

The Brendoncare Foundation

Report and Consolidated Financial Statements

31 March 2025



The Brendoncare Foundation

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www.brendoncare.org.uk

Company no: 01791733

Charity no: 326508

The Brendoncare Foundation

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For the year ended 31 March 2025

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The Brendoncare Foundation

Reference and administrative details

For the year ended 31 March 2025

Company number	1791733																												
Country of incorporation:	England and Wales																												
Charity number	326508																												
Country of registration:	England and Wales																												
Registered office and operational address	The Old Malthouse Victoria Road Winchester SO23 7DU																												
Patron	Her Royal Highness The Duchess of Edinburgh GCVO																												
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: <table><tr><td>Philip Dowson</td><td>Chair of Board</td></tr><tr><td>Professor Alison Richardson</td><td>Appointed 30 May 2025</td></tr><tr><td>Katherine Christie</td><td></td></tr><tr><td>Lee-Ann Fenge</td><td>Chair of Charitable Impact Committee</td></tr><tr><td>Peter Fellows</td><td>Appointed 29 November 2024</td></tr><tr><td>Fay Gillott</td><td>Chair of Development Committee</td></tr><tr><td>Sarah Hobhouse</td><td>Chair of Care and Clinical Governance Committee</td></tr><tr><td>Ian Jacobs</td><td></td></tr><tr><td>David Parfitt</td><td></td></tr><tr><td>Helen Roberts</td><td>Resigned 30 August 2024</td></tr><tr><td>Phillip Sykes</td><td>Chair of Finance & Audit Committee</td></tr><tr><td>Gordon Tillett</td><td>Chair of People Committee</td></tr><tr><td>Richard Turner</td><td></td></tr><tr><td>Jane Williams</td><td></td></tr></table>	Philip Dowson	Chair of Board	Professor Alison Richardson	Appointed 30 May 2025	Katherine Christie		Lee-Ann Fenge	Chair of Charitable Impact Committee	Peter Fellows	Appointed 29 November 2024	Fay Gillott	Chair of Development Committee	Sarah Hobhouse	Chair of Care and Clinical Governance Committee	Ian Jacobs		David Parfitt		Helen Roberts	Resigned 30 August 2024	Phillip Sykes	Chair of Finance & Audit Committee	Gordon Tillett	Chair of People Committee	Richard Turner		Jane Williams	
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Vice Patrons	<table><tr><td>Nick Bosanquet</td><td>Sir Anthony Newman-Taylor</td></tr><tr><td>Janet Budd</td><td>Lady Elisabeth Ribeiro</td></tr><tr><td>Marie-Therese Hill</td><td>Joe MacHale</td></tr><tr><td>The Viscount Lifford</td><td>Simon Theobalds</td></tr><tr><td>Peter Willan</td><td>Harvey White (Chair)</td></tr><tr><td>Jilly Morton</td><td></td></tr></table>	Nick Bosanquet	Sir Anthony Newman-Taylor	Janet Budd	Lady Elisabeth Ribeiro	Marie-Therese Hill	Joe MacHale	The Viscount Lifford	Simon Theobalds	Peter Willan	Harvey White (Chair)	Jilly Morton																	
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The Viscount Lifford	Simon Theobalds																												
Peter Willan	Harvey White (Chair)																												
Jilly Morton																													
Secretary	Marianne Wanstall (resigned 30 th September 2024) Gareth Morgan (appointed 30 th September 2024)																												
Bankers	Barclays Bank PLC 50 Jewry Street Winchester SO23 8TN																												

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Reference and administrative details

For the year ended 31 March 2025

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane
London
EC1Y 0TG

Management Team

Chief Executive	Marianne Wanstall until 30 th September 2024; Michael Crutchley from 1 st January 2025
Chief Financial Officer	Gareth Morgan
Director of Care & Wellbeing	Michael Crutchley until 31 st December 2024
Director of Charitable Impact and Community Services	Samantha Agnew until 7 th February 2025
Director of Business Development	Emma Digance
Director of Operations	Penny Lamb from 1 st January 2025
Director of People	Aileen Ohlson until 30 th August 2024; Anne Horn from 4 th May 2025

The Brendoncare Foundation

Report of the Trustees

For the year ended 31 March 2025

The Trustees present their report and the audited financial statements for the year ended 31 March 2025.

Reference and administrative information set out on pages two and three forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Chief Executive's Summary

As Chief Executive, it is my privilege to present Brendoncare's annual financial report, reflecting on a year marked by significant challenges and transformative change.

