 has been another challenging time for those attending and indeed working across the Brothers of Charity Services Day Opportunities in Merseyside and Lancashire, however in contrast to the previous year there has been a re- emerging sense of growing positivity as we regain the freedoms from the national restrictions of Covid 19, which has been very much needed and welcome.

The continuation of the Covid-19 vaccination programme has contributed significantly to the confidence of people using the service along with staff colleagues and as such we have focused on encouraging the safe return to social participation, integration and community engagement of those who were previously obliged or felt it necessary to stay at home throughout the pandemic due to health issues, associated vulnerability and increased anxiety levels due the impact of isolation over such a significant length of time.

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Our own strong and well -resourced organisational approach to health and safety throughout this period has given people we support and our staff teams the best possible environments in which to flourish and feel safe.

There are some former day service clients though, who through exercise of their own choice and control, have decided not to return back to Day Services engagement at all. Whilst this is sad we fully respect decisions made and take comfort in the fact that we have reached out to everyone to offer full assistance and assurance to return in a reassuring and person centred way.

We have seen a resurgence of interest from local commissioners, social workers and families who represent potential new clients wanting to try out our expanding and diverse day services in both Lancashire and Merseyside.

Positive, renewed relationships are building steadily and purchasers who see how responsibly we work come back to us with new business which is really gratifying to see and a clear sign of trust in us, as a provider.

We have begun to deliver 'Taster Days ' to give prospective and returning clients a chance to see how they feel about engaging back into day service support which have proven popular and helpful in establishing how a new attendee responds to their new surroundings, engages in activity, and enjoys the whole experience. The Taster Days have proved very popular and are much appreciated by those considering accessing day services anew and represents real commitment to choice and control and the provision of high quality flexible services.

The Brothers of Charity Services Day Opportunities Team has seen a very significant investment this year which will see it extremely well positioned to grow a modern and diverse service underpinned by skills and experience. The structural foundations are now in place and in the next financial year can begin commanding a much more robust income to ensure we remain efficient and sustainable. This will be monitored closely by the Day Opportunities Management Team.

In May 2021 we recruited a new post of Regional Creative Art Lead who follows in the footsteps of our newly developed post of Food Retail Manager, in terms of offering a consistent level of leadership and influence across both Merseyside and Lancashire.

Our Regional Creative Art Lead has since been providing a high quality specific Creative Art service which produces multi -media work - which is challenging and engaging for all involved - and has worked hard to build a team of competent and creative staff who lead dynamic Day Service sessions for a growing number of attendees interested specifically in Art, Crafts, Music and Drama, as well as growing a service where people confidently aspire , achieve, exchange ideas and gain confidence, as well as making friends and enjoying themselves.

Similarly the new role of Regional Holistic Therapist was recruited in December 2021 and once again, a well -qualified practitioner has brought her skills and knowledge to our service with immediate impact. Our Regional Holistic Therapist has developed an in-house holistic therapy provision to service users across the Brothers of Charity Services in Merseyside, Lancashire and Greater Manchester by both planned treatments, staff facilitated sessions and on the spot interventions as needed always in consultation with support staff and managers.

The Brothers of Charity Services Regional Holistic Therapy team has supported the delivery of our Staff Health and Wellbeing programme delivering staff wellbeing sessions across the region. Staff have responded extremely positively to the regular days on all sites where our Regional Holistic Therapy Team offers complimentary therapies such as Reiki, Aromatherapy and massage, and have reported feeling more relaxed, less anxious and generally better when they have attended the sessions.

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The Brothers of Charity Services Regional Holistic Therapy Team have supported positive future development plans for transforming the disused Gym space at the Thingwall Hall site in Merseyside into a dynamic and vibrant sensory space which can be utilised by more complex individuals and groups to offer a safe, accessible and stimulating environment which will also bring additional income to our organisation.

The Brothers of Charity Services Regional Holistic Therapy Team are now actively engaging with community groups who are keen to benefit from the wellbeing sessions and we are actively working in partnership with colleagues in the Art and Horticulture services to provide combined experiences which are beneficial to those we support. We also supported 2 external occupational therapy student placements early in March 2022 and under our guidance and supervision they achieved extremely good results with UCLAN tutors providing excellent feedback which once again evidences trust in us as a provider of excellent opportunities.

Our Brothers of Charity Services Grounds Maintenance and Land Based Services Team are maintaining and assuring diverse and meaningful horticultural based day services supported by strong teaching and horticulturally experienced staff team. Our Grounds Maintenance and Land Based Service Team have begun work with a regional perspective to ensure all clients across Lancashire, Merseyside and Greater Manchester Service Areas have equal opportunities to access horticultural services and gain knowledge about gardening, conservation and the environment.

The Brothers of Charity Services Grounds Maintenance and Land Based Service Team have begun working with local schools on education programmes to promote community engagement at the Walled Garden. This has raised the positive profile of Brothers of Charity Services and allowed our service users to become the experts on site, teaching local children gardening skills.

A Regional Vocational and Employability Lead has also been recruited and this completes the team. The accent on this latest appointment is to embed a progressive pathway through all our services so that people can keep growing, learning and moving on from our services into training and employment.

Our Brothers of Charity Services Food Based Enterprise Retail Team are planning development of a new modern café space in the present canteen at Thingwall Hall Resource Centre, which will give a very welcome uplift to the environment and attract new customers and therefore improve income streams. Focussing on the long term vacant Coach House at Lisieux Hall our Food Based Retail Team have identified this location as a suitable site for a potential food based outlet, the new developments will ensure spaces for more Learners and Apprentices in Catering and Hospitality, and will widen opportunities to showcase our Food Based skills to a new customer base. Our Food Based Enterprise Retail Team Lead's community engagement skills have seen them develop great partnerships and along with securing contracts for the provision of healthy school meals and they have overseen our Food Based Enterprise café outlets as they host positive community engagement initiatives such as Talking Tables- designed to help those suffering with loneliness and social isolation. The Brothers of Charity Services Food Based Enterprise Retail Team have also provided wonderful themed catering and afternoon teas to groups including the Mayor and local Councillors.

We plan to increase the rate of new Food Based Enterprise activity and developments in the Merseyside and Greater Manchester in terms of the palette of services people can access and this is a priority for the next Financial Year 2022 /2023.

Lancashire too, has lessons to learn from Merseyside in particular about standards, especially within complex care and achievement of healthy compliance results.

Regional cross working is beginning to be more regular and this is proving mutually beneficial and streamlined approaches have become more and more evident.

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As we move forwards, the team representing the Brothers of Charity Services Day Opportunities, whilst still operating in a difficult financial landscape, are always focusing on growth. We have the correct, effective operational teams to build the forward facing, safe, and financially stable services people need now, and for the future and with consistent monitoring and evaluation we are challenging ourselves constantly to do better.

In reflecting on the past year and the continued global impact of the Covid 19 pandemic we continue to live with the fear of a new and deadly disease which could affect clients, staff, their friends and families. The challenges of Covid 19 were immensely stressful to cope with and like many others, people we support found their mental and emotional wellbeing in jeopardy.

The sudden change of lifestyle and restrictions on liberty enforced by the Covid 19 pandemic was a real challenge for all of us but for vulnerable people, many of whom were at the highest risk of life threatening contagion, and some who cannot use words to communicate, this was incredibly difficult.

The Brothers of Charity Services Day Opportunities team were able to respond quickly and positively in addressing the national restrictions that were put in place following the subsequent UK Government mandated closure of Day Service provision across the country. However, in supporting the direct instruction from the UK Government to continue delivering key Supported Living and Domiciliary Care throughout Covid 19 we invoked our organisational Business Continuity Plan and actively supported the necessary transition of Day Service staff into Supported Living and Nursing services so that people cared for residentially were guaranteed a robust, skilled workforce providing essential support throughout Covid 19.

In support of the Brothers of Charity Services - as part of the essential social sector charged with maintaining the delivery of key social care support through Covid 19 - our Day Services staff teams willingly transferred their skills readily and smoothly, understanding that for them, as frontline workers, it was their place to do so. In respect of Covid -19 at the time, there is no doubt that for many of them, there was a real fear for their health, and that of their families, as well as those they were supporting.

This was the beginning to a very long period of being away from Day Opportunities - some, all these months later, have still not yet returned.

Government restrictions have meant that Brothers of Charity Day Services have had to respond to the financial implications of services stopping too.

Whilst some local Commissioners have maintained funding for day service users throughout, other commissioners have requested on-going and very complex information in order to receive partial grant funding. In addition to this impact on revenue Social Enterprises have lost trade and therefore income in locations which normally thrive, such as the cafes in Lancashire, have experienced reductions in trade and thereon trading income.

All in all, it has been a tough time financially and thankfully Brothers of Charity Services status in terms of its financial strength and reserves has been a blessing.

From a positive perspective and in accordance with the 'New Offer' mission to update and renew our Day Opportunities Service Development Plans we have embarked upon a programme of planned improvements which have focused on designing services which have a professional focus, with environments which are safe, spacious and compliant and fit for purpose in every way, delivering meaningful outcomes via a structured programme of activity and learning.

Sustainability is vital and so our proposals for development need to be well considered and financially viable.

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Following the phased reopening of Day Services, and in terms of ensuring and evidencing appropriate care Compliance standards to assure staff and clients around the delivery of safe services during the phased Covid 19 restrictions, we had to undertake a voyage of discovery in terms of finding key information, picking up the strands of service delivery and management one by one, and addressing problems and issues as we went along, with the support of our colleagues in Finance and HR in particular, more recently in Facilities Management and Health and Safety, always with guidance and direction from our CEO.

We developed business cases for new services, presented new ideas, and cleared out old premises for those which would not recommence. Within the new plans featured a new line of management and leadership which would form the basis of a new chapter for day services.

Simultaneously, service users were gradually beginning to return to our day opportunities in both Lancashire and Merseyside.

Key recruitment took place in Lancashire Services in the form of Robert Owen, professional chef, who would be tasked with transforming Food Based Enterprises.

Our Brothers of Charity Services Food Based Enterprise Retail Team set about going right back to basics, looking at the environment from a perspective of food safety/hygiene, assessing equipment, and devising new learning pathways for service users so they get tangible, developmental, outcomes as their skills increase and diversify. Our Food Based Team also took immediate control of stock order to ensure best value was being sought from suppliers and quantities matched output.

A new food hygiene regime was devised and embedded along with an EPOS (Electronic Point of Sale) till system to capture sales effectively and promote the inclusion of clients.

Month by month as service users steadily returned, this investment in Food Based Enterprises began to bear fruit, with attendees becoming more skilled in cooking and hospitality and customer sales increasing.

Our Brothers of Charity Services Grounds Maintenance and Land Based Service clients took advantage of working in the open air and – in more challenging weather conditions - sheltering in the fabulous and newly constructed poly tunnels as needed to give season in and season out availability of day service provision.

Creative artists continued to work on beautiful seasonal projects.

Over in Merseyside our Day Services team at the Resource Centre, along with the Team at the Hetherlow Centre were managing the return of service users to the centres with critical infection control measures in place always reflecting government legislation but echoed with robust local protocols and practices. The team worked closely and positively with commissioners to establish returns to Day Services were safe, appropriate and in accordance with service users wishes.

Christmas 2021 activities took place within strict bubble arrangements and with social distancing, extra cleaning arrangements and the use of PPE all in robustly in place. This was a challenging time but all efforts were made to bring joy to people who attended. Sadly though as we began the New Year 2022 it was evident that another national lockdown was inevitable due to a return of high levels of Covid 19 infection rates.

Winter 2022 brought the whole process of suspending Day Services and redeploying Day Service staff back into sharp focus in both Lancashire and Merseyside Service regions. Once again the redeployment programme was delivered efficiently and quickly across our Services, in response to government legislation and local guidance from commissioners.

During this new phase of Covid 19 restrictions, more focus was on the enjoyable day service activities we were providing remotely to ensure continuity of service for those who wished to engage via 'Zoom' sessions. This was a creative venture and in Lancashire our Brothers of Charity Services Digital Media Teams were

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Report of the Trustees (continued)

instrumental in delivering a whole programme of vibrant, creative and engaging activities to many clients across Lancashire and Merseyside Service Areas too. This not only ensured we kept in touch with people, but evidenced to our commissioners that we could positively adapt our service delivery when needed.

Once again and as Covid 19 restrictions once again receded, we turned our full attention to the future, and building modern services which embraced all the lessons which Covid has taught us, and offers space and light, and the right expertise to deliver meaningful outcome focused activities.

The renewed focus on health and wellbeing in January 2022 allowed us to address and ease the clear range of mental health and wellbeing issues affecting many stakeholders over the various phases of Covid 19 national and local restrictions in order to very positively support staff wellbeing and holistic therapy for service users. The Brothers of Charity Services Holistic Therapy Team, driven by well qualified practitioners bringing a wealth of experience allowed the Brothers of Charity Services the ability to bring a new focus for Day Opportunities by offering support services for those with anxiety, pain and sensory impairment therapies to aid relaxation, freedom of movement and confidence.

