



**Brothers of Charity Services**

working in partnership for positive lives in England

# **Brothers of Charity Services**

Annual Report & Financial  
Statements for the year ended  
31st March 2024

# 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 2024

## Annual Report and Financial Statements

### 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

**Chief Executive Officer:**

Lisa Gregory

**Bankers:**

The principal banker for the Charity is:

**Brothers of Charity – Provincial**

AIB Group (UK) Plc  
10 Berkeley Square  
London  
W1X 6DN

The following bankers are also utilised by the Charity:

**Brothers of Charity Services – Merseyside  
(Thingwall Hall)**

Royal Bank of Scotland  
1 Dale Street  
Liverpool  
L2 2PP

**Brothers of Charity Services – Lancashire  
(Lisieux Hall)**

Royal Bank of Scotland  
36 St Andrew Square  
Edinburgh  
EH2 2YB

**Investment advisers:**

**Rathbone Investment Management Limited**

Port of Liverpool Building  
Pier Head  
Liverpool  
L3 1NW

**Auditor:**

**Forvis 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 2024.

## 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.

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 objectives. 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 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.

## 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

### Care Directorate Report

#### Our Organisation

We continue to ensure that the Brothers of Charity Services is an organisation which is respected and well-thought of across the boroughs. We have a strong working relationship with key representatives within the local authorities across all regions.

#### Day Services

##### Food-based Enterprises

We are proud to be part of the wider recognition for BOCS in achieving Customer Service Excellence with full certification and five Compliance Plus elements, these were recognised for the following;

- The Olive Tree Café
- Fare Share food initiative
- South Ribble Dementia Charter
- Warm Spaces Initiative
- Random Act of Kindness

##### Olive Tree & Olive Tree Express

During the last 12 months, the Food Based Enterprise Team have launched the Olive Tree and Olive Tree Express, both these ventures offer Staff an opportunity to enjoy food on and off site at a subsidised price making the offer high quality yet affordable.

##### Transitional Pathways

The Food-based Enterprise has continued to inspire prospective service users to work in a real working environment. During the past year we have hosted numerous visits from colleges and schools who are preparing transition pathways for their students.

##### External Catering

We provide external catering support to the South Ribble HAF Scheme. We are proud to continue to support the South Ribble Council with their summer camps.

##### Fareshare Initiative

We have continued our partnership with Fareshare, this initiative has now seen Roccoco prevent over 10,000 meals from being sent to landfill.



## Pets' Corner

Due to the lack of space at Pets' Corner meaning there are only a few places for the people we support we are looking at moving the animals to Lisieux Hall that way more people will be able to work with the animals.

## Walled Garden

The Walled Garden achieved a level 4 award at North West in Bloom (Thriving) which is an amazing accolade.

## Land base

Land base has transformed an area at Lisieux Hall, the team have worked extremely hard through all weathers and created a beautiful new garden for all to enjoy.

## Creative Arts

The Creative Arts group have celebrated a fantastic year of artistic influence throughout the Day Services. The team also celebrated the long-anticipated move into The Coach House in December 2023.

## Digital Media

The Digital Media group moved into their new rooms within The Resource Centre, in February of 2024. The room now holds more of a "media vibe" which has resulted in a modern and fresh environment.

## Network 50

The Network group have enjoyed a very busy year and have loved putting their own personal stamp on their new, and larger room within The Coach House.

## Outreach and Specialist Services

The service is proving to be a very popular offer particularly via word of mouth and through direct referrals made by schools and families.

## The Resource Centre

We are very proud to be working with Knowlsey Disability Concern who are delivering an ongoing programme of certified training for the people we support, subjects include Maths, English, IT and Life Skills. Everyone is really enjoying their own personalised learning experience.

## Supported Living, Domiciliary Care, and the Nursing Home

### Local Authority Partnerships

Local Authority reviews continue across all areas looking at ways to reduce levels of support for individuals. We continue to advocate strongly for the people we support to ensure their needs are correctly met.

### Brother Alfred's Visits

In April and June, we received a visit from Brother Alfred, he met staff and clients from across services. Staff who met with Brother Alfred felt much appreciated by the kind thanks and praise for the work they have done.

### Family & Service Users Quality Questionnaires

Family and service users' questionnaires were sent out to all care services. The feedback was very positive with many complimentary comments about the high-quality services we deliver.

### Student Nurses

We have continued our close relationship with the School of Nursing across local universities, and welcome student nurses to work alongside our own nurses.

### Care Control System

We are implementing Care Control, the new digital social care system which will allow us to instantly record and manage all the organisation's care information.

### Hastee

We have set up a partnership with a company called Hastee. This allows our support staff to access up to 50% of their earned overtime pay the week after they have worked the hours, this is proving very popular with the staff.

### iTrent

The introduction of iTrent for the use of payslips has gained positive feedback from staff. The majority of staff have also acknowledged the addition of the Refer-a-Friend scheme and continue to look out for any new additions to the iTrent system.

### Uplifts

This year has seen some much welcomed uplifts. We have been able to pay the Real Living Wage to support staff and increase salaries above that role of the Support Worker, this has really been welcomed by all of the staff teams.

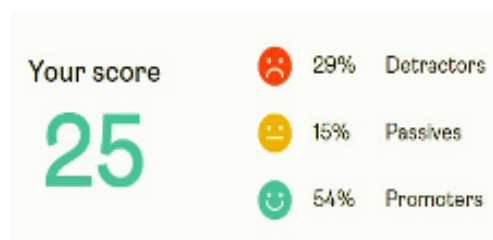
Here are some of the people we support living happy and fulfilled lives at home and in the community:



# People Directorate Report

## Our Highlights

Our annual engagement survey was relaunched in March 2024 following a hiatus after COVID. 18% of our workforce responded and provided a range of positive responses. After liaising with other care providers in the North West, the average response rate appears to be circa 20% and we are hopeful that our numbers will increase year on year.



Over 65% of respondents are likely to recommend BOCS as a good place to work.

## MHR iTrent

Our Payroll department has been utilising MHR (iTrent) over the past two years to ensure all our employees are paid correctly and timely. As an organisation we have introduced the system to all employees and workers to allow them to see their payslips online, eradicating the need for printing paper wage slips and ensuring everyone receives their information in a timely manner. Office based staff can also now book their annual leave via the self service portal.

We continue to transition to HR tasks being completed via the system which ultimately will streamline our processes and remove the need for manual intervention.

## Recruitment Campaigns

Our recruitment team have worked tirelessly to ensure that key vacancies are filled within the organisation. This included 2 members of SLT and a fully established management team.

Regional statistics show that the average vacancy rate is 9.5%, as of 31st March 2024, our rate was 6.14%



## Community Forum

In 2024, we went live with our online Community forum, we hope the Forum will support our communication strategy and help us all stay connected. In particular, the Forum offers all our employees an opportunity to interact with each other, be involved in online discussions, and Q&A sessions with the senior leadership team, whilst also providing an opportunity to put forward suggestions and ideas about our services and workplace improvements.





## Staff & Client Awards Ceremony

We are planning an Oscars-style awards ceremony event during the summer months which will be a celebration of the outstanding contribution of our colleagues, combined with the incredible achievements of the people we support. This is an important event in our social calendar as we get to recognise the amazing dedication and commitment of the people employed and those supported by the BOCS.



## Supporting Our People

Health and wellbeing is a priority here at BOCS, we are committed to creating a workplace where everyone feels supported and that includes offering a variety of resources to our employees to support their mental health.

Here's how we have supported our people in the past 12 months:

### Mental Health First Aiders & Champions

We're fortunate to have 10 Mental Health First Aiders, and 35 Mental Health Champions who are here to provide confidential support when our employees are experiencing poor mental health, they will listen and help signpost people to the right resources. We do encourage our employees to reach out when they feel they need some additional support.