In our previous financial report, we emphasised the importance of strong commercial governance in executing our strategy. This governance, underpinned by changes to our operating model, has enabled us to consistently deliver high-quality care services while improving commercial performance to support our future development plans. I am pleased to report that we are now seeing the impact of these efforts, with a significant operational turnaround compared to the previous year, with further progress since the year-end.

A key highlight was our newest care home, St Giles View in Winchester which opened in September 2023, reaching full occupancy within one year of opening. With a continual focus on quality, delivered by Brendoncare colleagues and volunteers, we were proud to also see a substantial reduction in agency staffing use, a positive yield and the embedding of a sustainable operating model.

Towards the end of the year we undertook a restructuring of our central office and community services operating model to position Brendoncare for a more stable and sustainable future. Like many organisations in the social care and charity sectors, we reviewed the services we offer and how we support them to be delivered to ensure our long-term sustainability, partly in response to increased financial pressures following announcements in last autumn's Budget. With a focus on productivity and governance, we reduced our central office function costs significantly as we aimed for a lean and agile support model to our services.

We made the difficult decision to step back from operating some of our community clubs in Dorset and Hampshire. However, we are proud to share a positive outcome. Thanks to the outstanding efforts of our colleagues, volunteers, members and local partners, an incredible 90% of the affected clubs remain open under alternative providers. These clubs continue to serve their communities, providing vital connection and support.

More than 30 in-person clubs continue to run in Hampshire, most of them operating from our Otterbourne and Gosport hubs, with others in Chandlers Ford, Fareham, West End and Winchester. Our online clubs – including virtual clubs, telephone support and digital coaching – continue to operate as before, providing vital connection and companionship to help combat loneliness and isolation and reducing the digital divide among older people. As well as the community support services, these recent changes did not affect any of our other services, including our care homes and extra care housing.

These changes position us to meet the challenges of the future so that we are equipped to meet the needs of the rising numbers of older people especially those living with dementia or who feel isolated and lonely. For them, we will continue delivering exceptional integrated services that make a real difference.

In the face of this ever-evolving landscape, I would like to express heartfelt thanks to everyone who contributes to the life of Brendoncare — our Patron, Trustees, Vice Patrons, colleagues, volunteers, residents and members, relatives and supporters. On behalf of the entire organisation, we are deeply grateful for their continued support and dedication.

Michael Crutchley
Chief Executive Officer

The Brendoncare Foundation

Report of the Trustees

For the year ended 31 March 2025

Objectives and Activities

Our vision and purpose support our commitment to older people.

Our vision: *We are committed to supporting older people.*

Our purpose: *We empower people to live well through the provision of age-friendly places and services.*

Our values:

We are kind.

We are empowering.

We are dedicated.

We are forward thinking.

Strategic Report

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

In preparing this report, the Trustees (who are also Directors of The Brendoncare Foundation for the purposes of company law) have had regard to the matters in section 172(1)(a) to (f) of the Companies Act 2006 applicable to large companies.

Achievements and Charitable Objectives

40th Anniversary

Brendoncare's 40th anniversary year concluded with the burial of a time capsule in the garden at Brendoncare Otterbourne Hill on Tuesday, 12th February 2025.

The capsule holds a collection of photographs, poems, letters, and stories that reflect the many celebrations and activities held throughout the anniversary year. It also features the inspiring stories of the 40 Faces of Brendoncare — a diverse group of colleagues, residents, volunteers, club members, patrons, and professionals who represent the charity's values and ethos.

A special highlight included in the capsule is a memory stick containing a cover version of Stevie Wonder's *I Just Called to Say I Love You*, performed by residents, colleagues, volunteers, and club members — a lasting tribute to the spirit of community and connection at the heart of Brendoncare.

Community Services

As well as delivering vital care services in our homes, Brendoncare is actively working to reduce loneliness through a range of community initiatives and support networks.

The Brendoncare Foundation

Report of the Trustees

For the year ended 31 March 2025

Despite making the difficult decision to step back from running our community clubs in Dorset and some in Hampshire, we worked hard to ensure that most of them services could continue through finding alternative providers to operate them.

Our focus now is to broaden our range of community services. Bringing new hubs to the group in addition to those offered at our two main hubs at Otterbourne Hill and in Gosport for the benefit of the communities they serve, while retaining our community presence at our clubs in Chandlers Ford, West End and Winchester.

During the year, more than 150 people took part in exercise at 15 of our clubs, the activities ranging from seated fitness to Zumba, while two of our Otterbourne Hill clubs offer regular dementia-friendly activities.

Our telephone support services were used by 114 members with a total of 1390 calls being made, 84 members receiving regular calls from our telephone volunteer team.