Our Holistic Therapy Team worked positively with our Occupational Therapy Student Programme to design a fresh new Therapy Room at Lisieux Hall which was created and brought to life by the Brothers of Charity Services Facilities Management Team and provides a private, dignified facility for 1 to 1 Holistic Therapy and Massage treatment. Our Holistic Therapy Team also embarked on a structured programme of Health and Wellbeing support for staff across the Lancashire, Merseyside and Greater Manchester Service Areas as well as participating in Zoom sessions to assist relaxation/relieve anxiety/give self -help tips. All these initiatives were very well received by our staff colleagues.

By March 2022 we were beginning to wake up Day Services again, as people tentatively returned, very much boosted by the vaccination programme and the addition and access of those with learning disabilities into the clinically extremely vulnerable vaccination category.

Following the advice and support of our Local Authorities, the UK Government and our own Brothers of Charity Services Health and Safety Team Guidance, we were able to continue operating safe service provision confidently with appropriate PPE, social distancing, cleaning regimes, temperature monitoring and the logging and reporting of information relevant to those who had been vaccinated, were self-isolating, or shielding.

At the end of the 2021 / 2022 Financial Year we began to focus on refreshing funding contracts with the yearly uplift applied, so that we were fully compliant with the commissioning process. Some staff from Supported Living returned once more to our sites.

Whilst there is no doubt that much of the year has meant being responsive, we have always managed to keep our eye firmly on the future and the possibilities of a new chapter for the Brothers of Charity Services Day Opportunities Teams, with standards of excellence , growth, and diversity our aims. The Day Services family is growing and we hope the momentum we are gathering will continue, and make the Brothers of Charity Services, and the people within them, proud.

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Report of the Trustees (continued)

Conclusion

Reflecting on another year of great challenge for all of us across the Brothers of Charity Services in the United Kingdom we give thanks for the efforts, patience and understanding of all our colleagues in addressing the continuing range of complex issues and pressures emerging in and around the social care sector. The range of material operational and stakeholders demands encountered and addressed by all our Care Delivery and Business Support colleagues across all areas of Service activity constantly requires great professionalism, innovation and determination to assure and resolve all our diverse stakeholders as the continued impact of Covid 19 - in changing and shaping the 'new normal' - raises constant new challenges for us to address as the Brothers of Charity Services continues its successful evolution through challenging times.

Looking forward via the continued progression of the Brothers of Charity Services Incorporation and Charitable Registration process our future structures, characteristics and services are being shaped and determined by the challenges inherent in identifying and meeting the much more varied shape of tomorrows care and support needs and increasing demands and expectations of new generations as we go forward. The forward planning of the Trustee Board and Senior Management Team partnership in preparing the way for the future through the great opportunities provided by the organisational refresh and reconfiguration through the effective progression and establishment of the new Service Company, the BOCS England, will mark another progressive and positive forward development for us all as we continue to prepare to meet and deliver the care and support needs of new generations of people requiring support along with developing and nurturing the future talent, skills and characteristics of our future workforce and leadership.

The BOCS England Incorporation and Charitable Registration process will allow the Services to ensure it is well placed to meet and exceed the expectations of our present and future stakeholders, embracing the future with great confidence, joy and positivism.

In closing the Chair and Trustee Board would like to express the great appreciation, respect and admiration for the incredible compassion, professionalism and resilience shown throughout our local staff, management and leadership teams as we continue to chart our way through very challenging times however in doing so we continue to – and will always - draw with great joy and reliance on the Ethos and Mission Statement of the Brothers of Charity to guide, strengthen and inspire our delivery and animation of our guiding Vision and Values as we chart new horizons, opportunities and challenges as a strong, resilient and healthy Service Team going forward

Strategic update and plans for future periods

Reflecting on both the great challenges and opportunities presented by the ever evolving social care sector the Trustees Annual Report will now consider and update on the strategic plans of the Brothers of Charity Services in England.

The UK and the World financial outlook now recognises that Living with Covid continues to define macro-economic policy in the long term as the cost of Covid – and in the interim the impact of the Russian Invasion of the Ukraine – dominates the national and global economic outlook. As we continue into 2022 the immediate economic upturn following the lifting of restrictions has tempered as we see UK GDP growth slowing, consumer spending squeezed, inflationary pressures dominating disposable incomes and, crucially, continued labour and skills shortages undermining both growth opportunities and day to day operating conditions in the social care sector.

A defining objective therefore of the 2021 – 2027 strategy has been to prioritise and recognise the distinct performance advantage and intrinsic value that having well skilled, well experienced and well-motivated staff can bring and both the organisational strategy and supporting business plan focusses on developing an

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Report of the Trustees (continued)

holistic approach to attaining and retaining key staff skills and experience to both support adherence to the Ethos of the Brothers of Charity Services and to drive the required organisational evolution as a person centred, care quality driven, compliance focussed and high performing organisation consistently generating and delivering care quality and valuable social and economic capital.

It is therefore key that the strategic organisational development of the Brothers of Charity Services focusses on retaining, enhancing and adapting its staff and the flexible skill base they represent in order to support and drive care quality, financial sustainability, appropriate performance evolution and planned growth into new operating environments both locally and across the United Kingdom in order to leverage and fulfil the very unique growth opportunities it has available to it. This will ensure that the necessary growth drivers and value engines are visioned and put in place for the next economic cycle and in doing so provide the key positive correlation and link between both organisational strategy and performance platforms to thereon ensure appropriate resource generation to meet growing organisational needs now and for the future generations of the Brothers of Charity Services' stakeholders.

Appropriately understanding future operating environments as they evolve through our continued transformation as a contemporary and future needs skills focussed employer will be essential in both navigating and succeeding in the emerging competitive environment in order to meet resource growth objectives.

Developing and encouraging key organisational attributes in order to attract and retain diverse generational ranges of staff skills and attributes with attractive career opportunities and pathways, flexible working and increased health and wellbeing employer support initiatives remaining essential tools in attracting and retaining talented neuro typical and equally importantly neuro diverse staff to drive care quality, new models of care and financial sustainability. It is important therefore that the Services adopt increasingly flexible and innovative divergent employment models to drive and support the continue the strategy of risk managed service growth supported by effective and creative revenue stream diversification, asset use maximisation, service development relevancy and underpinning cost management in delivering quality care.

In terms of growth opportunities going forward, and whilst public finances have in the short term been boosted with taxation receipts boosted by both economic growth and a buoyant labour market boosting income tax, corporation tax and VAT receipts, a persistent inflationary outlook, rising interest rates and higher taxes will continue to put pressure on public finances. The introduction of the Health and Social Care precept (Council Tax) and Health and Social Care National Insurance levy do provide a potential hedge for social care providers against public sector finance downturns and could thereon act to contribute to available public funding budgets therefore act as boost to the Brothers of Charity Services growth strategies.

Development strategies should therefore continue to create and progress business growth, revenue diversification and service development projects that effectively harmonise care quality, social value and economic growth and focus on delivering sustainable resource generation supported through ensuring the clear manifestation and unequivocal adherence of the Ethos and Mission Statement of the Brothers of Charity within the culture and characteristics of the Brothers of Charity Services. For example focussing on a true social enterprise model for service development adopting the social entrepreneur model to produce and deliver innovative and creative models and avenues of care and support that are focussed on and have the clear potential to relieve and provide social and economic value generation solutions to regional and local community based problems whilst generating commercial revenue streams.

Specific strategic development options and objectives in 2021 / 2022 are focussed as follows:

People Strategy Objectives:

- Develop the appropriate future facing 'People Strategy' policies and approaches to become a true 'Employer of Choice' in the social care and charity sector;

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Report of the Trustees (continued)

- Develop and Implement market appropriate, sustainable remuneration and benefits initiatives and policies;
- Proactively define and embrace new and creative employer approaches to flexible and remote working to support staff retention and employer attractiveness.
- Increased and structured organisational approaches to supporting positive physical and mental health and wellbeing staff and employer support initiatives;
- Ensure sufficient capacity in the structures, skills and experience at all levels of the Brothers of Charity Services to offer sustainable careers to existing and prospective staff;
- Develop and market structured career and attractive training opportunities and pathways geared to contemporary and future workforce demands and needs;
- Proactively define and embrace new and creative employer approaches to flexible and remote working to support staff retention and employer attractiveness.
- Development of geared workforce and Learning and Development strategies and initiatives focussed on increasing 18 to 23 staff intakes across all areas of the Services to build in future capacity, skills and organisational awareness of contemporary and future social contexts designed to remain a relevant service provider anticipating and understanding societal changes in Service need and demands.

Capital and Built Environment Development Strategy Objectives:

- Continued significant capital and revenue investment in the purchase, protection, augmentation and enhanced contribution from the United Kingdom Trust property platform currently utilised by the Services to ensure high quality care accommodation and work environments will continue to be provided supported and driven via professional property management skills.
- The transformation and expansion of the current rapidly aging configuration of BOCS owned domiciliary care properties to reflect a much greater diversity in contemporary, client attractive supported living and care delivery models utilising the following accommodation configurations indicated as follows:
 - Self-Contained Apartments in a shared support setting;
 - Bungalows in Community Settings;
 - Increased utilisation of lifts in current ageing properties;
 - Shared Flat Schemes.
 - Non-care appropriate BOCS properties to be retained and rented on the private market to support income generation.
 - Planned growth through targeted purchase of properties to support Supported Living Service establishment in Greater Manchester
- Continued purchase, lease and development of commissionable Trust properties as supporting property service delivery assets to support distinct, independent and very productive revenue streams to protect and augment the independence and sustainability of Trust Treasury going forward.
- Continued redevelopment of commissionable and non-commissionable Trust properties into commercial / private rents to support distinct, independent and very productive revenue streams to protect and augment the independence and sustainability of Trust Treasury going forward.

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Report of the Trustees (continued)

- The continued development of an integrated care village concepts at Lisieux Hall and Thingwall Hall under a future cohesive regional scale Development plan. Masterplan development via an appropriate professional consultancy for a care village design (de-institutionalisation) for Lisieux and Thingwall sites.
- The soft sub-urbanisation will allow the sites to continue to lose the label and look of 'Institutions' and instead adopt the look and feel of urban settlements or villages by the use of street name adoption, planting, village green, pedestrianisation and other urbanisation techniques. Introduction of social enterprises / microenterprises on site. Removal of commercial signage.

Service Development Strategy Objectives

- Establishment and expansion of new Cumbria and Wales & Cheshire based Service area focussing on development of ethos driven high care quality, compliant support services into these target development areas along with meeting increased population and development in these regions.
- It is envisaged that the continued development and effective management of the English Services IT infrastructure and system capabilities will act as a key enabling platform for Service growth for local, regional and national communication, cohesive development and cost efficiency. This includes continued development of the ITrent integrated Workforce Development system along with exploration of rota management and care planning systemisation.
- Children's / Transitional Services: The Services will explore the development and establishment of Children's / Transitional Services at Thingwall based on respite model initially which would of course require OFSTED registration.
- Future development of Day Opportunities and Social Enterprises via employment programmes and CaritaSE will act as the primary Service Development initiative both in terms of increasing the diversity and reach of the delivery of the Mission Statement into our day service provision and thereon wider community programme action but also to realise a much more effective generation of Social Capital and resource platforms for further English Trust distribution going forward.
- Service diversification and strategic response options to support new and dynamic support option to include the following:
 - Respite / Step Down Services at both Lisieux Hall and Thingwall Hall to support and relieve 'bed blocking' in NHS Services;
 - Supported Living: Development of a Supported Living service to add to the Domiciliary Care service in Greater Manchester;
 - Domiciliary Care: Development of domiciliary care services into the Lancashire and Merseyside Service Areas.
 - Supported Living: Revitalise and expand 'Specialist services' model in the form of an 'Extra Support' offer into our core Supported Living offer – this would include replication of the 'Higher Road' Model across the services;
 - Nursing Services Development: Potential Expansion of Nursing Provision at Merseyside to 50+ beds at Thingwall;
 - Day Services: Replicate Land Based Social Enterprise models into Thingwall;
 - Day Services: Replicate Roccoco Food Based Enterprises into Chorley, Thingwall and Bury;
 - Day Services: Development and Establishment of Land Based Day Services into Thingwall Hall;

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Report of the Trustees (continued)

- Day Services: Expand Community Gardens Team across the Regions;
- Day Services: Establish and Expand Employment Programmes across the Regions;
- Day Services: Expand Selection BOCS Outreach Model across the Regions;
- Holistic Therapy Centres: Establish Holistic Therapy Centre in Lisieux and Thingwall (Hydrotherapy / Physiotherapy / Complimentary Therapy) to support client and staff wellbeing;
- Development of Children's and Transitional Services across the organisation;
- Establishment of Day Service delivery into the Coach House at Lisieux Hall.