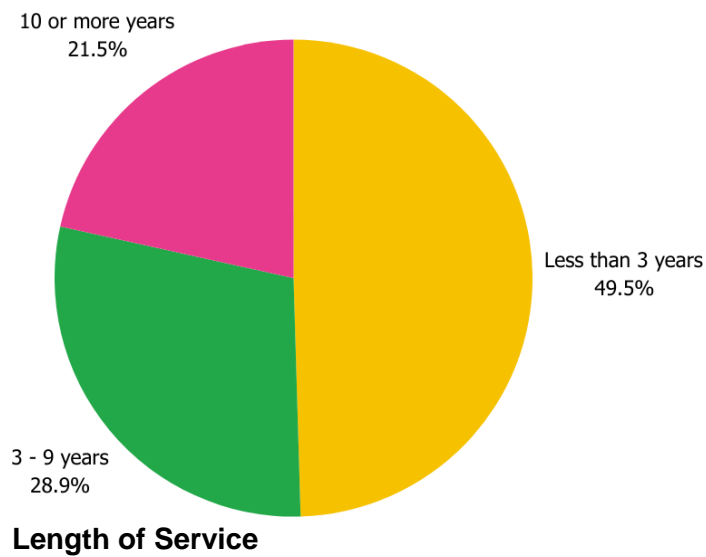
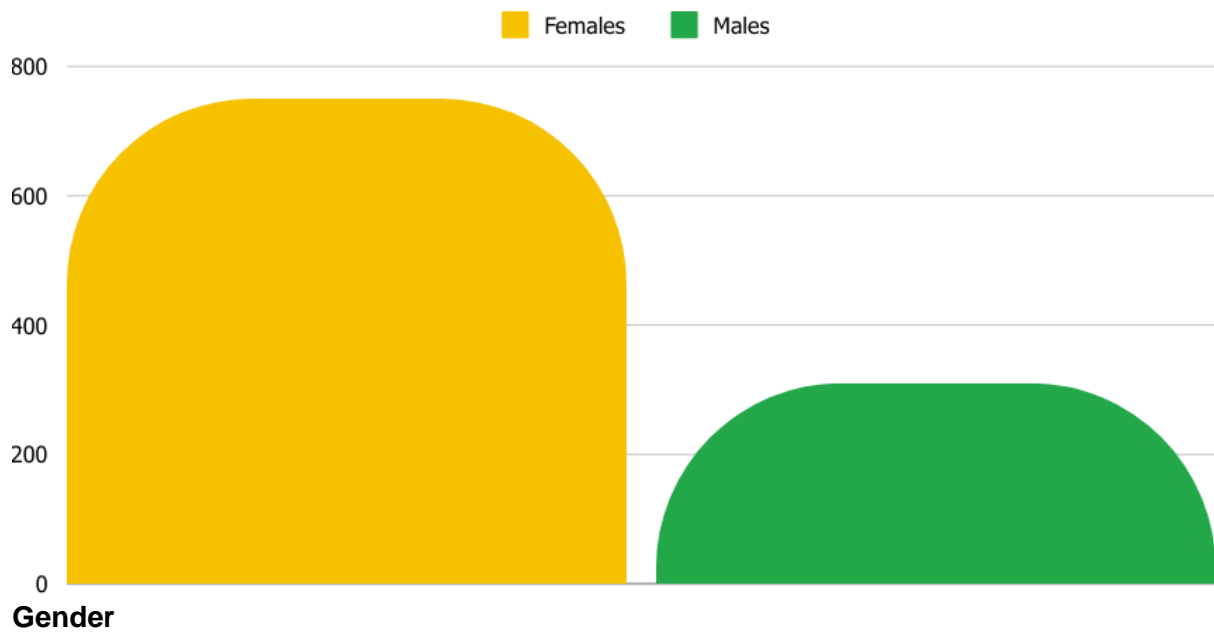
### Mental Health Training

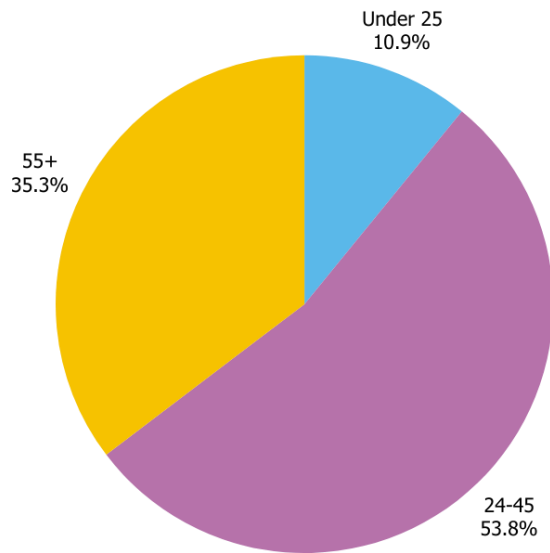
We have offered courses such as Stress Awareness, Mental Health Awareness, and Suicide Prevention.

### Medicash

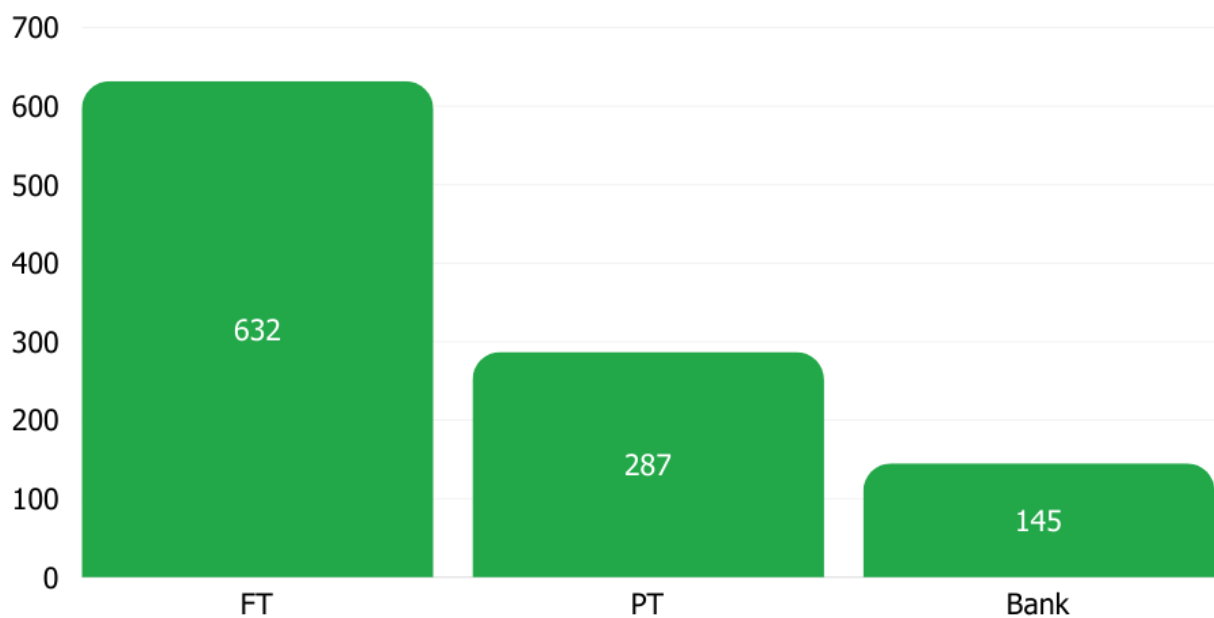
All our employees can access extra support via Medicash — our health care plan which offers a wide variety of support, including an employee health and stress helpline where our staff can speak to professional counsellors on a 24/7 basis.