We were thrilled to launch of our first digital café at Otterbourne Hill, run by volunteer digital champions, to help older people become more tech-savvy. A second is now being added at Gosport. We now have seven volunteer digital champions who give guidance in person and online.

Operating Review

Brendoncare's principal activities and objectives are:

- Management of seven care homes across southern England to provide quality care in residential settings. In the past year, Brendoncare has delivered care to 507 people.
- Managing and financially supporting community services including in-person and online clubs, digital cafés, telephone and digital support. All these services have helped to reduce loneliness and social isolation among older people in the communities we serve.
- Management of five extra care housing developments where we support people in privately owned or rented apartments and bungalows.

Care Homes

Brendoncare's seven care homes provide quality care and support to residents and their families.

Our residential care homes at **Brendoncare Knightwood** and **Brendoncare Meadway** enable residents to live independent, fulfilling lives with the focus being on promoting a sense of community and social interaction.

Brendoncare Stildon offers high quality nursing care for residents needing both nursing and personal support, but at the same time, enjoying the homely feel the care home provides.

Dementia care is delivered at four of our care homes. **Brendoncare Alton** has a dedicated dementia household as well as offering nursing, respite and end of life care. There is a 16-bed dementia household at **Brendoncare Froxfield**, where nursing, respite and end of life care are also available in its lovely rural setting.

Brendoncare Otterbourne is purpose-built to incorporate dementia-friendly features, together with providing extra care housing for couples and singles living with dementia in the adjacent Mews.

Brendoncare St Giles View is our first Winchester care home offering dementia care as well as nursing, respite and end of life care.

During the past year we saw increasing occupancy, finishing the year just ahead of our occupancy target. Occupancy has continued at a high level in 2025/26.

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For the year ended 31 March 2025

Care for Life

In 2024/25, Care for Life enabled us to support residents to remain in their Brendoncare home when their personal funding came to an end. Having explored other options with families and local authorities, Care for Life offers security and peace of mind to residents and their families. This commitment, to do our very best to support people to stay with us, reflects Brendoncare's long-standing dedication to dignity, stability and lifelong support in care.

Non-operational assets

Brendoncare has begun a process to sell assets that are either non-operational or non-revenue generating. As a result, we aim to sell three properties, and currently we anticipate completing these sales in the next 18 months. This will provide additional financial resources towards Brendoncare's growth strategy and in particular, potential redevelopment of some of our other existing Homes and potentially new developments.

Extra Care Housing

Brendoncare's five extra care housing developments offer older people the opportunity to live independently in their own homes, with the reassurance that care, and support are close at hand.

At **Mary Rose Mews** in Alton, **Knightwood Mews and Crescent**, **Stildon Mews**, and **Old Parsonage Court**, residents can purchase their own apartment or bungalow in a community designed to support later life.

Additionally, **Otterbourne Mews** offers purpose-built rental apartments specifically for couples where one partner is living with dementia, providing tailored support within a safe and compassionate environment.

Community Services

Following the change in services, Brendoncare now operates **33 community clubs**, supporting hundreds of people across our network. These services are now run through the Foundation following the transfer of business from Brendoncare Clubs as at 31 March 2024. In 2024/25, members contributed £14.85 per month, allowing them to access our services as often as they wish.

To ensure inclusivity, our **Access Fund** provides fully funded membership to individuals receiving means-tested benefits. Free membership is also extended to relatives of Brendoncare residents, carers, individuals receiving respite care, and all Brendoncare volunteers.

Thanks to the generosity of supporters, we received £52k in charitable donations (2024: £65k). While this represents a decrease, we continue to actively pursue new partnerships to reach and support those who need us most. As part of our five-year strategy, we will be further integrating community services with our Homes.

Our **digital support services** have expanded, with our team of **Digital Champion volunteers** offering practical help to members with getting online. Many individuals benefited from digital support sessions over the past year, helping them stay connected, informed, and engaged. Activity over the past year has included:

- More than 120 people including carers and care home residents received free membership, enabling access to our range of community support services. This figure included many on low incomes whose membership is funded through our charitable Access Fund.
- Over 150 people benefited from exercise at 15 of our clubs. Activities ranged from Zumba and seated fitness to Tai Chi and kurling.
- Two Brendoncare clubs – Singing for the Brain and Memory Lane Café at Otterbourne Hill – offer regular dementia friendly activities in a group setting.
- 114 members received telephone support at some time during the year (including one-off signposting and referral support).
- A total of 1390 calls were made, with 84 receiving regular calls from our team of volunteers.
- 636 attendances at 105 online club sessions and events.