Corporate Governance / Structural Development Strategy

- In terms of the Corporate Governance / Structural Development Strategy the primary strategic objective of the progression of the Charitable Registration and Incorporation process for the BOCS England will require the definition and advancement of the appropriate legal and organisational arrangements for the development and effective establishment of two clear and distinct legal identities thereon enabling a formal, mutually beneficial organisational separation between the Charitable Trust and the Services through a facilitative Charitable Registration and Company Incorporation process will continue to be advanced.
- The Trustee Board will arrange that appropriate framework support, skills and resourcing is put in place to facilitate the practical progression of the Charitable Registration and Incorporation process for both the Trust and the BOCS England to ensure that the key legal and wider assurance measures are developed, agreed and put in place to enable, protect and assure the future distinct pathways and ongoing wellbeing both of the Trust as a distinct legal entity retaining its own charitable organisational objectives and mission whilst enabling the Services to become a truly independent, lay led and controlled commercial care provider – the BOCS England - going forward.
- Continued development of more effective and future facing flexible corporate structures and functions supporting the Charitable Registration and Incorporation process for the BOCS England will continue to be developed following the successful inception and continued development of shared service functions and cohesive shared service leadership.
- Collegiate leadership and supporting governance structures will be key to act as the primary driver of appropriate structural development initiatives for the BOCS England both in terms of increasing the positive engagement and reach of the Care Quality, Ethos and Mission Statement within and without the English Services but also to realise a much more effective, efficient and fully enabling strategic, tactical operational and resource platform for the United Kingdom Trust and English Services going forward.
- The recruitment of a new CEO Designate for the Brothers of Charity Services has been progressed and is intended to become effective on formal Charitable Registration and Incorporation of the new service company, the BOCS England. The progression of the Charitable Registration and Incorporation process for the BOCS England focussing on establishment of functioning, inclusive Trustee and Executive Boards in due course.

Financial performance, reserves and investments

The latest financial results for the year to the end of March 2022 are satisfactory given the annual operating conditions with net increase in funds of £481k (2020/2021 £4,884k as restated as explained in note 27).

Net income from core activities amounted to £1,251k (2020/2021 £1,247k as restated) and losses of £796k (2020/2021 gains of £3,520k) arose from the fixed asset revaluation and investment portfolio.

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Financial Statements for the year ended 31 March 2022

Report of the Trustees (continued)

This result means that the Balance Sheet demonstrates total funds of £49,596k (2020/21 £49,114k as restated) and these comprise unrestricted funds (net of the pension reserve) of £19,817k (2020/2021 £18,350k as restated), restricted funds of £163k (2020/2021 £163k) and designated funds of £29,416k (2020/2021 £30,600k).

In line with the policies on returns and investments, and in conjunction with Rathbones Investment Management Ltd, the appointed investment advisors, investment portfolios have funds totalling £9,290k (2020/2021 £9,046k) as at 31 March 2022, in addition to substantial cash at bank on that date. The Trustees will continue to monitor performance with the assistance of their advisors.

Investments

The principles underlying the investment policy are being followed. These are:

- The primary aim in investing funds is to maximise the return on all assets without subjecting those assets to undue risk.
- So far as is practicable and within the constraints of UK law, investments will not be made in organisations engaged in activities that are likely, directly or indirectly, to hinder the achievement of its mission or which are inconsistent with its values.
- The identification and recommendation of appropriate investments will be delegated to a fund manager appointed by the Trustees. The fund manager will be responsible for ensuring that all investment decisions are taken within the scope of the powers of investment available to the Trustees and that those decisions are consistent with the duties set out in section 4 of the Trustee Act 2000.
- The fund manager is also responsible for ensuring that proposed investments are compatible with the Charity's ethical stance.
- The performance of the investment portfolio is reviewed half yearly by the appointed finance committee and formal meetings with the Trustees are held at least annually. Detailed reports are submitted to the Trustees quarterly.

Reserves

The Trustees have approved a reserves policy, its objectives are:

- The Trustees consider that it is appropriate and sensible to allow up to five years to achieve the proposed levels of reserves. The Services believe this timescale is reasonable and attainable.
- The Trustees believe that a minimum requirement for reserves for the Regional Services equates to three months expenditure. This figure is assessed having examined the potential consequences of cessation of the Services.
- The Trustees have determined that the target for a national figure for reserves should be six months expenditure as this is a prudent sum given the profile of the Charity, its employees and commitments.
- The targeted figure of reserves is examined on a quarterly basis as management accounts are produced and the results are reported to the Trustees on a regular basis by the Chief Executive.
- Once the target is met the policy will continue to be reviewed on a regular basis and its suitability or otherwise assessed by the Trustees.

The Trustees have noted that the funding of the Services in particular is being subjected to considerable downward pressures as local and public authorities seek to balance their own budgets. The Trustees do not necessarily predict large surpluses for future years and it is therefore important to build reserves now that will assist in the coming years. In addition, the Trustees will continue to press the public authorities for adequate and justified funding for all service users.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Report of the Trustees (continued)

The Charity's reserves policy relates to general unrestricted funds, excluding tangible and intangible fixed assets and the pension liability, and requires that a minimum level of 3 months' operational costs is held by the Regional Services. This has been met in the financial year 2021 / 2022 by both The Brothers of Charity Services in Merseyside and Greater Manchester and The Brothers of Charity Services in Lancashire.

The above reserves policy also includes a target level of 6 months' operational costs be held by the Charity and this has been met in the financial year 2021 / 2022.

The combined target level of reserves under the above reserves policy is £12.6m and the actual free reserves (representing general unrestricted funds excluding tangible and intangible fixed assets and pension liability) at 31 March 2022 is £19.8m. The trustees intend that the excess is used for purposes such as the refurbishment of existing and purchase of new property to enable the charity to develop and grow its services.

Risk Management

Within the Regions, the Trustees of the Brothers of Charity Services have ensured appropriate level of liaison has been maintained with the relevant authorities in the context of risk management.

Quality of care and safeguarding compliance is an essential and prioritised focus of our risk management for the Trustees of the Brothers of Charity Services in the United Kingdom. As such a robust system of regular internal operational quality compliance monitoring and reporting, constant quality driven policy improvement and procedure development, a real and unequivocal commitment to actively leading and promoting the duty of candour along with full support and access to ongoing external regulatory scrutiny provides a defined and detailed framework of clear and objective risk management assurance to the Trustees.

Health and safety issues continue to be given the necessary high level of importance within the Regions in line with policy and the appropriate level of professional advice is available and utilised.

The Trustees continue to engage the firm of PIB (insurance brokers) to advise and assist in addressing the management of risk throughout the Charity with a particular focus on the national level and their work is ongoing. There is regular liaison between the Regions in this matter with regular meetings chaired by PIB to ensure best practice and to ensure that the overall strategy of the Trustees is implemented.

Financial sustainability risk is managed through the provision of regular business planning, financial and commercial strategy formulation and dedicated monthly national and regional financial reporting and monitoring along with the scrutiny provided by the annual external audit process. The financial control in all Regions is now at the level of efficiency and effectiveness that had been targeted.

The annual review of insurances undertaken with our brokers further addresses all relevant risk issues. Based on the ongoing review of pension issues the level of risk continues to be gradually clarified and quantified as being not very significant in nature. The level of contribution was reviewed and adjusted as per advice received.

Business continuity plans are regularly refreshed across the regional services to ensure that the Brothers of Charity Services would be able to continue its operations through any disruption or have plans to recover key services to the extent required by its stakeholders to ensure continuity of operations whilst satisfying legal and regulatory obligations.

Finally the Brothers of Charity Services maintains a Strategic Risk Matrix which allows us to organisationally assess and support effective risk management action in order to define and identify the different occurrences and levels of organisational risk. The Strategic Risk Matrix is an effective risk management mechanism which allows us to increase the visibility of risks and assist management decision making and forecasting in the identification, assessment, and prioritisation of risk followed by coordinated application of action and resources to designed reduce and control the probable consequences of high risk events to the Brothers of Charity Services and its wider range of stakeholders.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Report of the Trustees (continued)

Staff Recruitment and Training

The Trustees welcome the continued commitment within the Services to recruitment, to training and to strategies for the retention of good quality staff in the Services. This is made more challenging because of the continuing downward pressure on hourly rates being exerted by some authorities that may make it more difficult to increase current pay and conditions for staff. The Regions have continued to make significant commitments to the ongoing training and development of staff at all levels including the welcome development and establishment of wide scale Apprenticeship Programmes.

Pay policy for senior staff

The Trustees consider the Board of Trustees and the following senior staff as comprising the key management personnel of the charity in charge of directing and controlling the functions of the charity and running and operating the charity on a day to day basis:

- Regional Health and Safety Manager
- Regional Finance Business Partner
- Head of Supported Living and Specialist - Operational Area One
- Head of Supported Living - Operational Area Two
- Regional Lead Nurse
- Director of Care Quality and Compliance
- Regional Head of Learning and Development
- Area Director of Operations
- Regional Payroll Manager
- Chief Executive Officer Brothers of Charity Services / Company Secretary
- Senior Head of Service - Liverpool & Thingwall Supported Living
- Regional Head of Human Resources
- Regional IT and Communications Manager
- Head of Finance for Merseyside and Greater Manchester
- Regional Care Administration & Office Manager
- Regional Finance Director
- Head of Domiciliary Care and Support
- Regional Head of Day Opportunities
- Regional Head of Facilities & Estates Management
- Regional Marketing & Communications Manager

All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 7 to the accounts.

The pay of the charity's chief executive is reviewed annually and normally increased if appropriate in accordance with the same inflationary increase as all other charity staff. In view of the nature of the charity, its economy of operational structures, and the complex nature and range of professional support provided by the CEO role to the Charity, the trustees consider that the current remuneration is appropriate for this role. The remuneration is also bench-marked with social care charities of a similar size and range of activities to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles in large charities.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Report of the Trustees (continued)

Impact of Brexit

The Trustees of the Brothers of Charity Services continue to actively monitor the evolving situation in relation to assessing and managing and the potential impact and risks of the differing scenarios of the United Kingdom's exit from the European Union. As circumstances evolve and change over time the Brothers of Charity Services Brexit Impact Assessment and Contingency Plan will continue to be actively refreshed and restated to reflect the Brexit conditions and risks as they emerge.

Trustees

Pursuant to a deed of Removal and Appointment dated 24 November 2004 executed in accordance with the Trust Deed the following, four of whom are members of the Regional Team, are the Trustees of the Charity:

- Brother John Finbarr O'Shea
- Brother Augustine Thomas (Alfred) Hassett
- Brother Patrick Joseph Killoran
- Brother Richard Noel Corcoran
- Stephen Robinson (appointed 23 August 2021 and resigned on 11 July 2023)

None of the Trustees received any remuneration for services rendered in their capacity as Trustees. None of the Trustees had any beneficial interest in any contract with the Charity.

Trustees' responsibilities for the financial statements

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations. The Charities Act 2011 requires the Trustees to prepare financial statements for each financial year. The Trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS102. The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 charity and of the income and expenditure of the charity 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 (FRS102);
- make judgements 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 charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. 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.

In so far as each of the trustees is aware:

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

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Report of the Trustees (continued)

Auditor

Mazars LLP offer themselves for reappointment as auditor in accordance with the Trust Deed.

Approved by order of the Board of Trustees on 27 July 2023 and signed by

A T Hassett
A T Hassett (Jul 27, 2023 19:22 GMT+1)
.....

Jul 27, 2023

Brother Alfred Hassett

TRUSTEE

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Independent auditor's report to the trustees of Brothers of Charity Services in the United Kingdom (registered as the Congregation of the Brothers of Charity)

Opinion

We have audited the financial statements of Brothers of Charity Services in the United Kingdom (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 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 charity's affairs as at 31 March 2022 and of 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 Charities Act 2011.

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. Our opinion on the financial statements does not cover the other information and 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 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 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.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Independent auditor's report to the trustees of Brothers of Charity Services in the United Kingdom (registered as the Congregation of the Brothers of Charity) - continued

Matters on which we are required to report by exception

In 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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 set out on page 37, the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 the 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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud and money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to fund accounting, and significant one-off or unusual transactions.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Independent auditor's report to the trustees of Brothers of Charity Services in the United Kingdom (registered as the Congregation of the Brothers of Charity) - continued

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed:



David Hoose (Jul 27, 2023 19:27 GMT+1)

Mazars LLP Chartered Accountants and Statutory Auditor
One St Peter's Square
Manchester
M2 3DE

Date: Jul 27, 2023

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Statement of Financial Activities

	Note	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total Funds 2022 £	Total Funds 2021 (as restated) £
<i>Income</i>						
Donations, legacies & gifts		1,032	-	-	1,032	1,137
Income from charitable activities:						
Statutory Authority contracts		25,458,688	-	-	25,458,688	23,248,384
Income from other trading activities:						
Trading income		66,303	-	-	66,303	24,857
Investment income		154,587	-	-	154,587	173,165
Other income		1,549,041	-	-	1,549,041	1,693,443
Total income		27,229,651	-	-	27,229,651	25,140,986
<i>Expenditure</i>						
Expenditure on charitable activities:						
Provision of core services; statutory authority contracts	4	25,990,855	-	95,452	26,086,307	23,983,738
Costs of raising funds						
Trading expenditure		6,961	-	-	6,961	66,952
Pension scheme operating credit	19	(123,000)	-	-	(123,000)	(165,000)
Other pension finance costs	19	8,000	-	-	8,000	8,000
Total expenditure	5	25,882,816	-	95,452	25,978,268	23,893,690
Net income/(expenditure) before transfers		1,346,835	-	(95,452)	1,251,383	1,247,296
Transfers between funds		(65,332)	-	65,332	-	-
Net income/(expenditure) for the year		1,281,503	-	(30,120)	1,251,383	1,247,296
<i>Gains/(losses) on investments</i>						
Realised	11	180,560	-	-	180,560	183,216
Unrealised		(21,790)	-	-	(21,790)	606,680
Unrealised (loss on impairment)/gain on fixed asset revaluation		-	-	(955,000)	(955,000)	2,730,064
Actuarial gain on defined benefit scheme	19	26,000	-	-	26,000	117,000
Net movement in funds		1,466,273	-	(985,120)	481,153	4,884,256
Total funds brought forward		18,350,535	163,075	30,600,942	49,114,552	44,230,296
Total funds carried forward	17	19,816,808	163,075	29,615,822	49,595,705	49,114,552

All of the activities are classed as continuing.