## Our Year in Numbers





### Age

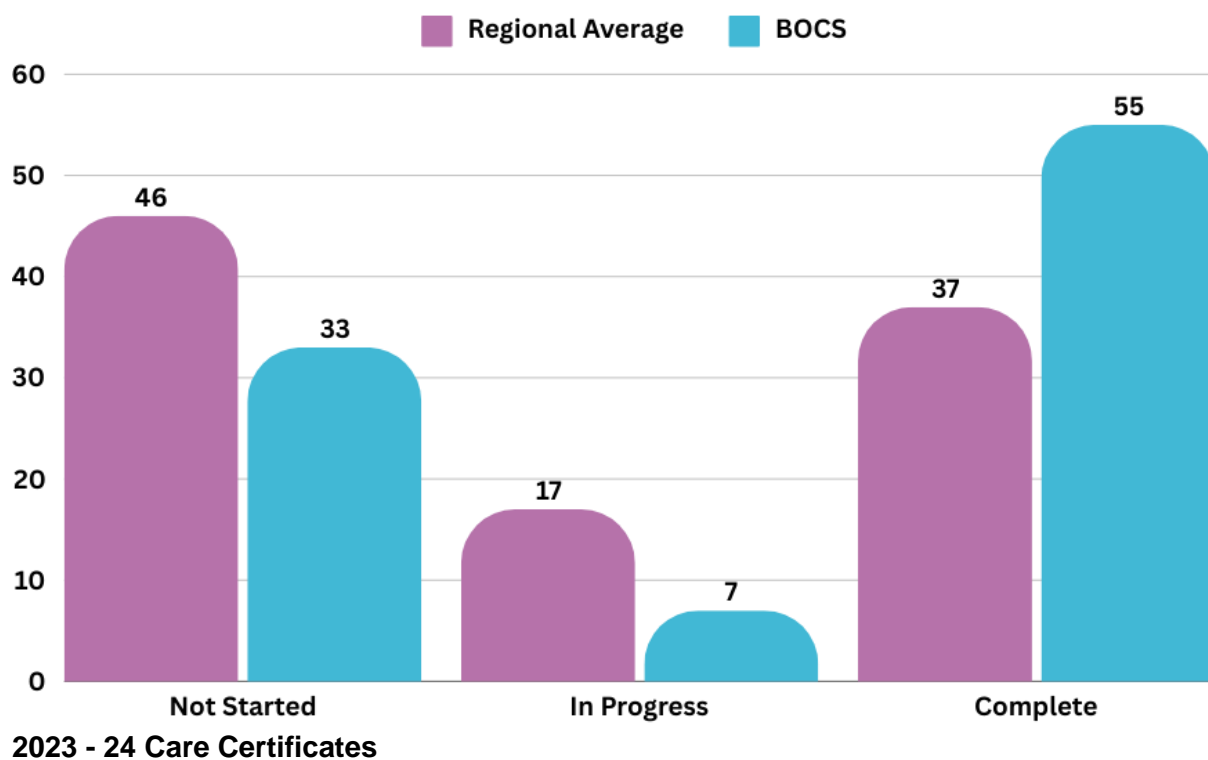
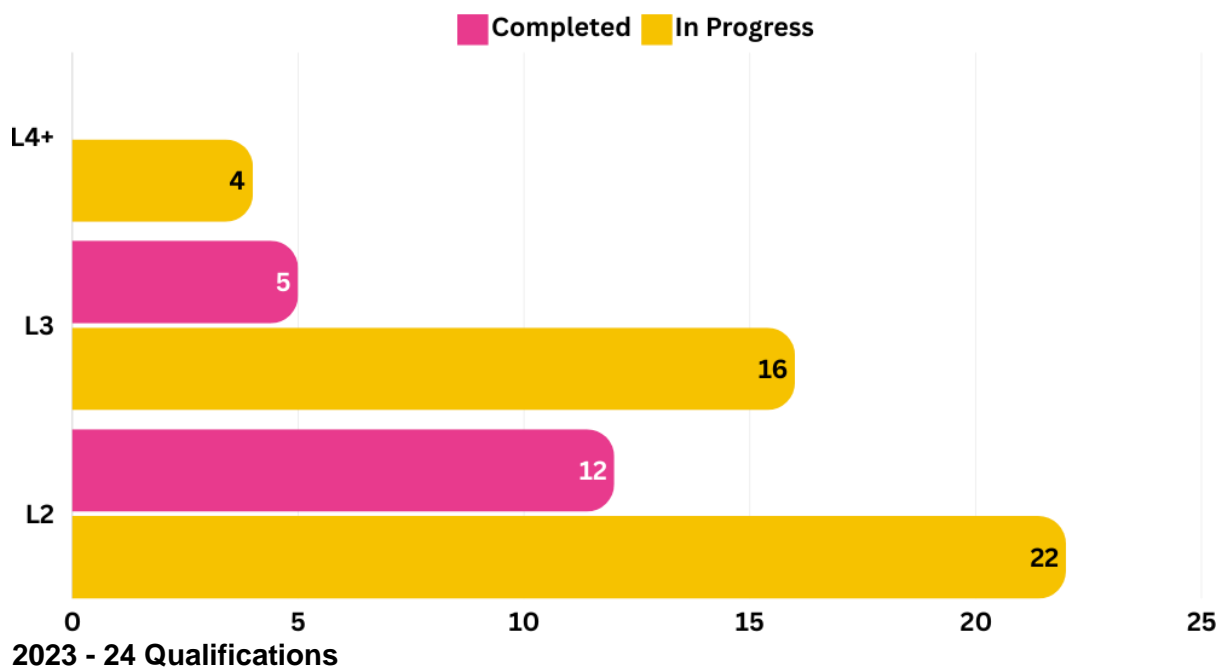


### Employment Types

Skills for Care details the statistics for care-related employment on an annual basis. Our data is in line with the North West Region statistics in general, however, our workforce demographic is slightly older with a higher percentage of male workers.

## Developing Our Teams

Health and Social Care Qualifications and Certifications.