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Report of the Trustees

For the year ended 31 March 2025

- 709 people were recipients of Community Support Service during the year via telephone support, online clubs and events and digital support.
- Brendoncare now has seven volunteer digital champions who give guidance and support to help members become more tech-savvy.
- 1195 attendances at Brendoncare's digital champion's support sessions, reducing the digital divide and empowering members to learn new skills.

Volunteering

Volunteers are key members of Brendoncare's team.

We value every individual choosing to give of, and share, their time, and skills so generously with us. We are proud to be holders of the Investing in Volunteers award, given in recognition of Brendoncare's commitment to volunteering.

We currently have:

- 138 Volunteers
- 100 of these are in our Community Clubs and Community Services; 20 are Telephone Support Service Volunteers and 7 are Digital Champions.
- 38 volunteers in our Care Homes.
- Our Trustees are also volunteers. The Foundation has 12 Trustees.

We recognise the contribution of our volunteers during Volunteers Week which runs during the first week of June each year. We use this week to highlight the range of activities in which they engage at our care homes and community service, thanking them through special events, cards and vouchers.

Colleagues

Our colleagues are the heart of the high-quality care in our care homes, extra care housing and community services.

As an equal opportunities' employer, Brendoncare treats each employee, volunteer, or job applicant fairly, basing every decision solely on the abilities and aptitudes of the individual concerned in relation to the role or training opportunity.

Over the past year, we have:

- Started developing a Nurse Associate Programme. We currently have two colleagues on the programme with another intake set for later this year.
- Through consultation with colleagues, we have chosen to invest in pay enhancements for hours worked at nights, during weekends and Bank/public holidays. This applies to all colleagues working in our care homes and is part of our commitment to reduce the use of agency workers, to ensure that familiar Brendoncare team members are at the forefront of our quality care.
- We ran a series of forums in the Autumn of 2024 giving all colleagues the opportunity to come together with the Senior Leadership Team. They had a chance to discuss any concerns, ask questions, share what is working well or what is working less well. It also provided a platform to share information from across the organisation and to celebrate successes.
- We have listened to colleague feedback about their uniforms. Following consultation with them, we sourced new uniforms which better suit their needs and give a consistent representation of the Brendoncare brand.
- We have relaunched the Extra Mile Awards, aligning them to Brendoncare's values.

We value the development and empowerment of our colleagues, providing learning and development opportunities that recognise the diversity of our workforce, builds careers and recognises individual aspirations.

The Brendoncare Foundation

Report of the Trustees

For the year ended 31 March 2025

Remuneration Policy

We relate pay differentials to the skill level required, workload, responsibilities, qualifications and external labour market forces. Our policy is that the ratio of the pay of the Chief Executive to the pay rates of the lowest paid colleague will not exceed 10:1. The ratio is currently 5.3:1.

We undertake annual pay reviews, generally on 1st April. The annual review considers the following internal factors:

- The turnover rate amongst colleagues in general, specific locations and particular roles
- The organisation's financial position and outlook
- The usage and cost of colleagues provided by agencies
- Additional data that can inform the review

The annual review takes account of the following external factors:

- The general economic outlook, including labour markets generally but specifically hard to fill markets
- The National Minimum Wage and the real Living Wage
- The consumer prices index (CPI) and/or other cost of living indices
- The average earnings index (AEI)
- The annual pay survey of the National Care Forum and/or any other appropriate source of relevant benchmarking information
- Additional data that can inform the review

The People Committee takes advice, guidance and information from such outside sources as may be necessary to review the pay of senior colleagues with substantial strategic responsibilities.

We have set up processes to ensure that we can meet the needs of Gender Pay Reporting. For 2024/25 we reported that measured as a median, women's pay was 1.2% higher than men's pay. The median gap nationally in the same period was that women's pay was 7% lower. The full report can be viewed on our website, www.brendoncare.org.uk/resources. Our next Gender Pay Report is due to be reported by 4 April 2026.

Impact and Effectiveness

At Brendoncare, making a meaningful difference in the lives of those we support is at the heart of every decision we make. Our mission drives us to rigorously measure the impact of our charitable services—not just in numbers, but in real-life outcomes.

We track key outputs such as the number of individuals supported, while also collecting both qualitative and quantitative data, including survey feedback, case studies, and self-reported wellbeing scores.

This rich data set does more than show our reach—it shapes the way we develop and improve our services, ensuring we remain aligned with our charitable objectives and continue to deliver real value to those who rely on us.

To maintain the highest standards of quality and compliance, Brendoncare operates within a robust clinical governance framework. This includes regular audits, quarterly internal compliance reviews, and continuous quality monitoring by the Registered Manager, Head of Quality, and Head of Care. Oversight is provided by the Care and Clinical Governance Committee, which holds overall responsibility for the quality and compliance of the care we provide.