The accompanying notes form part of these financial statements.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Balance Sheet

		2022	2021 (as restated)
	Note	£	£
Fixed assets			
Intangible assets	9	1,750	3,366
Tangible assets	10	24,492,229	25,286,791
Investments	11	9,290,125	9,046,104
		<hr/>	<hr/>
		33,784,104	34,336,261
Current assets			
Stocks	12	3,932	-
Debtors	13	3,251,846	2,324,858
Short term cash investments	14	11,736,419	5,726,537
Cash at bank and in hand	14	4,796,858	10,503,267
		<hr/>	<hr/>
		19,789,055	18,554,662
Creditors: amounts falling due within one year	15	(3,670,454)	(3,328,371)
		<hr/>	<hr/>
Net current assets		16,118,601	15,226,291
		<hr/>	<hr/>
Total assets less current liabilities excluding pension liability		49,902,705	49,562,552
Defined benefit pension scheme liability	19	(307,000)	(448,000)
		<hr/>	<hr/>
Net assets		49,595,705	49,114,552
		<hr/>	<hr/>
Income funds			
Restricted		163,075	163,075
Designated		29,615,822	30,600,942
Unrestricted		20,123,808	18,798,535
Pension reserve (unrestricted)		(307,000)	(448,000)
		<hr/>	<hr/>
Total funds	17	49,595,705	49,114,552
		<hr/>	<hr/>


The financial statements were approved and authorised for issue by the Trustees on 27 July 2023 and signed on their behalf on


 A T Hassett (Jul 27, 2023 19:22 GMT+1)

Jul 27, 2023

Brother Alfred Hassett

Trustee


 Darron Grundy (Jul 27, 2023 19:24 GMT+1)

Jul 27, 2023

Darron Grundy

Chief Executive

The accompanying notes form part of these financial statements.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Statement of Cash Flows

		2022	2021 (restated)
		£	£
Cash Flow from Operating Activities			
Net movement in funds		481,153	4,884,256
Adjustment for non-cash items			
Amortisation		1,616	1,616
Depreciation		486,504	81,843
Loss/(Gains) on investments - unrealised		21,790	(606,680)
Income from investments		(85,251)	(102,250)
Decrease/(increase) in stocks		(3,932)	8,229
(Increase)/decrease in debtors		(926,988)	394,010
Increase in creditors		342,083	1,402,990
Movement on defined benefit pension liability		(141,000)	(46,000)
Loss on disposal of intangible fixed assets		-	-
Impairment/revaluation of tangible fixed assets		955,000	(2,730,064)
Net Cash Flow from Operating Activities		<u>1,130,975</u>	<u>3,287,950</u>
Cash Flow from Investing Activities			
Capital expenditure on fixed assets		(646,942)	(70,529)
Proceeds from sale of fixed assets		-	-
Purchase of quoted securities		-	-
(Gains) on investments - realised		(180,560)	(183,216)
Net Cash Flow from Investing Activities		<u>(827,502)</u>	<u>(253,745)</u>
Increase in cash and cash equivalents in year		<u>303,473</u>	<u>3,034,205</u>
Cash and cash equivalents at beginning of the year	14	<u>16,229,804</u>	<u>13,195,599</u>
Cash and cash equivalents at end of the year	14	<u><u>16,533,277</u></u>	<u><u>16,229,804</u></u>

The accompanying notes form part of these financial statements.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements

1. General Information

Brothers of Charity Services in the United Kingdom ('the charity') is a charity registered in England and Wales. The registered office of the Charity is Lisieux Hall, Dawson Lane, Chorley, Lancashire, PR6 7DX.

The principal purpose of the charity is to deliver high quality services to people with learning difficulties. Striving for the highest possible human dignity in their service, being willing to function within a social framework to be recognised by the authorities and finding final motivation in the gospel.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

2. Principal accounting policies

Overview

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with Statement of Recommended Practice (SORP 2019) "Accounting and Reporting by Charities", effective 1 January 2019 and applicable Accounting Standards in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Charities Statement of Recommended Practice (FRS 102) in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the "Accounting and Reporting by Charities: Statement of Recommended Practice Charities SORP 2005" which has since been withdrawn.

Brothers of Charity Services in the United Kingdom meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

A summary of the principal accounting policies are set out below.

Going concern

After reviewing the charity's forecasts and projections, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The period which the trustees have considered in this respect is not less than 12 months from the date of signature of these financial statements. The review undertaken by the trustees includes consideration of the potential implications of both Brexit and the COVID 19 pandemic. The trustees have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis in preparing its financial statements.

INCOME

Donations and gifts

All monetary donations and gifts are included in full in the Statement of Financial Activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies are included when the Charity is advised by the personal representative of an estate that payment will be made, property transferred and the amount involved can be quantified. They are included in the Statement of Financial Activities.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

2. Principal accounting policies (continued)

Gifts-in-kind are accounted for at the Trustees' estimate of value to the Charity or sale value as follows:

- assets received for distribution by the Charity are recognised only when distributed;
- assets received for resale are recognised, where practicable, when receivable or otherwise when sold; and
- gifts of fixed assets for charity use or funds for acquiring fixed assets for charity use are accounted for (as restricted funds) immediately on receipt.

Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. An equivalent amount is charged as expenditure. No income is recognised when there is no financial cost borne by a third party. Voluntary help is not included as income.

Donations under Gift Aid together with the associated income tax recoveries are credited as income when the donations are received.

Grants receivable and statutory authority contracts

Revenue grants and statutory authority contracts are credited as income when they are receivable provided conditions for receipt (including service delivery) have been complied with, unless they relate to a specified future period, in which case they are deferred.

Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

Trading income

Trading income represents ancillary amounts receivable by the Charity from activities generated from the day service provision. It is recognised on delivery of goods or services.

EXPENDITURE

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that 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. Central overhead costs are allocated to operational functions on the basis of their use of central support services.

Governance costs are the costs associated with the governance arrangements of the Charity which relate to the general running of the Charity as opposed to those costs associated with charitable activities. Included within this category are costs associated with the strategic as opposed to day to day management of the Charity's activities.

Support costs, which include management, human resources, finance, marketing, IT, administration and building costs are allocated to direct charitable expenditure.

Irrecoverable VAT is charged as a cost to the Statement of Financial Activities.

Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other income received or generated for expenditure on the general objectives of the Charity.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees

Intangible fixed assets and amortisation

Intangible fixed assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. Amortisation is provided on the following basis:

Software	14-33% straight line
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Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

2. Principal accounting policies (continued)

Tangible fixed assets and depreciation

The Brothers of Charity Services in the United Kingdom has adopted a £1,000 capitalisation threshold for individual assets, although assets of lesser value should be capitalised if they form part of a group, with a group value in excess of £1,000. The £1,000 figure includes VAT where this is not recoverable.

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Freehold land and buildings have been revalued during the year. For further detail, see note 10.

Depreciation is calculated to write down the cost or valuation less estimated residual value of tangible fixed assets other than freehold land over their estimated useful economic lives. The rates generally applicable are:

Freehold buildings	2% straight line
Motor vehicles	4 - 5 years straight line
Plant and equipment	3 - 7 years straight line

Freehold land is not depreciated.

Investments

Assets held for investment purposes are valued at market value at the balance sheet date. The Charity holds assets in an investment portfolio.

Net gains and losses arising on revaluations and disposals during the year are included in the Statement of Financial Activities.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Statement of Financial Activities over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Defined Contribution Pension Scheme

The pension costs charged against net income are the contributions payable to the scheme in respect of the accounting period.

Defined Benefit Pension Scheme

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the Charity.

The current service cost and costs from settlements and curtailments are charged against operating profit. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included in other finance costs. Actuarial gains and losses are reported in the Statement of Financial Activities.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition, or opening of the deposit, or similar account.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

2. Principal accounting policies (continued)

Creditors and provisions

Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors and other creditors are financial instruments and are measured at amortised cost as detailed in note 15. Taxation and social security and accruals are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

3. Significant judgements and estimates

The trustees consider the key judgements and estimates in the accounts to be as follows:

- The valuation of pension scheme liabilities. The present value of the pension scheme's liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions.
- The valuation of freehold land and buildings. These have been calculated utilising the expertise of external valuers.

Defined benefit pension scheme liabilities

The present value of the defined benefit pension scheme depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability.

Freehold land and buildings

Management review the open market, existing use valuation of the freehold land and buildings. The carrying amount and further information on the valuation of the freehold land and buildings is detailed in note 10. The charity's freehold land and buildings are included in the financial statements at valuation, the last independent valuation having been prepared in 2021.

Doubtful debt provisions

Management review the recoverable amount of debtors at each financial year and provide against any debtors which management believe are not recoverable in part or in full.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

4. Direct charitable expenditure

	Unrestricted funds £	Restricted funds £	Designated funds £	2022 £	2021 (restated) £
Provision of care services	24,84,400	-	95,452	24,909,852	23,321,479
Office costs including salaries	803,761	-	-	803,761	544,806
Legal and professional fees	215,633	-	-	215,633	33,012
Donations	75,779	-	-	75,779	29,127
Financing costs	12,015	-	-	12,015	359
Congregation expenses	43,067	-	-	43,067	26,897
Governance costs (note 8)	26,200	-	-	26,200	28,058
	<u>25,990,855</u>	<u>-</u>	<u>95,452</u>	<u>26,086,307</u>	<u>23,983,738</u>

5. Analysis of resources expended

	Staff costs £	Depreciation etc £	Other £	2022 £	2021 (restated) £
Direct charitable expenditure	22,195,411	488,120	3,376,576	26,060,107	23,955,680
Trading expenditure	-	-	6,961	6,961	66,952
Loss on disposal of intangible assets	-	-	-	-	-
Governance costs (note 8)	-	-	26,200	26,200	28,058
Pension scheme operating credit	-	-	(124,000)	(124,000)	(165,000)
Other pension scheme costs	-	-	9,000	9,000	8,000
	<u>22,195,411</u>	<u>488,120</u>	<u>3,294,737</u>	<u>25,978,268</u>	<u>23,893,690</u>

6. Employees

	2022 £	2021 (restated) £
<i>Staff costs</i>		
Wages and salaries	19,187,288	19,448,563
Social Security costs	1,352,971	1,297,543
Pension costs	579,568	472,520
Agency costs	1,075,584	177,058
	<u>22,195,411</u>	<u>21,395,684</u>

Emoluments of employees earning £60,000 per annum or more fell within the following ranges:

	2022 Number	2021 Number
£60,000 - £70,000	1	1
£70,000 - £80,000	1	1
£100,000 - £110,000	1	1

During the year pension contributions to money purchase schemes of £57,999 (2021: £48,259) were paid in respect of these highest paid employees.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

6. Employees (continued)

The average number of employees, analysed by function, was as follows:

	2022 Number	2021 Number
Provision of care services	963	1,007
Management and administration of the Charity	53	42
	<u>1,016</u>	<u>1,049</u>

The total employee benefits of the key management personnel of the Charity, which comprises 19 posts (2021: 19 posts), including employer's national insurance contributions were £1,171,533 (2021: £996,442).

7. Trustees

No Trustees received any remuneration during the year. Expenses of £72,726 (2021: £55,924) were associated with the maintenance of the Religious Community at Lisieux Hall, Thingwall Hall and St Aidan's. One of the objects of the Charity is the promotion of religion, and within the Charity the members of the Religious Community, which includes all of the Trustees, have this as their primary role. They carry out this role through their prayer life and their sharing in other religious exercises as a Religious Community within the Congregation of the Brothers of Charity.