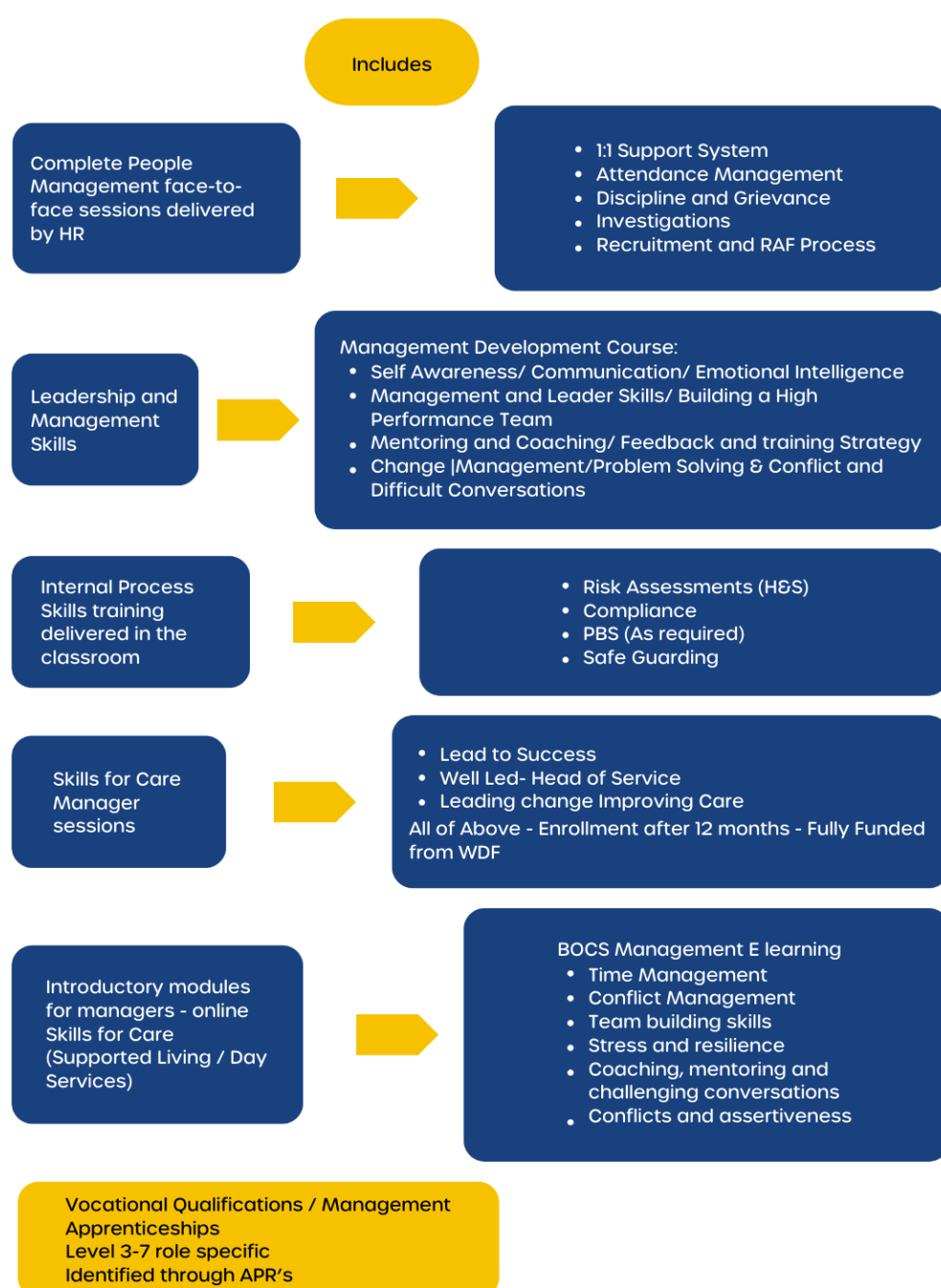




## Management Development Programme

The Management Development Program (MDP) looks to upskill and develop our managers (existing, new, and future) to undertake their managerial and leadership responsibilities and lead their teams in an effective and professional manner.

The L&D team recognise that managers at all levels need a certain set of skills associated with their people management role, and these need to be developed in line with BOCS priorities. This program is designed for individuals who have recently been recruited or stepped up into management positions, it is also suitable for existing managers as an aid in refreshing existing knowledge and skills and can be made available for those people who aspire to become managers of the future.



## Employee Voice

BOCS will be rolling out a new Engagement Group who will play a vital role in shaping our strategies, initiatives and overall direction. This group will replace the Joint Information Consultative Committee held in previous years and will use the results of engagement surveys to drive our focus.

Digital communication to employees will be increased with two-way services implemented to allow our employees to ask questions of the Service and also provide ideas for growth and improvements

## Preventing Harassment

The Worker Protection (Amendment of Equality Act 2010) Act 2023 (the new Act) comes into force on 26 October 2024 and introduces a new duty for employers to take reasonable steps to prevent sexual harassment of employees in the course of their employment. Whilst this existing framework encourages employers to implement preventative measures (training for example), the new Act now imposes a mandatory legal duty on employers to proactively prevent sexual harassment of employees while they are at work by taking reasonable preventative actions. BOCS will ensure that all are trained in preventing and identifying unacceptable behaviours. We will encourage people to speak up and necessary action will be taken.

## Estates & Maintenance Directorate Report

### Lisieux Hall, Lancashire

#### Sacred Heart

Decoration works have been completed during the year by our in-house painter and decorators.

#### Coach House

The first floor of the building has had a total transformation/remodelling. Two large office spaces have been created, toilets and a large kitchen have been provided. All rooms have been complemented with a contemporary-coloured finish. The large open plan room has retained many of its historic finishes, including the old oak beamed ceiling, and new lighting and flooring have been installed to bring the building back to a comfortable quality finish. This is now being used for training sessions.



#### St Therese's

We continue to appraise office spaces and to refresh as required. New dedicated training facilities have been created to support business development.

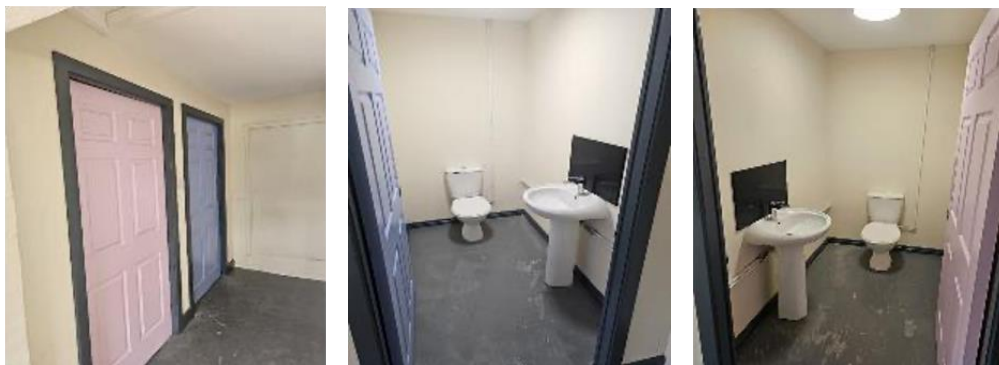
#### Landbase

We are currently discussing reintroducing the hands-on gardening service in Lancashire. The team has produced summer bedding plants and vegetables. They have also created their own hanging baskets using their own produce.



## Tractor Shed

The team has now created two toilets within this building for the Landbase team.



## Thingwall Hall, Merseyside

Development of BOCS buildings are now undertaken by our own in-house maintenance teams. By using the in-house team we have greater control of costs and standards.

The swimming pool has now been demolished and fresh soil has been laid. The grounds team will now be rotating this area and will be putting down wildflower seeds to create a meadow for the wildlife. The flowers will bloom in the summer months creating a lovely meadow for the wildlife onsite.



## Estate Future Plans

### Lisieux Hall

#### Wellbeing Centre

The Wellbeing Centre will be renovated into two sensory rooms and general decoration works will be carried out throughout the building. This will be creating a lovely environment for our staff and the community to use with their families and loved ones.

#### The Beeches

Once the woodlands are complete, the client can move in. The Beeches will then be refurbished and will bring in another 3-4 new clients within this building.

## Thingwall Hall

### Manor View Nursing Home

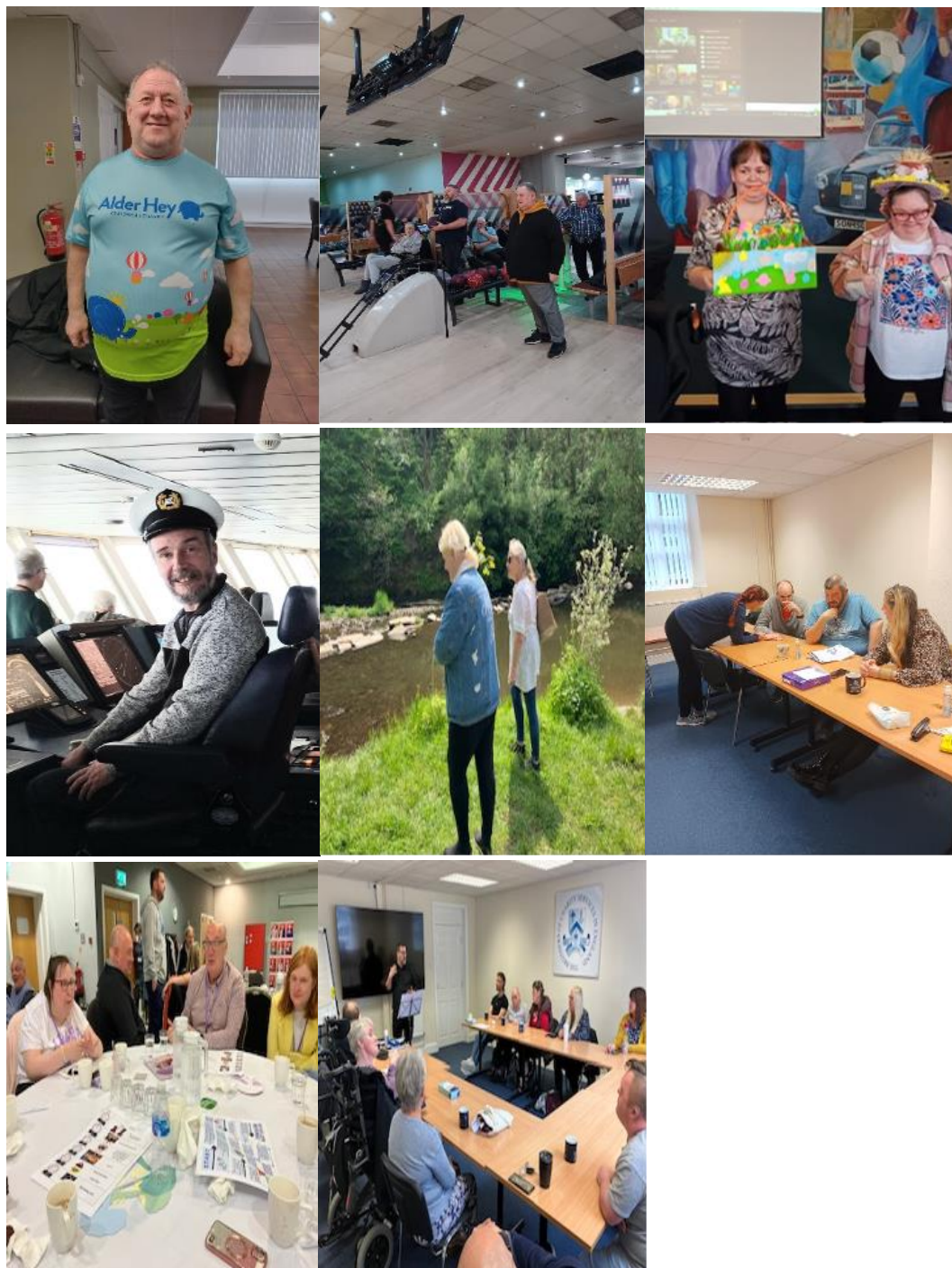
We will be looking to add an extension onto this property, creating another ten new bedrooms and a kitchen area/communal dining area for new clients.