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Report of the Trustees

For the year ended 31 March 2025

Energy and carbon reporting

Brendoncare has collected evidence of the charity's environmental impact in accordance with the Streamlined Energy and Carbon Reporting (SECR) guidance. The data for the 12 months to 31st March 2025 is shown below.

During this period, energy usage totalled 4,800,723 kWh (2024: 4,350,936kWh) which can be analysed further as follows:

- Electricity – 2,144,866 kWh (2024: 2,025,197)
- Gas – 2,617,657 kWh (2024: 2,293,258)
- Transport – 38,200 kWh (2024: 32,482)

Energy usage for electricity and gas is based on meter readings for actual consumption during the reporting period. The figure noted above for transport relates solely to colleagues use of privately owned vehicles for business use, where Brendoncare has reimbursed the cost of this mileage. The usage for transport is based on the number of travel miles reimbursed to colleagues during the year.

The annual quantity of emissions in tonnes of carbon dioxide equivalent (CO2e) for the reporting period was 515 tonnes (2024: 885 tonnes). This works out at a ratio of 1.66 tonnes per bed based on 311 beds available across all Brendoncare sites (2024: 2.8 tonnes based on 334 beds). The reason for this fall despite using more energy is the shift towards greener electricity supply.

Brendoncare continues to work to improve energy efficiency across the organisation. We are moving away from non-LED energy efficiency lighting where we can as well as fitting insulation to piping and pipe joints as we undertake maintenance around our estate and where insulation is not already in place. We continue with a hybrid working policy meaning that most office-based colleagues can now work from home on some days each week. We now hold many meetings via Teams, reducing travel where possible and will aim to continue to evolve our flexible working models.

Our newest care home, Brendoncare St Giles View which opened last year has been built to be rated BREEAM 'excellent', meaning it is in the top 10% for sustainability for UK new builds.

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For the year ended 31 March 2025

Customers and Suppliers

Having good business relationships helps to ensure the smooth running of the charity and we are committed to working to a fair working practice with our suppliers, whilst delivering best value for the beneficiaries of the charity. The Board and senior management team regularly discuss the nature of relationships with key stakeholders and have clear engagement processes with suppliers and customers. We agree payment terms with all our business partners.

We recognise that sometimes things go wrong and Brendoncare has an established complaints policy and process to ensure that we review and address appropriately all complaints we receive.

FINANCIAL REVIEW

The combined Consolidated Statement of Financial Activities and Income and Expenditure Account is set out on page 22 and show a net movement in funds of £(119)k as compared with a net movement of £(2,139)k in 2024. The net assets at the end of the year stood at £18,265k (2024: £18,385k) and principally represents our investment in care home buildings. In fact, our general fund stands at £(927)k as the result of prior year financial performance and the value of assets in our estate which is included in designated funds. The fund value at 31 March 2024 was £(1,030)k. The current year's balance is still below our target reserves level of £3,200k which is based on 6 weeks total budgeted expenditure however, we anticipate in 2025/26 and 2026/27 releasing asset value back into liquid funds and free reserves. We have also benefited from a further improvement in operating performance so far in 2025/26. With occupancy remaining high we expect to achieve a surplus. We are therefore confident that we will have substantially improved our general fund level by 31 March 2026 towards our current target level.

The result for 2024/25 is a significant improvement reflecting improved occupancy in our Homes, a full year of operation at our newest home, St Giles View and tighter cost control. Towards the end of the year, we also implemented a formal restructure process reducing our central overhead costs and reconfiguring our Community Services operations ahead of introducing a new strategy aiming to integrate our services more closely. As mentioned above, we are also selling non-operational assets and we expect this process to inject cash back into the business. These funds – along with further borrowing - will be used to support Brendoncare's growth plans.

The principal funding source for the charity during the year was fees for care services provided to our residents. These funds enable us to provide the quality care and community services that Brendoncare provides to help tackle the issues faced by older people.

Another factor affecting our bottom-line was that the interest rate swaps that The Brendoncare Foundation holds with Barclays Bank were marked to market at the year-end leading to recognising a reduction in value of £100k. Our interest rate swaps enable us to convert variable rate liabilities into fixed rate providing greater certainty for the business in volatile economic markets. The value of the swaps has reduced as interest rates have fallen slightly.

GOING CONCERN

The Trustees have reviewed the financial performance in the year to 31st March 2025, the financial budget and performance to date for the year ending 31st March 2026, together with financial and cash flow forecasts beyond the period to 31st March 2026 which include a range of scenarios and stress testing and modelling of our future growth plan.