8. Governance costs

	2022	2021
	£	£
Strategic management costs	-	4,158
External audit fees payable to the Charity's auditor	23,500	21,500
Accountancy fees payable to the Charity's auditor	2,700	2,400
	<u>26,200</u>	<u>28,058</u>

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

9. Intangible fixed assets

	Software £
Cost or valuation	
At 1 April 2021	46,580
Disposal	-
	<hr/>
At 31 March 2022	46,580
	<hr/> <hr/>
Amortisation	
At 1 April 2021	43,214
Charge for the year	1,616
Disposal	-
	<hr/>
At 31 March 2022	44,830
	<hr/> <hr/>
Net book value	
At 31 March 2022	1,750
	<hr/> <hr/>
At 31 March 2021	3,366
	<hr/> <hr/>

10. Tangible fixed assets

	Freehold land & buildings £	Motor vehicles £	Plant & equipment £	Total £
Cost or valuation				
At 1 April 2021	25,099,636	396,748	867,768	26,364,152
Additions	450,269	148,522	48,151	646,942
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	25,549,905	545,270	915,919	27,011,094
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Depreciation				
At 1 April 2021	-	338,373	738,988	1,077,361
Charge for the year	384,937	48,946	52,621	486,504
Impairment	955,000	-	-	955,000
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	1,339,937	387,319	791,609	2,518,865
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book value				
At 31 March 2022	24,209,968	157,951	124,310	24,492,229
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2021	25,099,636	58,375	128,780	25,286,791
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

10. Tangible fixed assets (continued)

All tangible fixed assets were used for charitable purposes.

Land and buildings in England included above were revalued at 31 March 2021 by Peter Gilkes & Company, Chartered Surveyors (Chorley).

Existing use values have been used in respect of the operational properties at each Service campus. Open market value has been used in respect of the residential, commercial and agricultural properties on the basis that the existing use value, in these instances, equates to open market value. The historic cost of land and buildings cannot be stated in respect of the individual service sites. The three main residential locations were acquired by the wider congregation over fifty years ago with respect to Lisieux Hall, Lancashire, and over one hundred years ago in the case of Thingwall Hall, Liverpool.

Land and buildings in Scotland included above were revalued at 31 March 2021 by Allied Surveyors, Chartered Surveyors (Selkirk) on an open market value basis. Certain property in Scotland is in the process of being sold and has, where applicable, been impaired to reflect the anticipated net proceeds which will be received upon sale.

11. Fixed asset investments

	2022 £	2021 £
Market value at 1 April	9,046,104	8,153,959
Net income	85,251	102,250
Realised gains	180,560	183,216
Unrealised (losses)/gains	(21,790)	606,679
	<hr/>	<hr/>
Market value at 31 March	9,290,125	9,046,104
	<hr/>	<hr/>

Listed investments are stated at their mid-market value as at the balance sheet date.

The investments listed on a recognised stock exchange are as follows:

	2022 £	2021 £
Property funds	-	57,276
Commodities	279,651	272,843
Fixed interest	4,355,043	4,483,116
Overseas equities	1,684,483	1,964,320
UK equities	1,902,743	1,849,787
Cash and cash equivalents	1,068,205	418,762
	<hr/>	<hr/>
	9,290,125	9,046,104
	<hr/>	<hr/>

The investments are managed within a portfolio held with Rathbone Investment Management Limited in the United Kingdom. The historic cost of individual investments is £7,873,126 (2021: £7,791,987).

The following investments formed more than 5% of the value of the investment portfolio as at 31 March.

	2022 £	2021 £
UK index linked government bonds:		
- Treasury 1/8% I/L stock 22/03/2029	980,687	1,245,982
	<hr/>	<hr/>

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

12. Stock

	2022	2021
	£	£
Raw materials and consumables	3,932	-
	<u>3,932</u>	<u>-</u>

13. Debtors

	2022	2021
	£	£
Trade debtors	2,341,661	1,726,718
Other debtors	74,653	-
Prepayments and accrued income	835,532	598,140
	<u>3,251,846</u>	<u>2,324,858</u>

14. Cash and cash equivalents and analysis of net debt

	At 31 March 2021	Cash flows	At 31 March 2022
	£	£	£
Short term cash investments	5,726,537	6,009,882	11,736,419
Cash at bank and in hand	10,503,267	(5,706,409)	4,796,858
	<u>16,229,804</u>	<u>303,473</u>	<u>16,533,277</u>

15. Creditors: amounts falling due within one year

	2022	2021 (restated)
	£	£
Trade creditors	432,343	140,232
Social Security and other taxes	234,972	367,481
Other creditors	302,819	83,922
Accruals	1,991,600	1,642,309
Deferred income	699,870	1,085,577
Amounts owed to related parties	8,850	8,850
	<u>3,670,454</u>	<u>3,328,371</u>
Deferred income	£	£
At April 2021	1,085,577	687,250
Resources deferred in the year	699,870	1,085,577
Amounts released from previous years	(1,085,577)	(687,250)
At 31 March 2022	<u>699,870</u>	<u>1,085,577</u>

Deferred income relates to funds received in respect of the provision of care services which relate wholly to the following financial year.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

16. Financial instruments

	2022 £	2021 £
Financial assets measured at amortised cost	2,341,661	1,726,718
Financial liabilities measured at amortised cost	440,760	600,484

17. Funds

Funds are analysed as follows:

	Balance as at 31 March 2021 (restated) £	Movement in year		Transfer between funds £	Other gains and losses £	Balance as at 31 March 2022 £
		Income £	Expenditure £			
Restricted funds:						
Papua New Guinea fund	12,992	-	-	-	-	12,992
Chillag Trust re vehicles for the Finches fund	18,466	-	-	-	-	18,466
Donations fund	131,617	-	-	-	-	131,617
	<u>163,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>163,075</u>
Designated funds:						
Properties	25,099,636	-	-	65,332	(955,000)	24,209,968
Landlord rents fund	1,195,892	-	-	-	-	1,195,892
Managers repairs fund	188,286	-	(95,452)	-	-	92,834
Publications fund	7,074	-	-	-	-	7,074
Cyclical maintenance – Thingwall Hall	934,288	-	-	-	-	934,288
Progress reserve	681,694	-	-	-	-	681,694
LLDF grant	1,107	-	-	-	-	1,107
SRBC potting shed	264	-	-	-	-	264
Donations fund	83,063	-	-	-	-	83,063
Sri Lanka development fund	170,000	-	-	-	-	170,000
Gattonside development fund	2,239,638	-	-	-	-	2,239,638
	<u>30,600,942</u>	<u>-</u>	<u>(95,452)</u>	<u>65,332</u>	<u>(955,000)</u>	<u>29,615,822</u>
Unrestricted funds	18,350,535	27,229,651	(25,882,816)	(65,332)	184,770	19,816,808
	<u>49,114,552</u>	<u>27,229,651</u>	<u>(25,978,268)</u>	<u>-</u>	<u>(770,230)</u>	<u>49,595,705</u>

Restricted funds

Papua New Guinea fund

The Papua New Guinea fund was established in 1996, by way of fundraising for onward transmission to overseas projects in Papua New Guinea.

Chillag Trust re Vehicle for the Finches Fund

This fund represents a donation which is required to be spent on vehicles used by the Finches.

Donations fund

Donations funds, in the case of donations received by the Charity, the use of which has been restricted by the donors, the Charity undertakes to only apply these funds in accordance with the instructions specified by the respective donors. The restricted donation fund represents funds held but not yet expended which are shown separately from designated funds.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

17. Funds (continued)

Designated funds

Properties

The designated freehold land and buildings and assets in the course of construction fund represents the book value of the land and buildings assets belonging to the Charity at the balance sheet date. The Trustees have elected to disclose this fund separately in a designated fund to highlight the Charity's position in relation to the residual unrestricted fund.

Landlord rents fund

Where Charity undertakes the landlord duty of property maintenance in respect of community supported tenancies owned by the Charity, the landlord rent fund represents income from rents generated which will be utilised to meet costs arising in future years.

Managers repair fund

Where the Charity acts under a management agreement with Housing Associations to manage service charge budgets in respect of supported tenancies. The managers repair fund represents income from service charges generated which will be used to meet costs arising in future years.

Publications fund

The designated publications fund represents resources paid by the regional services and held by the Charity to meet national publication costs.

Cyclical maintenance fund- Thingwall Hall

The cyclical maintenance fund has been designated by the Brothers of Charity Services Merseyside in order to provide formal funding for renovation and maintenance works to both Thingwall Hall Administrative Centre and various locations on the Thingwall Hall site. The cyclical maintenance is intended to ensure the Brothers of Charity Merseyside Services continue to provide a safe and clean environment in which service users, staff and visitors can live, work and visit. A condition report has been commissioned and cyclical maintenance plan is now being developed in order to identify and prioritise the renovation and cyclical maintenance work. Transfers relate to work undertaken during the year which has been capitalised.

Progress reserves

The Progress reserve represents monthly rental income generated by bi-lateral leases on a number of residential properties owned by the Congregation of the Brothers of Charity Services. The parties to the leases generating the lease charges forming the Progress Development Reserve are Progress Housing Association (the lessee) and the Congregation of the Brothers of Charity (the lessor).

LLDF grant fund

The LLDF is a grant to fund the time to develop the vision, business plan and grant applications required to ensure the sustainability of the Walled garden project.

SRBC potting shed fund

The SRBC grant was designated to provide a heating system in the potting shed at the Walled garden project.

Donations fund

Donations fund, in the case of donations received by the charity, the use of which has been designated by the trustees. The Charity undertakes to only apply these funds in accordance with the instructions from the Trustees.

Sri Lanka development fund

The Sri Lanka fund is established to identify annual funding for onward transmission to the Brothers of Charity Services in Sri Lanka.

Gattonside development fund

The Gattonside development fund is established to fund appropriate urgent and essential works at Gattonside in order to support activities amounting to 'development' in relation to the current grant of planning permission.

Transfers

Transfers from unrestricted funds to properties designated funds represent the net of fixed asset additions and depreciation charges for the year.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

18. Analysis of assets between funds

2022	Unrestricted funds £	Restricted funds £	Designated funds £	Total funds £
Tangible and intangible fixed assets	284,011	-	24,209,968	24,493,979
Fixed asset investments	9,290,125	-	-	9,290,125
Current assets	14,220,126	163,075	5,405,854	19,789,055
Current liabilities	(3,670,454)	-	-	(3,670,454)
Pension liability	(307,000)	-	-	(307,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	19,816,808	163,075	29,615,822	49,595,705
	<hr/>	<hr/>	<hr/>	<hr/>
2021 (as restated)	Unrestricted funds £	Restricted funds £	Designated funds £	Total funds £
Tangible and intangible fixed assets	190,521	-	25,099,636	25,290,157
Fixed asset investments	9,046,104	-	-	9,046,104
Current assets	12,890,281	163,075	5,501,306	18,554,662
Current liabilities	(3,328,371)	-	-	(3,328,371)
Pension liability	(448,000)	-	-	(448,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	18,350,535	163,075	30,600,942	49,114,552
	<hr/>	<hr/>	<hr/>	<hr/>

19. Pensions

Defined benefit schemes

The Charity used to operate two defined benefit pension schemes. The schemes were Brothers of Charity (Thingwall Hall) 1996 Retirement Benefits Scheme and Brothers of Charity (Lisieux Hall) 1996 Retirement Benefit Scheme. The two schemes were merged into one scheme on 1 October 2005, now called the Brothers of Charity Retirement Benefits Scheme.

The assets of the scheme are held separately from those of the Charity in an independently administered fund. Pension costs are assessed in accordance with the advice of a qualified actuary. The most recent triennial valuation was as at 1 October 2019.

At 1 October 2019, on a current funding level basis (which reflects current accrued service and pensionable earnings and statutory revaluation only) the Brothers of Charity Retirement Benefits Scheme had a deficit of assets of £1,025,000. The market value of scheme assets as at 1 October 2019 for this scheme was £4,249,000. The actuarial value of these assets was sufficient to cover 81% of the benefits that had accrued to members, after allowing for expected future increase in earnings.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

19. Pensions (continued)

The actuary recommended a contribution rate of 44.5% from the employer and 12% from the employee, accruing a benefit of 1/100 or 1/60 final pensionable salary for each year of service pay.

For the FRS 102 (28) Retirement Benefits valuation, the major assumptions, for the scheme, used by the actuary were:

	2022	2021
	%	%
Rate of increase in salaries	1.1	1.1
Rate of increase in pensions in payment (LPI)	3.7	3.3
Discount rate	2.8	2.2
Inflation	3.7	3.3

The post-retirement mortality assumptions used to value the benefit obligation at 31 March 2022 are based on the S3PXA, using 115% of the base table with the CMI_2019 mortality projections with a long term rate of improvement of 1.25%. The mortality assumptions used at 31 March 2021 followed the same basis.