## Advocacy Report

### Voice for All

Our Voice for All group allows the people we support to get together every fortnight to discuss any issues that arise. This can include individual challenges, community issues or struggles to have their voices heard. Our self-advocates work in partnership with many community groups such as Pathways and attend monthly meetings. There is also a lot of fun and activities!



## Strategic Update and Plans for Future Periods

Specific strategic development options and objectives in 2024/25 onwards are focussed as follows:

### People Strategy Objectives:

- Develop the appropriate future facing 'People Strategy' policies and approaches for the BOCS England to become a true 'Employer of Choice' in the social care and charity sector;
- Develop and implement sustainable performance management systems geared to supporting and enhancing BOCS England strategic and tactical objectives;
- Commitment to the Real Living Wage;
- 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 BOCS England to offer sustainable careers; and
- Full reviewing of the operating structure to ensure fit for purpose as we move towards incorporation in April 2025.

### 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; and
- The transformation and expansion of the current rapidly ageing configuration of Trust owned properties (working alongside commissioners) to ensure the people we support have a 'house for life' that can evolve and adapt to changing needs.

### Service Development Strategy Objectives:

- Establishment and expansion of Greater Manchester area (newly published framework) 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 the long-awaited implementation of rota management and digital care management system (launched in April 2024);

- Future development of Day Opportunities and Social Enterprises via social enterprise and day opportunities growth and replication across Service Areas will act as the primary Service Development initiative both in terms of increasing the diversity and reach of the delivery of our day service provision into the community;
- Service diversification and strategic response options to support new and dynamic support option to include the development of 5 newly commissioned one-bedroom self-contained homes (ready for new occupancy from October 2024); and
- Nursing Services Development: Potential Expansion of Nursing Provision for an additional 10 beds.

## Corporate Governance / Structural Development Strategy

The recruitment of a new CEO for the Brothers of Charity Services has been completed with a handover from September 2023 to December 2023. Our new CEO brings a wealth of healthcare knowledge and experience from the private and public sector. Our new CEO shares our vision for high quality, innovative and inclusive care. Her desire to ensure our people remain at the heart is strongly aligned with our charitable mission.

As we enter into 2024 a work stream will commence to facilitate a new charitable registration and incorporation for the operational services (BOCS England) in April 2025. The trust will continue to exist 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 going forward. The new charitable trust will continue to deliver through its services the mission of inclusive and outstanding care across the North West.



## Financial Performance, Reserves and Investments

The latest financial results for the year to the end of March 2024 resulted in a net decrease in funds of £3,284k (2022/2023 increase £654k). During the year, designated funds were repurposed to support the Brothers of Charity's overseas missions. We are proud to have provided £1,164k in Province grants to our international partners. The Province grants offer direct support and training for the international communities of the Brothers of Charity Services. In addition to this, losses of £1,765k (2022/2023 gains of £2,432k) arose from the fixed asset revaluation.

Net movement in funds from core activities amounted to £317k loss (£1,343k loss), demonstrating an improvement in core services.

Net movement in unrestricted funds generated an increase of £630k (2022/2023 £1,151k decrease). Investments performed well during the period leading to a realised gain of £5k and an unrealised gain of £456k (2022/2023 £247k gain and £691k loss).

This result means that the Balance Sheet demonstrates total funds of £46,966k (2022/2023 £50,250k) and these comprise unrestricted funds (net of the pension reserve) of £19,296k (2022/2023 £18,866k), restricted funds of £163k (2022/2023 £163k) and designated funds of £27,508k (2022/2023 £31,421k).

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 £9,583k (2022/2023 £8,975k) as at 31 March 2024, in addition to substantial cash at bank on that date. The Trustees will continue to monitor performance with the assistance of their advisors. Relating back to investing into the charity / charitable objectives.

### 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.

The Charity's reserves policy relates to general unrestricted funds, excluding tangible and intangible fixed assets and 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 2023 / 2024 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 to be held by the Charity and this has been met in the financial year 2023/2024.

The combined target level of reserves under the above reserves policy is £14.6m and the actual free reserves (representing general unrestricted funds excluding tangible and intangible fixed assets and pension liability) at 31 March 2024 is £19.3m. 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 an 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 insurance 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 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.

## Pay Policy for 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:

- Chief Executive Officer
- Director of Care Quality & Compliance / Deputy CEO
- Director of HR & Workforce Development
- Director of Care Operations
- Senior Head of Service - Liverpool & Thingwall Supported Living
- Head of Supported Living - Operational Area One
- Head of Supported Living - Operational Area Two
- Head of Domiciliary Care and Support
- Head of Nursing
- Head of Finance
- Head of IT
- Head of Facilities & Estates Management
- Head of Quality & Assurance
- Senior HR & Workforce Development Business Partner
- Regional Finance Business Partner
- Regional Payroll Manager
- Regional Day Opportunities Manager
- Regional Marketing & Communications Manager
- Regional Quality Assurance Manager
- Regional Care Administration & Office 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 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.

## 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 is applicable in the UK and the 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 a 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.

## Auditor

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

Approved by order of the Board of Trustees and signed by

Augustine T. Hassett  
Augustine T. Hassett (Dec 20, 2024 14:35 GMT)

Brother Alfred Hassett

TRUSTEE

# Independent auditor's report to the members of 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 2024 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 2024 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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.

### **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 Directors**

As explained more fully in the trustees' responsibilities statement on page 29, 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.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Charities Statement of Recommended Practice.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Charities Act 2011 the Charities Statement of Recommended Practice, UK tax legislation, pensions legislation and employment regulation.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks 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 revenue recognition (which we pinpointed to the cut-off assertion), restriction over use of funds, pension valuation, bad debt provision, property valuation and significant one-off or unusual transactions.

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

- Making enquiries of the directors 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](http://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.