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For the year ended 31 March 2025

The group made a small deficit of £119k in the year ended 31st March 2025. Outstanding debt has continued to fall and our overall debt:asset ratio is very low as compared with most care groups. As the result of improving performance, group cash balances have also increased to £4,622k. This includes cash that is set aside to meet the cost of renewals, replacements, improvements and other items of capital expenditure of our leasehold apartment estate. Since the 31st March 2025 year-end, our performance has continued to improve. We expect operating performance to continue to be cash generative through 2025/26 and we also anticipate completing two non-operating asset sales in that period with another the following year.

Given this and with a clear strategy to both expand our delivery of care and community services in that period and continue to drive greater efficiency we believe the fortunes of Brendoncare will continue to improve.

In evaluating going concern, the Trustees have reviewed these plans and considered the financial impact of several scenarios and specifically sensitivity to fluctuating occupancy and the extent to which this could occur across the whole estate. The likelihood of all homes experiencing such a scenario is small and therefore the Trustees concluded that Brendoncare holds sufficient reserves to be able to absorb the impact of these scenarios should they occur and given the plans in the next year and beyond.

The Trustees therefore have a reasonable expectation that Brendoncare has adequate resources to continue its operations for the foreseeable future and therefore concluded that it is appropriate to adopt the going concern basis of accounting in preparing the annual financial statements.

Assets and Investments

Brendoncare's care homes are The Foundation's principal assets. The changes in fixed assets during the year are set out in note 10.

The Trustees have wide investment powers conferred on them by the Memorandum of Association. In practice, however, these powers are little used as Brendoncare does not have surplus funds, after meeting its charitable support requirements with which to acquire long-term investment assets other than additions to its care homes.

Temporary surpluses are invested in short-term cash deposits, and short-term property investments have arisen in the past during the development of property schemes. No such investments have been made during this financial year.

Cash, Borrowings and Interest

Brendoncare maintains cash resources sufficient to ensure the safe and continuous running of the charity. The operating costs in the year to 31st March 2026 are expected to be £2.3m a month. Brendoncare's policy is to aim to have cash resources sufficient to meet these operating cash flows for a minimum of 2 months. Current cash levels are in line with these targets and are significantly higher than bank covenant requirements. We also expect these levels to increase again during the remainder of 25/26.

Net debt decreased to £3.9m (2024: £6m) however, retained funds have fallen slightly to £18.3m (2024: £18.4m) due to the small deficit made this year as outlined above.

Brendoncare's secured sterling bank debt of £8.6m (2024: £9.8m) has maturity dates between 2026 and 2029 and is, in effect, a mix of fixed and variable interest rate loans. In managing Brendoncare's risks, the Trustees considered it appropriate to mitigate the short-term risks to Brendoncare arising from higher changes in interest rates using sterling interest rate swaps on a proportion of the total borrowings. These are closely matched to the underlying debt profile. With the use of swaps, 78% of Brendoncare's bank debt as at 31st March 2025 has been converted, in effect, to fixed interest terms. Further information regarding the applicable interest rates is included within note 16.

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Reserves Policy

As outlined in Note 20 of the accounts, Brendoncare amended its accounting policy for reserves during the year so that the treatment was more in line with that described in the Charities SORP FRS 102 (Third Edition). The changes do not alter the level of reserves, merely their allocation between different funds so that the nature of these funds and the amount of free reserves and how this balance compares to the target level of free reserves in our reserves policy is clearer. The types of funds are described below:

Restricted Funds – as with the previous policy, all funds received where there is restriction placed upon the use of those funds by the donor, will be shown as restricted funds received. To the extent that such funds are unspent at the year-end, these funds will be shown and described as restricted. Unlike the previous policy, where the funds have been used to help acquire property or other fixed assets, unless there is a residual restriction, the balance of these fixed assets will be recognised at net book value as a designated fund.

Designated Funds – The principal designated fund is one that is equal to the net book value of all fixed assets less associated borrowing. This reflects the fact that these funds are not freely available to be used as general funds and include the value of those fixed assets that had previously been purchased in part or in whole using funds restricted for that purpose. The Trustees can designate other funds for specific purposes. Currently the only other designated fund is for Sinking Funds where the Charity holds funds in relation to the sinking fund balances, which we are obligated to hold for the leaseholders of the apartments to which they relate, to meet our obligations under the lease. These funds are included within designated funds and are made up of £3.0m.

General Funds – All remaining funds Brendoncare holds are free reserves within our general fund and available for any of the purposes of the Charity. As at 31st March 2025 free reserves were £(0.9)m.