Based on these assumptions, average future life expectancies at age 65 are as follows:

	Males -Years	Females -Years
31 March 2022		
Current pensioners	21.0	23.4
Future pensioners	22.3	24.9
31 March 2021		
Current pensioners	20.9	23.2
Future pensioners	22.3	24.8

The major categories of plan asset, as a percentage of the total plan assets, are as follows:

	2022	2021
	%	%
Equities & property	13	11
Bonds	29	32
Insured pensions	45	46
Cash	13	11

The amounts recognised in the balance sheet are as follows:

	2022	2021
	£	£
Fair value of plan assets	4,986,000	4,820,000
Present value of retirement benefit obligations	(5,293,000)	(5,268,000)
Net liabilities	(307,000)	(448,000)

Changes in the present value of the defined benefit obligation are as follows:

	2022	2021
	£	£
Opening defined benefit obligation at 1 April	5,268,000	4,750,000
Current service cost	5,000	13,000
Employee contributions	2,000	5,000
Interest cost	115,000	106,000
Actuarial (gains)/losses	(21,000)	556,000
Benefits paid	(76,000)	(162,000)
Liabilities extinguished on settlements	-	-
Closing defined benefit obligation at 31 March	5,293,000	5,268,000

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

19. Pensions (continued)

Changes in the fair value of the plan assets are as follows:

	2022 £	2021 £
Fair value of plan assets at 1 April	4,820,000	4,256,000
Expected return on assets	107,000	98,000
Actuarial (losses)/gains	(47,000)	439,000
Contributions by the employer	181,000	188,000
Contributions by the employee	2,000	5,000
Benefits paid	(76,000)	(162,000)
Expenses paid	(1,000)	(4,000)
Assets distributed on settlements	-	-
Closing fair value of plan assets at 31 March	<u>4,986,000</u>	<u>4,820,000</u>

The amounts charged or (credited) to the Statement of Financial Activities are as follows:

	2022 £	2021 £
Current service cost	58,000	23,000
Contributions from the employer	(181,000)	(188,000)
(Gains)/losses on settlements	-	-
Total	<u>(123,000)</u>	<u>(165,000)</u>

The amounts charged or (credited) to other pension finance costs within the Statement of Financial Activities are as follows:

	2022 £	2021 £
Interest cost	115,000	106,000
Expected return on pension scheme assets	(107,000)	(98,000)
	<u>8,000</u>	<u>8,000</u>

The amounts recognised in the Statement of Financial Activities as actuarial losses are as follows:

	2022 £	2021 £
Actual return less interest income recognised in SOFA	(47,000)	439,000
Experience gains / (losses) on benefit obligation	(115,000)	61,000
Effect of assumption changes on benefit obligation	136,000	(617,000)
	<u>(26,000)</u>	<u>(117,000)</u>

Defined contribution schemes

The Charity also operates a defined contribution pension scheme for the benefit of employees. The assets of the scheme are held separately from those of the Charity in independently administered funds. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £397,568 (2021: £284,520). All contributions were paid in the year.

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

20. Leasing commitments

Operating lease costs expensed in the year amount to £44,484 (2021: £57,409). The leases to which these amounts relate expire as follows:

	Other 2022 £	Land & Buildings 2022 £	Other 2021 £	Land & Buildings 2021 £
In one year	18,879	22,100	24,948	22,100
Between one and five years	10,868	66,906	11,546	89,005
In five years or more	-	-	-	-
	<u>29,747</u>	<u>89,005</u>	<u>36,494</u>	<u>111,105</u>

21. Capital commitments

At 31 March 2022, capital commitments for which the Charity had contracted were £nil (2021: £nil).

22. Contingent liabilities

There are no contingent liabilities at 31 March 2022 or 31 March 2021.

23. Control relationship

The Charity is controlled by the Provincial Superior and his Provincial Council, all of whom are Trustees.

24. Indemnity insurance

The Charity has purchased insurance to indemnify the Charity from neglect or default of its Trustees and officers.

25. Related party transactions

Brothers of Charity Services (Scotland) is a charitable company limited by guarantee and Brothers of Charity Trust (Scotland) is a registered charity in Scotland, which has a number of common Trustees.

Rent of £126,383 (2021: £124,267) was payable to the Charity by Brothers of Charity Services (Scotland). At the year-end £8,850 (2021: £8,850) was due to Brothers of Charity Services (Scotland).

Brothers of Charity Services in the United Kingdom operate (along with Brothers of Charity Services (Scotland)) as part of a wider international congregation (as outlined in the Report of the Trustees). There are no material transactions with other members of the wider congregation.

Champion TLL Limited is a company in which Stephen Robinson (Trustee appointed from 23 August 2021) is an employee and a director. Since 23 August 2021 Brothers of Charity Services in the United Kingdom have been charged £29,010 for accountancy and associated services. At the year-end £nil was outstanding as a creditor.

26. Funds held as custodian trustees on behalf of others

Where funds are held on behalf of residents or other individuals supported by the charity, those funds are kept in separate client accounts. These are not included in the assets of the charity and as at 31 March 2022 amounted to £7,911 (2021: £9,527). This is monitored regularly to ensure that the funds are correctly identified and apportioned. Funds are held on behalf of service users where the individuals concerned are unable to manage their own financial affairs without additional support and that support is provided by the charity as part of the overall package of support provided.

27. Prior year adjustment

The financial statement comparatives have been restated to incorporate the impact of the following adjustment:

Recalculation of wage accrual

Dr Wage costs £719,896

Cr Accruals £719,896

Brothers of Charity Services in the United Kingdom

Financial Statements for the year ended 31 March 2022

Notes to the financial statements (continued)

28. Prior year Statement of Financial Activities

	Unrestricted Funds (restated) £	Restricted Funds £	Designated Funds £	Total Funds 2021 (restated) £	Total Funds 2020 £
<i>Income</i>					
Donations, legacies & gifts	1,137	-	-	1,137	54,734
Income from charitable activities:					
Statutory Authority contracts	23,248,384	-	-	23,248,384	23,294,486
Income from other trading activities:					
Trading income	24,857	-	-	24,857	126,379
Investment income	173,165	-	-	173,165	181,105
Other income	1,693,443	-	-	1,693,443	889,987
Total income	25,140,986	-	-	25,140,986	24,546,691
<i>Expenditure</i>					
Expenditure on charitable activities:					
Provision of core services; statutory authority contracts	23,729,996	18,712	235,030	23,983,738	22,810,892
Costs of raising funds					
Trading expenditure	66,952	-	-	66,952	78,120
Pension scheme operating credit	(165,000)	-	-	(165,000)	(181,000)
Other pension finance costs	8,000	-	-	8,000	7,000
Total expenditure	23,639,948	18,712	235,030	23,893,690	22,715,012
Net income/(expenditure) before transfers	1,501,038	(18,712)	(235,030)	1,247,296	1,831,679
Transfers between funds	(188,571)	-	188,571	-	-
Net income/(expenditure) for the year	1,312,467	(18,712)	(46,459)	1,247,296	1,831,679
<i>Gains/(losses) on investments</i>					
Realised	183,216	-	-	183,216	54,283
Unrealised	606,680	-	-	606,680	(391,726)
Unrealised gain on fixed asset revaluation	-	-	2,730,064	2,730,064	-
	789,896	-	2,730,064	3,519,960	(337,443)
Actuarial gain/(loss) on defined benefit scheme	117,000	-	-	117,000	(240,000)
Net movement in funds	2,219,363	(18,712)	2,683,605	4,884,256	1,254,236
Total funds brought forward	16,131,172	181,787	27,917,337	44,230,296	42,976,060
Total funds carried forward	18,350,535	163,075	30,600,942	49,114,552	44,230,296

Mazars LLP
One St Peter's Square
Manchester
M2 3DE

Dear Sirs

Brothers of Charity Services in the United Kingdom - audit for year ended 31 March 2022

This representation letter is provided in connection with your audit of the financial statements of Brothers of Charity Services in the United Kingdom for the year ended 31 March 2022 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with relevant legislation and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

We confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you.

Our responsibility for the financial statements and accounting information

We believe that we have fulfilled our responsibilities for the true and fair presentation and preparation of the financial statements in accordance with relevant legislation and United Kingdom Accounting Standards.

Our responsibility to provide and disclose relevant information

We have provided you with:

- access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other material;
- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to individuals within the charity you determined it was necessary to contact in order to obtain audit evidence.

We confirm as trustees that we have taken all the necessary steps to make us aware, as trustees, of any relevant audit information and to establish that you, as auditors, are aware of this information.

As far as we are aware there is no relevant audit information of which you, as auditors, are unaware.

Accounting records

We confirm that all transactions that have a material effect on the financial statements have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all management and trustees' meetings, have been made available to you.

Accounting policies

We confirm that we have reviewed the accounting policies applied during the year in accordance with Section 10 of Financial Reporting Standard 102 and consider these policies appropriate to faithfully represent the effects of transactions, other events or conditions on the charity's financial position, financial performance and cash flows.

Accounting estimates, including those measured at fair value

We confirm that any significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Contingencies

There are no material contingent losses including pending or potential litigation that should be accrued where:

- information presently available indicates that it is probable that an asset has been impaired or a liability had been incurred at the balance sheet date; and
- the amount of the loss can be reasonably estimated.

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date.

There are no contingent gains which should be disclosed.

All material matters, including unasserted claims, that may result in litigation against the charity have been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with relevant legislation and United Kingdom Accounting Standards.

Laws and regulations

We confirm that we have disclosed to you all those events of which we are aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom.

Fraud and error

We acknowledge our responsibility as trustees of the charity, for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

We have disclosed to you:

- all the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- all knowledge of fraud or suspected fraud affecting the entity involving:
 - management and those charged with governance;
 - employees who have significant roles in internal control; and
 - others where fraud could have a material effect on the financial statements.

We have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

Transactions with trustees

We confirm that the charity has at no time during the year entered into any arrangement, transaction or agreement to provide credit facilities including loans, quasi-loans, credit transactions, mutually beneficial arrangements, or guarantees or security for the foregoing or assumed or assigned any such rights or liabilities for any trustees, shadow trustees, alternate trustees, or their connected persons, or non-trustee officers except as permitted and as disclosed in the financial statements.

No trustee or their connected persons had a direct or indirect material interest in any other transaction or arrangement with the charity other than those disclosed.

Trustees' emoluments

We confirm that there are no trustee emoluments other than as disclosed in the financial statements.

Related party transactions

We confirm that all related party relationships, transactions and balances, (including sales, purchases, loans, transfers, leasing arrangements and guarantees) have been appropriately accounted for and disclosed in accordance with the requirements of relevant legislation and United Kingdom Accounting Standards.

We have disclosed to you the identity of the charity's related parties and all related party relationships and transactions of which we are aware.

Classification of property

We confirm that we have considered the classification of Unit 6 Tweedbank Industrial Estate and determined it does not meet the definition of an investment property because the primary reason for ownership are not for the rental income earned nor for capital appreciation.

Impairment review

To the best of our knowledge, and with the exception of certain properties at Gattonside which are noted below, there is nothing to indicate that there is a permanent reduction in the recoverable amount of the fixed assets (property, plant and equipment) and intangible assets below their carrying value at the balance sheet date.

Defined benefit pension scheme

We confirm that we believe that the £400,000 creditor included in the financial statements to represents our best estimate of the eventual impact of the under-calculation of pension uplifts for the Brothers of Charity Services Retirement Benefit Scheme. We further confirm that the variance between the £400,000 included in the financial statements and the realistic worst-case scenario are also immaterial to these financial statements. We confirm there is no evidence which we have seen which contradicts this.

Scottish property sale

We confirm that it is the Trustees' current intention to sell certain Scottish property. The property for sale is all Scottish property with the exceptions of Unit 6 Tweedbank, St Aidan's Court Bungalows and Garden Villa. We further confirm that an offer of £3,750,000 is available to the Charity and the intention is to progress with the sale at that price.

Charges on assets

All the charity's assets are free from any charges exercisable by third parties except as disclosed within the financial statements.

Future commitments

We have no plans, intentions or commitments that may materially affect the carrying value or classification of assets and liabilities or give rise to additional liabilities.

Subsequent events

We confirm all events subsequent to the date of the financial statements and for which relevant legislation and United Kingdom Accounting Standards require adjustment or disclosure have been adjusted or disclosed.

Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, we will advise you accordingly.

Covid-19

We confirm that we have carried out an assessment of the potential continued impact of the Covid-19 pandemic on the business, including the impact of mitigation measures and uncertainties, and that the disclosure in the Trustees' Report and the subsequent events note in the financial statements fairly reflects that assessment.

Unadjusted misstatements

We confirm that the effects of the uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this letter as an Appendix.