*Forvis Mazars LLP*  
 Forvis Mazars LLP (Jun 3, 2025 13:47 GMT)

Forvis Mazars LLP Chartered Accountants and Statutory Auditor  
 5<sup>th</sup> Floor  
 3 Wellington Place  
 Leeds  
 LS1 4AP

Date **03/01/2025**

## Statement of Financial Activities

	Note	Unrestricted Funds (£)	Restricted Funds (£)	Designated Funds (£)	2024 Total Funds (£)	2023 Total Funds (£)
<i>Income</i>						
Donations, legacies & gifts		2,171	-	-	2,171	23,279
Income from charitable activities:						
Provision of core services; statutory authority contracts		29,015,596	-	-	29,015,596	26,626,490
Income from other trading activities:						
Trading income		136,237	-	-	136,237	97,434
Investment income		457,352	-	-	457,352	299,219
Other income		1,531,269	-	-	1,531,269	1,628,088
<b>Total Income</b>		<b>31,142,625</b>	<b>-</b>	<b>-</b>	<b>31,142,625</b>	<b>28,674,510</b>
<i>Expenditure</i>						
Expenditure on charitable activities:						
Provision of core services; statutory authority contracts	4	31,223,469	-	632,980	31,856,449	30,237,171
Province grants	4	-	-	1,164,218	1,164,218	-
Cost of raising funds		-	-	-	-	-
Trading expenditure		101,150	-	-	101,150	78,493
Pension scheme operating credit	19	153,000	-	-	153,000	(175,000)
Other pension finance costs	19	(18,000)	-	-	(18,000)	5,000
<b>Total Expenditure</b>	5	<b>31,459,618</b>	<b>-</b>	<b>1,797,197</b>	<b>33,256,816</b>	<b>30,145,664</b>
<b>Net expenditure before transfers</b>		<b>(316,994)</b>	<b>-</b>	<b>(1,797,197)</b>	<b>(2,114,191)</b>	<b>(1,471,154)</b>
Transfers between funds		351,314	-	(351,314)	-	-
<b>Net income / (expenditure) for the year</b>		<b>34,320</b>	<b>-</b>	<b>(2,148,512)</b>	<b>(2,114,191)</b>	<b>(1,471,154)</b>
Gains/(losses) on investments						
Realised gains	11	4,868	-	-	4,868	247,368
Unrealised gains		455,552	-	-	455,552	(690,832)
Movement on fixed asset valuation		-	-	(1,764,792)	(1,764,792)	2,431,755
		460,420	-	(1,764,792)	(1,304,372)	1,988,291
Actuarial gain on defined benefit scheme	19	135,000	-	-	135,000	137,000
<b>Net movement in funds</b>		<b>629,740</b>	<b>-</b>	<b>(3,913,304)</b>	<b>(3,283,563)</b>	<b>654,137</b>
Total funds brought forward		18,665,922	163,075	31,420,845	50,249,842	49,595,705
<b>Total funds carried forward</b>	17	<b>19,295,662</b>	<b>163,075</b>	<b>27,507,541</b>	<b>46,966,279</b>	<b>50,249,842</b>

All of the activities are classed as continuing.

## Balance Sheet

		2024	2023
	Note	£	£
<b>Fixed assets</b>			
Intangible assets	9	-	135
Tangible assets	10	24,222,881	26,465,442
Investments	11	<u>15,583,375</u>	<u>13,975,116</u>
		39,806,256	40,440,693
<b>Current assets</b>			
Stocks	12	5,950	5,085
Debtors	13	3,228,710	2,826,777
Short term cash investments	14	-	1,000,000
Cash at bank and in hand	14	<u>7,659,248</u>	<u>8,692,122</u>
		10,893,907	12,523,984
Creditors: amounts falling due within one year	15	(3,733,884)	(2,714,835)
Net current assets		<u>7,160,023</u>	<u>9,809,149</u>
Total assets less current liabilities excluding pension liability		46,966,279	50,249,842
Defined benefit pension scheme liability	19	-	-
<b>Net assets</b>		<u><u>46,966,279</u></u>	<u><u>50,249,842</u></u>
<b>Income Funds</b>			
Restricted		163,075	163,075
Designated		27,507,542	31,420,845
Unrestricted		19,295,662	18,665,922
Pension reserve (unrestricted)		-	-
<b>Total funds</b>	17	<u><u>46,966,279</u></u>	<u><u>50,249,842</u></u>

The financial statements were approved and authorised for issue by the Trustees on the 4th of December, 2024 and signed on their behalf on

Augustine T. Hassett  
Augustine T. Hassett (Dec 20, 2024 14:35 GMT)

Brother Alfred Hassett      Trustee

Lisa Gregory  
Lisa Gregory (Dec 20, 2024 09:58 GMT)

Lisa Gregory      Chief Executive

## Statement of Cash Flows

	2024	2023
	£	£
<b>Cash flow from operating activities</b>		
Net movement in funds	(3,283,563)	654,137
<b>Adjustment for non-cash items</b>		
Amortisation	135	1,615
Depreciation	617,885	610,280
Loss on sale of fixed asset	(6,369)	-
Gain on investments (unrealised)	(455,552)	681,297
Income from investments	(147,839)	(118,920)
Increase in stocks	(865)	(1,153)
(Increase) in debtors	(401,933)	425,069
Increase in creditors	1,019,050	(955,619)
Movement on defined pension liability	-	(307,000)
Impairment from revaluation of tangible fixed assets	1,764,792	(2,431,755)
Net Cash Flow from Operating Activities	<u>(894,260)</u>	<u>(1,442,049)</u>
<b>Cash Flow from Investing Activities</b>		
Capital expenditure on fixed assets	(144,809)	(151,738)
Proceeds from sale of fixed assets	11,062	-
Transfer of cash equivalents from / to investment deposits	-	5,736,419
Gains on investments - realised	(4,868)	(247,368)
	<u>(138,615)</u>	<u>5,337,313</u>
(Decrease) in cash and cash equivalents in year	<u>(1,032,875)</u>	<u>3,895,264</u>
Cash and cash equivalents at beginning of year	<u>8,692,122</u>	<u>4,796,858</u>
Cash and cash equivalents at end of year	<u>7,659,248</u>	<u>8,692,122</u>

The accompanying notes form part of these financial statements.

# 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 ongoing impact of 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.

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 strategy 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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## 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 of 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. No pension scheme asset has been recognised in this financial year due to concerns given the current economic environment, in particular volatile interest rates and inflation rates, any asset recognised may be transitory and will not be reflected in a reduction in contributions.



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. 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.

#### 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 2024.

### 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.

## 4. Direct Charitable Expenditure

	Unrestricted Funds (£)	Restricted Funds (£)	Designated Funds (£)	2024 Funds (£)	2023 Funds (£)
Provision of care services	28,740,485	-	632,980	29,373,465	28,853,262
Office costs including salaries	2,151,554	-	-	2,151,554	1,097,627
Legal and professional fees	189,589	-	-	189,589	198,128
Province grants	-	-	1,164,218	1,164,218	-
Donations	1,311	-	-	1,311	1,770
Financing costs	26,479	-	-	26,479	23,675
Congregation expenses	24,512	-	-	24,512	20,469
Governance costs (note 8)	89,539	-	-	89,539	42,240
	<u>31,223,469</u>	<u>-</u>	<u>1,797,197</u>	<u>33,020,666</u>	<u>30,237,171</u>

Province grants paid by the Congregation of the Brothers of Charity in England contribute towards our overseas missions. These grants provide direct support and training for the international communities and works of the Brothers of Charity.

## 5. Analysis of Resources Explained

	Staff Costs (£)	Depreciation (£)	Other (£)	2024 (£)	2023 (£)
Direct charitable expenditure	27,762,976	619,940	4,637,750	33,020,666	30,237,171
Trading expenditure	-	-	101,150	101,150	78,493
Pension scheme operating credit	-	-	153,000	153,000	(175,000)
Other pension scheme costs	-	-	(18,000)	(18,000)	5,000
	<u>27,762,976</u>	<u>619,940</u>	<u>4,873,900</u>	<u>33,256,816</u>	<u>30,145,664</u>

## 6. Employees

	2024 (£)	2023 (£)
Wages and salaries	24,063,657	22,252,875
Social security costs	2,072,230	1,871,527
Pension costs	740,170	703,178
Agency costs	886,919	1,564,499
	<u>27,762,976</u>	<u>26,392,079</u>

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

	2024 Number	2023 Number
£60,000 - £70,000	4	4
£70,000 - £80,000	2	1
£80,000 - £90,000	1	-
£120,000 - £130,000	1	-
£330,000 - £340,000	-	1
	<u>          </u>	<u>          </u>

During the year pension contributions to money purchase schemes of £71,752 (2023: £40,900) were paid in respect of these highest paid employees.