Reflecting on the size, complexity, the level of financial risk and extent of commitment to future expenditure, the Trustees have determined that an appropriate level of free reserves should be the equivalent of approximately 6 weeks operating costs. The target level of free reserves is therefore £3.2m. Despite making significant strides in improving our position after a challenging year in 2023/24, we are still some way off achieving this level of free reserves, however the Board and senior team have an ambitious strategy and expect us to reach our target free reserves level during the period to 31st March 2026 as the result of continued improved operating performance and the completion of sales of non-operating assets.

Fundraising Practices

Brendoncare is fully committed to ethical and responsible fundraising. We adhere to the standards set by the Fundraising Regulator and the Chartered Institute of Fundraising, ensuring that all our fundraising activities are respectful, open, honest, and accountable to the public.

We have a clear and robust complaints procedure in place, allowing us to respond promptly and appropriately to any concerns about our fundraising practices. We are pleased to report that during the year, there were no instances of non-compliance with the Fundraising Code of Practice, and no complaints were received in relation to our fundraising activities.

Our fundraising policy includes specific measures to safeguard vulnerable individuals. We take care to ensure that anyone we engage with has the capacity and understanding to make an informed decision about supporting the charity.

The Board of Trustees regularly reviews our fundraising approach, standards, and compliance to ensure we continue to meet regulatory expectations and uphold public trust in our work.

The Brendoncare Foundation

Report of the Trustees

For the year ended 31 March 2025

FUTURE PLANS

In June 2025, Brendoncare published its 2025 – 2030 Strategy: *Delivering Total Care, Strengthening Communities*.

This strategy reaffirms our core purpose as a charity: to empower people to live well through age-friendly environments and services. It builds on Brendoncare's 40-year legacy of excellence and innovation, shaped by our founders' vision of 'Total Care' for older people. By placing 'Total Care' at the heart of our approach, we aim to reach more individuals, enhance wellbeing, and deliver seamlessly connected residential and community support.

Our strategy is driven by the challenges facing older people:

- Today, 1 in 11 people in the UK over the age of 65 have dementia. By 2023, it is estimated that the number of people with dementia will be more than one million
- Around 70% of all care home residents have dementia or memory loss
- Around 10% of the population aged over 65 is lonely all or most of the time
- 22% of adults lack the essential digital skills needed for everyday life, with a substantial portion of this group being older individuals

The strategy challenges us to further integrate our services — care homes, extra care housing, and community support — to maximise our impact as a charity for the people we serve. Above all, every decision is guided by a commitment to quality and to placing the individual needs of those we care for and support at the centre of everything we do.

Strategic Objectives

Brendoncare's four strategic objectives are:

- 1) Provide the care and support that older people need and want
- 2) Ensure our places are great places to live, work, meet and socialise
- 3) Be a brilliant place to work and volunteer
- 4) Be financially fit and efficient to build organisational resilience

In the year ahead, we are focussing on exciting developments that will strengthen and expand our impact in the communities we serve. These will include the launch of a new community hub at Brendoncare Knightwood. We will also be advancing our digital strategy to improve efficiency and service delivery. To meet the needs of local communities, we are laying the groundwork for a new domiciliary care service. Shaping our 10 year growth strategy will ensure we bring Brendoncare's services to even more people and continue to make a lasting difference to the lives of those we support.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees hold overall ownership of risks. Trustees, in conjunction with the Senior Leadership Team (SLT), have identified and reviewed the major risks to which the Group is exposed, and systems are in place to manage such risks.

The Trustees have a policy to embed effective risk management throughout Brendoncare such that risks are identified, mitigated, and communicated, and good risk management practice is shared across the organisation.

The Brendoncare Foundation

Report of the Trustees

For the year ended 31 March 2025

The Risk Register, including amendments from the committees, is reviewed by the board of Trustees at least annually. The Committees under the Board take ownership for managing the risks within their remit on a regular basis and perform more detailed examination of key risk areas and management responses. Day-to-day management of risk is delegated to the SLT and the Brendoncare Management Team. The main risks and the mitigating actions are shown on the pages that follow.