Yours faithfully

Trustee A T Hassett Jul 27, 2023
A.T.Hassett (Jul 27, 2023 19:22 GMT+1)

Appendix

Schedule of unadjusted misstatements

Unadjusted misstatements							
	Entity element	SOFA		BS		Impact on result for year	
		Dr	Cr	Dr	Cr		
1 DR Pension costs CR Pension creditor	Charity	287,066				(287,066)	(287,066)
Description of adjustment <i>Being the estimated value of the worst case outcome of the pension inflation underpayment (£687k) less the amount provided for within the financial statements (£400k).</i>							
2 DR Expenditure CR Cash	Lancashire	2,053				(2,053)	(2,053)
Description of adjustment <i>Being total of differences noted across all Lancashire bank reconciliations</i>							
3 DR Fixed assets - property CR Gains on revaluation	Province		(50,000)	50,000			50,000
Description of adjustment <i>Being error whereby accounting records do not match property valuation figures (first noted in 2021)</i>							
4 DR Accrued income CR Income	Lancashire		(36,795)	36,795			36,795
Description of adjustment <i>Being the extrapolated error noted when comparing accrued income to sample of invoices</i>							
5 DR Other debtors CR Income	Lancashire		(32,421)	32,421			32,421
Description of adjustment <i>Being unknown figures included in Trial Balance (NL 6350 and 6351)</i>							
Total unadjusted misstatements		289,119	(119,216)	119,216	(289,119)		(169,903)

Audit Completion Report

Brothers of Charity Services in the United Kingdom – year ended 31 March 2022

July 2023

Strictly private and confidential



Contents

- 01** Executive summary
- 02** Audit approach
- 03** Significant findings
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- A** Appendix A: Management representation letter
- B** Appendix B: Audit report
- C** Appendix C: Independence

This document is to be regarded as confidential to Brothers of Charity Services in the United Kingdom. It has been prepared for the sole use of the Board of Trustees and senior management. No responsibility is accepted to any other person in respect of the whole or part of its contents. Our written consent must first be obtained before this document, or any part of it, is disclosed to a third party.



Board of Trustees
Brothers of Charity Services in the United Kingdom
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Dawson Lane
Whittle – le – Woods
Chorley
PR6 7DX

Mazars LLP
5th Floor
3 Wellington Place
Leeds
LS1 4AP

Dear Trustees,

Audit Completion Report – Year ended 31 March 2022

We are pleased to present our Audit Completion Report for the year ended 31 March 2022. The purpose of this document is to summarise our audit conclusions.

The scope of our work, including identified significant audit risks, key audit matters and other areas of management judgement, was outlined in our Audit Strategy Memorandum which we presented in October 2021. We have reviewed our Audit Strategy Memorandum and concluded that the original significant audit risks, key audit matters and other areas of management judgement remain appropriate.

We would like to express our thanks for the assistance of your team during our audit.

If you would like to discuss any matters in more detail then please do not hesitate to contact me on 07552 007708.

Yours faithfully


David Hoose (Jul 27, 2023 19:27 GMT+1)

David Hoose

Mazars LLP

Mazars LLP – 5th Floor, 3 Wellington Place, Leeds, LS1 4AP

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We are registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales. Details about our audit registration can be viewed at www.auditregister.org.uk under reference number C001139861. VAT number: 839 8356 73

01

Section 01:

Executive summary

1. Executive summary

Principal conclusions and significant findings

As outlined in our Audit Strategy Memorandum, our audit has been conducted in accordance with International Standards on Auditing (UK) and means we focus on audit risks that we have assessed as resulting in a higher risk of material misstatement.

In section 3 of this report we have set out our conclusions and significant findings from our audit. This section includes our conclusions on the audit risks and areas of management judgement. The key audit matters that were of most significance in our audit of the Financial Statements for disclosure in our auditor's report:

- Income recognition;
- Management override of controls;
- Restricted income & expenditure;
- Pension valuation (asset and liability elements);
- Bad debt provision;
- Property valuation in respect of Scottish properties.

Misstatement and internal control recommendations

Section 4 sets out internal control recommendations and section 5 sets out audit misstatements, including an explanation of the prior year adjustment required in respect of the wages accrual. The unadjusted misstatements are considered to be immaterial to the financial statements.

Status and audit opinion

We have completed our audit in respect of the financial statements for the year ended 31 March 2022.

We have issued an unqualified opinion, without modification, as set out in Appendix B.



02

Section 02: **Audit approach**

2. Audit approach

No significant changes to the audit approach noted from the Audit Strategy Memorandum issued at planning stage in July 2022.



03

Section 03: **Significant findings**

3. Significant findings

Set out below are the significant findings from our audit. These findings include:

- our audit conclusions regarding other significant risks, key audit matters and key areas of management judgement outlined in the Audit Strategy Memorandum;
- our comments in respect of the accounting policies and disclosures that you have adopted in the financial statements. On page 1 we have concluded whether the financial statements have been prepared in accordance with the financial reporting framework and commented on any significant accounting policy changes that have been made during the year; and
- any significant difficulties we experienced during the audit.

Significant risks

Income recognition

Description of the risk

There is a risk of fraud in revenue recognition due to the potential to inappropriately shift the timing and basis of revenue recognition as well as the potential to record fictitious revenues or fail to record actual revenues. Due to there being a risk of fraud in revenue recognition it is presumed to be a significant risk on all audits. For Brothers of Charity Services in the United Kingdom we see the revenue recognition significant risk as being principally in relation to cut-off.

How we addressed this risk

We addressed this risk by:

- Ascertaining the cut-off point for significant income streams and considering whether income has been recorded within the appropriate period;
- Obtaining and reviewing the underlying terms and conditions of significant revenue streams; and
- Reviewing the accrued and deferred income balances at period end.

Audit conclusion

We have identified no evidence of material error in respect of income cut-off.



3. Significant findings

Significant risks (continued)

Management override of controls

Description of the risk

Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur there is a risk of material misstatement due to fraud on all audits.

How we addressed this risk

In line with our methodology we addressed the management override of controls risk through performing audit work over accounting estimates, journal entries and significant transactions outside the normal course of business or otherwise unusual.

Audit conclusion

We have identified no evidence of management override of controls.

Restricted income and expenditure

Description of the risk

There is a presumed risk in all not for profit entities that restricted income may not have been identified as such and that expenditure may not have been incurred in line with any restrictions imposed by the donor.

How we addressed this risk

We addressed this risk by:

- Reviewing income and expenditure to consider if appropriate classification has been applied; and
- Sample testing expenditure to consider if it has been expended in line with restrictions imposed.

Audit conclusion

From the testing we have performed we have found no evidence of inappropriate material fund accounting.



3. Significant findings

Key areas of management judgement

Pension valuation

Description of the management judgement

The valuation of the defined benefit pension scheme is dependent upon a number of actuarial assumptions.

Additionally, we have been made aware that historic inflationary uplifts have been calculated using an incorrect cap. The actuary is in the process of quantifying the issue.

How our audit addressed this area of management judgement

We addressed this judgement by reviewing and challenging the underlying assumptions applied by the actuary in calculating the liability.

We reviewed the actuarial calculation in respect of the historic underpayment and consider the impact on the future liability.

Audit conclusion

We have concluded that the year-end valuation is appropriate, noting the below issue separately.

In section 5 we quantify an estimate of the financial impact of the error in historical inflationary uplifts. A £400,000 accrual in the financial statements has been proposed with management, reflecting their interpretation of the likely eventual outcome.

Bad debt provision

Description of the management judgement

There may be debtors where the recoverability is in doubt.

How our audit addressed this area of management judgement

We addressed this judgement by assessing the recoverability of debtors, including assessing in comparison to post year-end receipts and understanding the reasons why outstanding balances either will or will not be recoverable.

Audit conclusion

We have concluded that the finalised figures represent an appropriate position in respect of debtor recoverability.

In order to draw this conclusion, an increase in the bad debt provision of £43k for Merseyside and £236k for Lancashire was required.

In requesting an update on the receipt of moneys to satisfy debtors, it became apparent that aspects of credit control had not taken place resulting in it being considered unlikely that receipt will be obtained.



3. Significant findings

Key areas of management judgement

Property valuation

Description of the management judgement

The Charity's properties are included in the Balance Sheet at a valuation. For those properties located in England, their future use remains unchanged from prior years. For those located in Scotland, their future use is based upon the strategy for the Gattonside site which was agreed by the Trustees in a prior year. The impact on the values attributed to the properties will need to be re-assessed in light of progress made in attempting to sell a portion of the Gattonside estate.

How our audit addressed this area of management judgement

We addressed this risk by considering the reasonableness of an up to date valuation of the properties as obtained by the trustees, consideration of the trustees' strategic plans for the properties and taking into account progress made to date in respect of the sale of a portion of the Gattonside estate.

Audit conclusion

The financial statements include an impairment of £955k which reduces the carrying value of these properties to £3.75m. The initial accounting records reflected a value of £4m and an adjustment has been made to the financial statements.

We understand that the Garden Villa is to be retained and therefore an adjustment has been made to the financial statements.



3. Significant findings

Qualitative aspects of the entity’s accounting practices

We have reviewed Brothers of Charity Services in the United Kingdom’s accounting policies and disclosures and concluded they comply with UK GAAP including Financial Reporting Standard 102.

Challenges during the audit process

During the course of the audit we have had the full co-operation of management.

There were significant delays in providing information to meet the pre-agreed timetable, which had a consequential impact on the remainder of the process.

A number of areas of the financial statements included misstatements as explained more fully in section 5.

In section 4 we note the situation which has occurred within the finance function and the rectification steps required.

We would like to thank the Finance team and others that we encountered during the audit process for facilitating the process.

Significant matters discussed with management

Defined Benefit Pension Scheme

During the audit of the 2020 financial statements we were made aware of an emerging situation in respect of the incorrect inflation cap being utilised in calculating pension payments.

The situation has subsequently been investigated further and a report commissioned from Mark Frost, the Scheme’s actuary. This report, dated 30 September 2021, makes a worst-case assessment of the situation (with the expectation that further investigation will allow aspects of the calculation to be refined and reduced) which states a cumulative historic underpayment of £220k and a £30k/per annum understatement of the pension payroll.

A revised report dated June 2022 refines the figure further.

Our assessment of this situation suggests figures omitted from liabilities as shown in section 5.

We have proposed to management that a partial liability, representing a portion of the figures shown in section 5 of this report, is included within the financial statements. This partially liability would be immaterial, requiring no further disclosure as to its purpose.

This amount of £400,000 has been included within the latest financial statements.

Gattonside sale

We understand that the Trustees’ intention is to sell the Scottish properties at Gattonside which are not used by BOCS Scotland, retaining Garden Villa, St Aidan’s Court Bungalows as well as Unit 6 Tweedbank.

The preferred offer is at £3,750,000 plus the construction of a carpark. A second offer was made at a similar level.

As a result of this, the carrying value of the properties intended to be sold has been reduced by £955,000 to £3,750,000 which is disclosed as an impairment charge.

Future plans

We understand that the plans to transfer the service provision of the Charity into a newly formed registered Charity are ongoing but that no irreversible changes or decision have been made to this point which would require a post balance sheet events disclosure in the financial statements.

Prior year and current year adjustments to the financial statements

As part of drawing a conclusion that the financial statements show a true and fair view of the financial position of the Charity a number of adjustments have been made as noted in section 5. This includes a correction to the 2021 financial statements whereby the calculation of the wages accrual was inaccurate.



04

Section 04:

Internal control recommendations

4. Internal control recommendations

The purpose of our audit was to express an opinion on the financial statements. As part of our audit we have considered the internal controls in place relevant to the preparation of the financial statements in order to design audit procedures to allow us to express an opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation.

The matters reported are limited to those deficiencies and other control recommendations that we have identified during our normal audit procedures and that we consider to be of sufficient importance to merit being reported. If we had performed more extensive procedures on internal control we might have identified more deficiencies to be reported or concluded that some of the reported deficiencies need not in fact have been reported. Our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

Our findings and recommendations are set out below. We have assigned priority rankings to each of them to reflect the importance that we consider each poses to your organisation and, hence, our recommendation in terms of the urgency of required action. In summary, the matters arising fall into the following categories:

Priority ranking	Description	Number of new issues
1 (high)	In our view, there is potential for financial loss, damage to reputation or loss of information. This may have implications for the achievement of business strategic objectives. The recommendation should be taken into consideration by management immediately.	1
2 (medium)	In our view, there is a need to strengthen internal control or enhance business efficiency. The recommendations should be actioned in the near future.	-
3 (low)	In our view, internal control should be strengthened in these additional areas when practicable.	-



4. Internal control recommendations

Level 1 (high)

Accuracy of accounting records

Observation

During the audit process a number of inaccuracies were noted in the Charity's accounting records.

These included:

- An error in the calculation of the wages accrual which resulted in a correction required to both the 2021 and 2022 figures;
- Errors noted in balance sheet control accounts;
- Errors noted resulting from inconsistencies in treatment between the different divisions of the Charity; and
- Inaccurate calculation of bad debts.

Potential effects

The above impacted the Charity as follows:

- The 2021 figures have had to be restated in respect of the valuation of the wages accrual;
- The 2022 figures required corrections as noted later in this report;
- A significant value of fee debtors has been provided for due to the low likelihood of receipt – primarily caused by inadequate record keeping and accounts receivable management.

Recommendation

We would recommend that either:

- Changes are made to the working practices within the finance function in order to create an environment for accurate record keeping and a review process which ensures reconciliations have been performed.

Management response



4. Internal control recommendations

Follow up on previous internal control points

We set out below an update on internal control points raised in the prior year

Trustee oversight

We understand that the Charity Commission, as part of a related review, sought clarity in respect of the Trustees' levels of active oversight of the Charity. We understand that the Charity Commission were able to conclude that the Trustees were undertaking their duties in line with legislation.