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

	2024 Number	2023 Number
Provision of care services	1,007	1,012
Management and administration of the Charity	57	59
	<u>1,064</u>	<u>1,071</u>

The total employee benefits of the key management personnel of the Charity, which comprises 20 posts (2023: 17 posts), including employer's national insurance contributions were £1,439,760 (2023: £1,369,860).

## 7. Trustees

No Trustees received any remuneration during the year. Expenses of £54,487 (2023: £61,048) 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

	2024 (£)	2023 (£)
External audit fees payable to the Charity's auditor	46,800	54,500
Accountancy fees payable to the Charity's auditor	-	6,600
	<u>46,800</u>	<u>61,100</u>

## 9. Intangible Assets

	Software (£)
<b>Cost or valuation</b>	
At 31 March 2023	46,580
Disposal	-
At 31 March 2024	<u>46,580</u>
<b>Amortisation</b>	
At 31 March 2023	(46,445)
Charge for the year	(135)
Disposal	-
At 31 March 2024	<u>(46,580)</u>
<b>Net book value</b>	
At 31 March 2023	135
At 31 March 2024	<u>-</u>

## 10. Tangible Fixed Assets

	Freehold Land & Buildings (£)	Motor Vehicles (£)	Plant & Equipment (£)	Total (£)
<b>Cost or valuation</b>				
At 1 April 2023	27,193,716	634,005	978,922	28,806,643
Additions	-	95,540	49,685	145,225
Disposals	-	(39,300)	-	(39,300)
Revaluation	389,195	-	-	389,195
At 31 March 2024	<u>27,582,911</u>	<u>690,245</u>	<u>1,028,607</u>	<u>29,301,763</u>
<b>Depreciation</b>				
At 1 April 2023	(1,050,100)	(444,079)	(847,022)	(2,341,201)
Charge for year	(500,913)	(67,122)	(49,523)	(617,558)
Depreciation on disposal	-	33,864	-	33,864
Reversal on revaluation	596,013	-	-	596,013
Impairment	(2,750,000)	-	-	(2,750,000)
At 31 March 2024	<u>(3,705,000)</u>	<u>(477,337)</u>	<u>(896,545)</u>	<u>(5,078,882)</u>
<b>Net Book Values</b>				
At 31 March 2023	26,143,616	189,926	131,900	26,465,442
At 31 March 2024	<u>23,877,911</u>	<u>212,908</u>	<u>132,062</u>	<u>24,222,881</u>

All tangible fixed assets were used for charitable purposes.

Land and buildings in England included above were revalued at 31 March 2024 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 2023 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 adjusted to reflect the anticipated net proceeds which will be received upon sale.

## 11. Fixed Asset Investments

	2024 £	2023 £
Investment portfolio	9,583,375	8,975,116
Investment deposits	6,000,000	5,000,000
	<hr/>	<hr/>
Market value at 31 March	15,583,375	13,975,116
	<hr/> <hr/>	<hr/> <hr/>

	2024 £	2023 £
Market value at 1 April	8,975,116	9,290,125
Net income	147,839	118,920
Realised gains	4,868	247,368
Unrealised gains/(losses)	455,552	(681,290)
	<hr/>	<hr/>
Market value at 31 March	9,583,375	8,975,116
	<hr/> <hr/>	<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:

	2024 £	2023 £
Property funds	-	-
Commodities	728,337	950,257
Fixed interest	2,788,764	3,942,795
Overseas equities	3,133,766	1,483,861
UK equities	2,462,929	1,513,896
Cash and cash equivalents	469,579	1,084,307
	<hr/>	<hr/>
	9,583,375	8,975,116
	<hr/> <hr/>	<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 £8,555,647 (2023: £8,258,248).

The following investments formed more than 5% of the value of the investment portfolio as at 31 March 2024.

	<b>2024</b> £	2023 £
UK index linked government bonds:		
- TREASURY 7/8% Green Gilt 31/07/2033	583,150	-
	<u>583,150</u>	<u>-</u>

## 12. Stock

	<b>2024</b> £	2023 £
Raw materials and consumables	5,950	5,085
	<u>5,950</u>	<u>5,085</u>

## 13. Debtors

	<b>2024</b> £	2023 £
Trade debtors	2,385,441	1,833,896
Other debtors	3,730	20,905
Prepayments and accrued income	839,539	971,975
	<u>3,228,710</u>	<u>2,826,776</u>

## 14. Cash and Cash Equivalents and Analysis of Net Debt

	At 31 March 2023 £	Cash flows £	Reclassification to investments £	Reclassification to cash £	At 31 March 2024 £
Short term cash investments	1,000,000	-	(1,000,000)	-	-
Cash at bank and in hand	<u>8,692,122</u>	<u>(1,032,875)</u>	<u>-</u>	<u>-</u>	<u>7,659,248</u>
	<u>9,692,122</u>	<u>(1,032,875)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>7,659,248</u>

## 15. Creditors: Amounts Falling Due Within One Year

	2024 £	2023 £
Trade creditors	161,906	186,691
Social Security and other taxes	421,066	148,739
Other creditors	456,176	253,287
Accruals	2,618,296	1,944,414
Deferred income	19,930	128,730
Amounts owed to related parties	56,510	52,974
	<u>3,733,884</u>	<u>2,714,835</u>

	2024 £	2023 £
Deferred income		
At April 2023	128,730	699,870
Resources deferred in the year	19,930	128,730
Amounts released from previous years	(128,730)	(699,870)
At 31 March 2024	<u>19,930</u>	<u>128,730</u>

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

## 16. Financial Instruments

	2024 £	2023 £
Financial assets measured at amortised cost	2,385,441	1,833,896
Financial liabilities measured at amortised cost	<u>161,906</u>	<u>186,691</u>



## 17. Funds

Funds are analysed as follows:

	Balance as at 31 March 2023 £	Movement in year		Transfer between funds £	Other gains and losses £	Balance as at 31 March 2024 £
		Income £	Expenditure £			
<b>Restricted funds:</b>						
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>
<b>Designated funds:</b>						
Properties	26,143,616	-	-	(500,913)	(1,764,792)	23,877,911
Landlord rents fund	1,145,751	-	(22,312)	(823,439)	-	300,000
Managers repairs fund	92,834	-	-	(92,834)	-	-
Publications fund	7,074	-	-	(7,074)	-	-
Cyclical maintenance – Thingwall Hall	832,804	-	(151,566)	-	-	681,238
Progress reserve	681,694	-	-	(681,694)	-	-
LLDF grant	1,107	-	-	(1,107)	-	-
SRBC potting shed	264	-	-	(264)	-	-
Donations fund	106,063	-	(1,012,730)	2,574,524	-	1,667,856
Sri Lanka development fund	170,000	-	(151,487)	481,487	-	500,000
Gattonside development fund	2,239,638	-	(459,102)	(1,300,000)	-	480,536
	<u>31,420,845</u>	<u>-</u>	<u>(1,797,197)</u>	<u>(351,314)</u>	<u>(1,764,792)</u>	<u>27,507,541</u>
<b>Unrestricted funds</b>	18,665,922	31,142,625	(31,459,618)	351,314	595,420	19,295,662
	<u>50,249,842</u>	<u>31,142,625</u>	<u>(33,256,816)</u>	<u>-</u>	<u>(1,169,372)</u>	<u>46,966,279</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.

## 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 the 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.

### Cyclical maintenance fund - Thingwall Hall

The cyclical maintenance fund has been designated 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 a 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.

### Donations fund

The donations fund is utilised for Province grants and donations as determined by the Trustees. Funds provide direct support and training for the international communities of the Brothers of Charity Services. The Congregation of the Brothers of Charity is internationally committed to serving persons who find themselves on the margins of society due to disability, illness or poverty. The Charity applies these funds in accordance with 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 of £2,575k and £481k were made from unrestricted funds to the donations and Sri Lanka designated funds respectively to cover future Province grants and donations. Transfers from unrestricted funds to properties designated funds represent the net of fixed asset additions and depreciation charges. £1,300k was transferred from the designated Gattonside fund to unrestricted funds to reduce the Gattonside fund to the expected future

cost of urgent and essential works. Designated funds that are no longer applicable have been released back to unrestricted funds.

## 18. Analysis of Assets Between Funds

2024	Unrestricted funds £	Restricted funds £	Designated funds £	Total funds £
Tangible and intangible fixed assets	344,970	-	23,877,911	24,222,881
Fixed asset investments	15,583,375	-	-	15,583,375
Current assets	6,703,710	163,075	4,027,123	10,893,907
Current liabilities	(3,336,393)	-	(397,491)	(3,733,884)
Pension liability	-	-	-	-
Total net assets	19,295,662	163,075	27,507,542	46,966,279
2023	Unrestricted funds £	Restricted funds £	Designated funds £	Total funds £
Tangible and intangible fixed assets	321,961	-	26,143,616	26,465,577
Fixed asset investments	13,975,116	-	-	13,975,116
Current assets	7,083,680	163,075	5,277,229	12,523,984
Current liabilities	(2,714,835)	-	-	(2,714,835)
Pension liability	-	-	-	-
Total net assets	18,665,922	163,075	31,420,845	50,249,822

## 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 2022.

At 1 October 2022, 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 £141,000. The market value of scheme assets as at 1 October 2022 for this scheme was £3,782,000. The actuarial value of these assets was sufficient to cover 96% of the benefits that had accrued to members, after allowing for expected future increase in earnings.

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:

	<b>2024</b>	<b>2023</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	1.1	1.1
Rate of increase in pensions in payment (LPI)	3.0	3.3
Discount rate	4.7	4.8
Inflation	3.2	3.3

The post-retirement mortality assumptions used to value the benefit obligation at 31 March 2024 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 2023 followed the same basis.

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

	<b>Males -Years</b>	<b>Females -Years</b>
31 March 2024		
Current pensioners	20.4	22.8
Future pensioners	21.7	24.3
31 March 2023		
Current pensioners	21.1	23.5
Future pensioners	22.5	25.0

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

	<b>2024</b>	<b>2023</b>
	<b>%</b>	<b>%</b>
Equities & property	15	13
Bonds	33	29
Insured pensions	33	42
Cash	19	16

The amounts recognised in the balance sheet are as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fair value of plan assets	4,359,000	4,503,000
Present value of retirement benefit obligations	(3,901,000)	(4,195,000)
Net surplus	458,000	308,000
Less: notional surplus not recognised	(458,000)	(308,000)
Net pensions recognised in the statement of financial position	-	-

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Opening defined benefit obligation at 1 April	4,195,000	5,293,000
Current service cost	5,000	9,000
Employee contributions	3,000	3,000
Interest cost	200,000	146,000
Actuarial (gains)/losses	(410,000)	(1,167,000)
Benefits paid	(92,000)	(89,000)
Liabilities extinguished on settlements	-	-
	<hr/>	<hr/>
Closing defined benefit obligation at 31 March	<u>3,901,000</u>	<u>4,195,000</u>

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fair value of plan assets at 1 April	4,503,000	4,986,000
Expected return on assets	218,000	141,000
Actuarial (losses)/gains	(427,000)	(720,000)
Contributions by the employer	158,000	184,000
Contributions by the employee	3,000	3,000
Benefits paid	(92,000)	(89,000)
Expenses paid	(3,000)	(2,000)
Assets distributed on settlements	-	-
	<hr/>	<hr/>
Closing fair value of plan assets at 31 March	<u>4,359,000</u>	<u>4,503,000</u>

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Current service cost	5,000	9,000
Contributions from the employer	(158,000)	(184,000)
(Gains)/losses on settlements	-	-
	<hr/>	<hr/>
Total	<u>(153,000)</u>	<u>(175,000)</u>

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Interest cost	200,000	146,000
Expected return on pension scheme assets	(218,000)	(141,000)
	<hr/>	<hr/>
	<u>(18,000)</u>	<u>5,000</u>

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

	2024 £	2023 £
Actual return less interest income recognised in SOFA	(427,000)	(720,000)
Experience gains / (losses) on benefit obligation	394,000	(167,000)
Effect of assumption changes on benefit obligation	16,000	1,334,000
Notional surplus not recognised	152,000	(308,000)
	<u>135,000</u>	<u>139,000</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 £578,955 (2023: £519,178). All contributions were paid in the year.

## 20. Leasing Commitments

Operating lease costs expensed in the year amount to £12,285 (2023: £15,200). The leases to which these amounts relate expire as follows:

	Other 2024 £	Land & Buildings 2024 £	Other 2023 £	Land & Buildings 2023 £
In one year	11,513	-	11,970	-
Between one and five years	772	-	3,230	-
In five years or more	-	-	-	-
	<u>12,285</u>	<u>-</u>	<u>15,200</u>	<u>-</u>

## 21. Capital Commitments

At 31 March 2024, capital commitments for which the Charity had contracted were £nil (2023: £nil).

## 22. Contingent Liabilities

There are no contingent liabilities at 31 March 2024 or 31 March 2023.

## 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 £131,245 (2023: £128,543) was payable to the Charity by Brothers of Charity Services (Scotland). At the year-end £56,510 (2023: £56,510) was due to Brothers of Charity Services (Scotland).

Champion Accountants is a company in which Stephen Robinson (Trustee from 23 August 2021 to 11 July 2023) is an employee and a director of certain group companies. During the period in the year he was a Trustee Brothers of Charity Services in the United Kingdom have been charged £nil (2023: £24,600) for accountancy and associated services. At the year-end £nil (2023: £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 2024 amounted to £662,077 (2023: £581,670). 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 Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total Funds 2023 £
<i>Income</i>				
Donations, legacies & gifts	279	-	23,000	23,279
Income from charitable activities:				
Statutory Authority contracts	26,626,490	-	-	26,626,490
Income from other trading activities:				
Trading income	97,434	-	-	97,434
Investment income	299,219	-	-	299,219
Other income	1,628,088	-	-	1,628,088
<b>Total income</b>	<b>28,651,510</b>	<b>-</b>	<b>23,000</b>	<b>28,674,510</b>
<i>Expenditure</i>				
Expenditure on charitable activities:				
Provision of core services; statutory authority contracts	30,085,546	-	151,625	30,237,171
Costs of raising funds				
Trading expenditure	78,493	-	-	78,493
Pension scheme operating credit	(175,000)	-	-	(175,000)
Other pension finance costs	5,000	-	-	5,000
<b>Total expenditure</b>	<b>29,994,034</b>	<b>-</b>	<b>151,625</b>	<b>30,145,664</b>
Net income/(expenditure) before transfers	(1,342,529)	-	(128,625)	(1,471,154)
Transfers between funds	498,107	-	(498,107)	-
<b>Net income/(expenditure) for the year</b>	<b>(844,422)</b>	<b>-</b>	<b>(626,732)</b>	<b>(1,471,154)</b>
Gains/(losses) on investments				
Realised	247,368	-	-	247,368
Unrealised	(690,832)	-	-	(690,832)
Unrealised gain on fixed asset revaluation		-	2,431,755	2,431,755
Actuarial gain/(loss) on defined benefit scheme	137,000	-	-	137,000
<b>Net movement in funds</b>	<b>(1,150,886)</b>	<b>-</b>	<b>1,805,023</b>	<b>654,137</b>
Total funds brought forward	19,816,808	163,075	29,615,822	49,595,705
<b>Total funds carried forward</b>	<b>18,665,922</b>	<b>163,075</b>	<b>31,420,845</b>	<b>50,249,842</b>