We understand that the travel restrictions relating to the pandemic have made in-person Trustee meetings on charity premises in the UK impractical.

With the Charity Commission being able to conclude that the Trustees are meeting their governance duties the primary requirement has been met. From a review of minutes of Trustee meetings from April 2020 to date, the topics discussed suggest that other matters of strategy are being discussed outside of these meetings. There is no evidence of dialogue between Trustees and Senior Management.

Potential effects

Whilst we appreciate that current circumstances make the situation unusually difficult, the risk to the Trustees increases as a result of these discussions going unminuted.

With no minuted discussions between Trustees and Senior Management there is no formal record that such discussions have taken place which increases risk to the Trustees further.

Recommendation

We would recommend that either:

- Trustee meetings, and the corresponding minutes, are expanded to include other matters of strategy; or
- The other discussions outside of formal meetings are minuted in order to provide a record of decision making.

We have found that many charities have utilised video-conferencing on platforms such as Microsoft Teams as an effective way of Trustees who are geographically distant meeting with Senior Management of the charity.

2022 update

We are aware that Trustees have met twice during 2021/22 and also appointed a UK based Trustee. Both of these assist in the demonstration of active oversight.

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4. Internal control recommendations

Trustee appointments

We are led to believe that Stephen Robinson has been appointed as a Trustee after the year-end.

At present, the Charity Commission website is not showing this change.

Stephen Robinson's accountancy practice provides services to the Charity.

Potential effects

In situations where a Trustee provides services to a Charity, either directly or through their business, there is the potential for conflicts of interest which should be actively managed and documented.

Such services are only allowable where the Trust Deed allows them or with Charity Commission approval.

Recommendation

We recommend that the Trust Deed is reviewed to ensure the situation is compliant with it.

We recommend that the conflict of interest is documented in the next Trustee meeting and on the Trustees' Register of Interests.

We recommend that the Charity Commission records are updated.

2022 update

Our understanding is:

- We are not aware that a review of the Trust Deed has taken place
- At the time of the audit fieldwork, no declaration had been completed by Stephen Robinson. This has subsequently been completed.
- The Charity Commission records have been updated.

Defined Benefit Pension Scheme

We have been made aware that the Defined Benefit Pension Scheme has likely underpaid certain pensioners due to an error in the inflation rate applied.

We understand that this has been subject to a detailed review by the Scheme's Actuary and that a 'worst case' situation has been calculated.

Potential effects

The undercalculation of inflation in certain historic years has resulted in the pension paid and those due in the future to be understated resulting in a liability arising at the balance sheet date.

We acknowledge that management believe they have a strong case for recompense from the administrator, however the situation as it stands is not sufficiently progressed to take this element into account.

Recommendation

We commend the work being undertaken to rectify the situation and recommend that this continues.

2022 update

The rectification work is ongoing.



4. Internal control recommendations

Bank reconciliations and fund accounting

The Lancashire donations bank account nominal code has also been used as a control account for income and expenditure for the donations designated fund and a restricted fund. This has resulted in a difference on the bank reconciliation of £151k.

An adjustment of £163k has been identified by management and included in the financial statements, leaving an unknown amount on the reconciliation of £12k.

Potential effects

The transactions posted to this asset code represent a combination of income and expenditure, resulting in the initial balance sheet total being overstated.

Recommendation

We understand that these transactions have not been posted to income and expenditure because they relate to restricted and designated funds and this would distort the management accounts.

We recommend that such transactions are, in future, posted directly to the fund balances. This allows the management accounts to be unaffected from a profit perspective but the assets of the charity are then not overstated.

2022 update

The reconciliation contained omissions. There is a £13k difference between the cashbook balance and the bank letter balance.

National Minimum Wage compliance

As part of our testing of wages and salaries we sampled 37 individuals for one month spread across the year. In one instance we identified that an employee was paid less than National Minimum Wage. From discussions, we understand that this underpayment existed from payroll Period 3 to Period 10 and was identified and rectified, with back pay, in Period 11.

Potential effects

Non-compliance with the National Minimum Wage regulations can result in public disclosure by HMRC.

Recommendation

We acknowledge that, by the time of our audit, this had been identified and rectified internally.

We recommend that a review is undertaken to ensure this was an isolated instance and that the reasons for the error could not occur in the future.

2022 update

We have identified a further instance of non-compliance in our sample testing. This was subsequently rectified.



4. Internal control recommendations

Follow up on previous internal control points

We set out below an update on internal control points raised in the prior year

Bank reconciliations – from 2020

While reconciling all bank accounts at Lancashire the following errors were noted:

- For the Household account we noted a £1,350 difference compared with the trial balance and the bank statement.
- For the donations bank account a £7,089 unidentified difference between the bank account and trial balance.
- For the miscellaneous bank account we noted a £5,506 difference between the bank account and the trial balance.

Implication and recommendation

Payments and receipts can be made which potentially go un-noticed due to reconciliations between the bank statements and the cash book not being carried out frequently enough.

Bank and cash book reconciliations should be performed regularly and stricter controls put into place.

2022 update

The bank reconciliations, once received, contained omissions and errors which were immaterial in value.

VAT

The Lancashire VAT account postings have not been posted appropriately and thus there is a difference of £5,701 between the VAT return and the TB relating to how VAT is recorded on intra-division transactions.

Implication and recommendation

The VAT creditor at year end could be misstated or the payments to HMRC could be wrong by £5,701.

Review the VAT account postings and ensure they are in line with the actual transactions in the year.

2022 update

There remains a difference at 31 March 2022 of £12k. As this is below our triviality threshold we have not included it in section 5.

4. Internal control recommendations

Follow up on previous internal control points (continued)

Debtors

There is a sundry debtor account (which has a credit balance) which unallocated payments are posted to.

Implication and recommendation

This is not an appropriate manner of keeping track of debtor balances. The amount unallocated was immaterial but this account should be reviewed and cleared before year end.

Review and clear the unallocated receipts at year end to avoid a credit balance on the debtors ledger.

2022 update

There remains a trivial balance (£5k credit) in this account.



05

Section 05:

Summary of misstatements

5. Summary of misstatements

We set out below the misstatements identified during the course of the audit, above the level of trivial, for adjustment.

The tables on this page outline the misstatements that have been adjusted by management during the course of the audit.

Adjusted misstatements						Adjusted misstatements (continued)					
	Entity element	SOFA		BS			Entity element	SOFA		BS	
		Dr	Cr	Dr	Cr			Dr	Cr	Dr	Cr
1 DR Unrestricted funds				2,672		5 DR Expenditure		100,000			
DR Unrealised gains	Lancashire &	6,637				CR Creditors	Charity			(100,000)	
CR Investments	Merseyside				(9,309)						
Description of adjustment						Description of adjustment					
Being amendment to allow investments to match Rathbones statements						Being partial inclusion of estimated liability in respect of pension inflation historical issue (in addition to £300k included in 2021).					
2 DR Restricted Funds				18,712		6 DR Expenditure		76,000			
CR Debtors					(18,712)	CR Creditors	Province			(76,000)	
DR Restricted Funds	Lancashire			15,312							
CR Unrestricted Funds					(15,312)						
Description of adjustment						Description of adjustment					
Being correction to opening funds						Being correction to Lancashire loan balance in Province records to include Gattonside costs					
3 CR Creditors	Provincial				(47,660)	7 DR Fixed assets	Province			450,000	
DR Funds				47,660		CR Impairment charge			(450,000)		
Description of adjustment						Description of adjustment					
Being correction for late adjustments in 2020 relating to amounts owed to BOCS Scotland relating to Gattonside						Being correction to exclude Garden Villa from impairment calculation (because it is being retained)					
4 CR Pension scheme operating credit			(124,000)			8 DR Impairment charge	Province			250,000	
DR pension finance costs	Charity	9,000				CR Fixed assets			(250,000)		
CR actuarial loss			(26,000)								
DR Defined benefit pension scheme liability				141,000							
Description of adjustment						Description of adjustment					
Being the posting of the 21/22 pension adjustment						Being amendment to reflect projected sale price of Scottish properties at £3.75m (from £4m)					

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5. Summary of misstatements

Adjusted misstatements (continued)

	Entity element	SOFA		BS	
		Dr	Cr	Dr	Cr
9 DR Debtors	Merseyside			26,453	
DR Debtors	Lancashire			61,556	
CR Creditors					(26,453)
CR Creditors					(61,556)
Description of adjustment					
<i>Being credit balances identified on sales ledger (excluding Lancashire CC)</i>					
10 DR Expenditure	Lancashire	33,959			
CR Debtors					(33,959)
Description of adjustment					
<i>Being the difference between Province loan creditors and corresponding debtors in Lancashire and Merseyside</i>					
11 DR Wage costs	Lancashire	89,741			
CR Payroll creditors					(89,741)
Description of adjustment					
<i>Being the unreconciled amount on Lancashire creditor control accounts</i>					
12 DR Wage costs	Merseyside	8,894			
CR Payroll creditors					(8,894)
Description of adjustment					
<i>Being the unreconciled amount on Merseyside creditor control accounts</i>					

Adjusted misstatements (continued)

	Entity element	SOFA		BS	
		Dr	Cr	Dr	Cr
13 DR Deferred income	Lancashire			123,933	
CR Fee debtors					(123,933)
Description of adjustment					
<i>Being amount in deferred income which represents a bad debt provision.</i>					
14 DR Expenditure	Merseyside	42,582			
CR Debtors					(42,582)
Description of adjustment					
<i>Being the underprovisioning of bad debts.</i>					
15 DR Expenditure	Lancashire	236,407			
CR Debtors					(236,407)
Description of adjustment					
<i>Being the underprovisioning of bad debts.</i>					
16 DR Expenditure	Charity	107,758			
CR Creditors					(107,758)
Description of adjustment					
<i>Being the difference between Province loan creditors and corresponding debtors in Lancashire and Merseyside</i>					

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The table below sets out a correction made to the 2021 financial statements, by way of a prior year adjustment.

Adjusted misstatements (continued)

	Entity element	SOFA		BS	
		Dr	Cr	Dr	Cr
17 DR Wage costs CR Wage accrual <i>Description of adjustment</i> <i>Being correction required to wage accrual</i>	Merseyside	229,468			(229,468)
18 DR Wage accrual CR Wage costs <i>Description of adjustment</i> <i>Being correction required to wage accrual</i>	Lancashire		(139,490)	139,490	
Total adjusted misstatements		1,390,446	(539,490)	726,788	(1,577,744)

Adjusted misstatements - 2021 Prior Year Adjustment

	Entity element	SOFA		BS	
		Dr	Cr	Dr	Cr
1 DR Unrestricted funds CR Wage accrual <i>Description of adjustment</i> <i>Being correction required to prior year wage accrual</i>	Merseyside			426,903	(426,903)
2 DR Unrestricted funds CR Wage accrual <i>Description of adjustment</i> <i>Being correction required to prior year wage accrual</i>	Lancashire			292,993	(292,993)
Total adjusted misstatements		0	0	719,896	(719,896)

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5. Summary of misstatements

The table on this page outlines the misstatements that were identified during the course of our audit which management has assessed as not being material either individually or in aggregate to the financial statements and does not currently plan to adjust.

Unadjusted misstatements

	Entity element	SOFA		BS		Impact on result for year
		Dr	Cr	Dr	Cr	
1 DR Pension costs CR Pension creditor	Charity	287,066			(287,066)	(287,066)
Description of adjustment <i>Being the estimated value of the worst case outcome of the pension inflation underpayment (£687k) less the amount provided for within the financial statements (£400k).</i>						
2 DR Expenditure CR Cash	Lancashire	2,053			(2,053)	(2,053)
Description of adjustment <i>Being total of differences noted across all Lancashire bank reconciliations</i>						
3 DR Fixed assets - property CR Gains on revaluation	Province		(50,000)	50,000		50,000
Description of adjustment <i>Being error whereby accounting records do not match property valuation figures (first noted in 2021)</i>						
4 DR Accrued income CR Income	Lancashire		(36,795)	36,795		36,795
Description of adjustment <i>Being the extrapolated error noted when comparing accrued income to sample of invoices</i>						
5 DR Other debtors CR Income	Lancashire		(32,421)	32,421		32,421
Description of adjustment <i>Being unknown figures included in Trial Balance (NL 6350 and 6351)</i>						
Total unadjusted misstatements		289,119	(119,216)	119,216	(289,119)	(169,903)

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Appendices

A: Management representation letter
B: Audit report
C: Independence

Appendix A: Management representation letter

To be provided separately.



Appendix B: Draft audit report

Please refer to the financial statements.



Appendix C: Independence

As part of our ongoing risk assessment we monitor our relationships with you to identify any new actual or perceived threats to our independence within the regulatory or professional requirements governing us as your auditors.

We can confirm that no new threats to independence have been identified since issuing the Audit Strategy Memorandum and therefore we remain independent.