Risk area	Assessed risk	Control measures
Compliance with laws and regulation	Failure to meet standards, resulting in potential downgrading or reporting, or liability with respect to health & safety, data protection or food standards failures or breaches.	Internal inspections and audits alongside advice and training and the regular review of processes and policies.
Impact of falls in occupancy	Our operating model is heavily dependent upon occupancy levels across our estate and there is a risk that this reduces due to levels of attrition, competition, the need to increase fee levels and gaps between local authority income and expected fees	Targets and budgets. Financial reporting including yield, occupancy. Monitoring of attrition levels. Dedicated CR team. Review of contract/process, including price management. Outsourcing of care home enquiry calls to increase capacity. Improving financial resilience through growth strategy.
Having appropriate governance structures and the right skills and knowledge in our Board of Trustees	Committee structure does not own all governance oversight. Lack of formal training means Trustees are not clear on role and responsibility. Poor attendance results in gaps in knowledge.	Review of SLT structure roles and responsibilities including lines of reporting into committees. Review of committee structure. Formal training for Trustees. Annual board/ SLT feedback on performance and attendance.
Changes in government policy have a negative impact on our business	Changes to how social care is funded as well as changes to . minimum wages and other statutory staff cost changes have an impact on business cost and care fees.	Develop clear future financial models which can be flexed to understand specific impacts. NCF membership to ensure voice of sector is heard and we can discuss impact and actions with peers.
A major incident or complaint or an event that causes the closure of any of our Homes	Major incidents impact brand trust and therefore business viability and the closure of a Home may have significant impact in terms of lost revenue as well as reputation.	There are clear processes for incident oversight through Board committees and the leadership team and senior management. Any significant incidents are reported to the main board and carefully managed. We also have a robust complaints procedure and maintain appropriate insurances and business continuity processes.

The Brendoncare Foundation

Report of the Trustees

For the year ended 31 March 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

The group's ultimate parent undertaking is The Brendoncare Foundation. The Foundation is a charitable company limited by guarantee and was incorporated on 14 February 1984 and registered as a charity on 19 March 1984.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

The Foundation also has two dormant subsidiaries, Brendoncare Clubs and Brendoncare Enterprises. It is expected that these subsidiaries will, in due course, be formally wound up and struck off.

Governance and Management

The Trustees are Directors for the purposes of the Companies Act 2006 and Trustees of the charity for the purposes of the Charities Act 2011. The Trustees are required to be members of Brendoncare and are elected by approval of the members. The Board meets at least six times in a calendar year to agree strategic and policy matters, to approve investment projects and to review the operational performance of Brendoncare.

The Charity has four Committees which are delegated certain responsibilities from the Board and meet at least quarterly to review these: Finance and Audit, Care & Clinical Governance, Business Development, and People (formerly Remuneration). Responsibility for day-to-day operations is delegated to the Chief Executive, working within the framework of the approved strategy and business plan. There is also a Charitable Impact Committee though in 2025, its business will be divided into the relevant other committee meetings.

The Board and Committees met as follows during the year to 31st March 2025:

- Board – seven meetings
- Care & Clinical Governance Committee – four meetings
- Finance and Audit Committee – six meetings
- Business Development Committee – six meetings
- People Committee – four meetings
- Charitable Impact Committee – four meetings

As part of its governance procedures the Board regularly reviews the skills mix of the Board and plans for any future retirements.

A Trustee elected by the Board is appointed for a three-year term and is eligible for re-election at the end of this term. The Trustees have adopted a policy of limiting the total time in office to nine years, with certain exceptions for Committee Chairs.

Trustees receive induction training provided by colleagues at Brendoncare, and attend regular development sessions, provided by colleagues and third-party experts, to enhance their understanding of issues faced by the charity. On appointment, Trustees receive a handbook containing a broad range of information aimed at assisting them to gain a deeper and more structured understanding of their role and of Brendoncare, and this is updated regularly.

The Brendoncare Foundation

Report of the Trustees

For the year ended 31 March 2025

Brendoncare reviews its governance arrangements regularly by assessing itself against the criteria set out in various publications, including the Charity Commission's Charity Governance Code, and establishing an improvement programme based upon its findings. In the event of a winding up, the members are liable to contribute an amount not exceeding £1 each.

EMPLOYEE ENGAGEMENT AND POLICIES

Brendoncare and its Trustees strive to treat all colleagues equally and be a diverse and inclusive workplace, where everyone can be themselves. We also encourage applications from people with disabilities, aiming to develop their skills and taking every reasonable measure to adapt our premises and working conditions to enable people with disabilities to work or volunteer with us.

At Brendoncare we have many formal and informal arrangements for keeping staff up-to-date and able to engage with matters of concern to them as employees.

Managers throughout the organisation hold regular, structured meetings with colleagues they manage providing an opportunity for communication of information and discussion of events as they develop. There are regular forums both within and across managers from different teams for example, the Brendoncare Leadership Team enabling managers to share experiences and participate in discussions about strategy and issues that affect all colleagues across the organisation.

The Trustees consider colleague interests as a key factor in decision-making. However, on some occasions the Trustees need to make decisions that are in the best interests of the Charity, even though this may have a negative impact on some colleagues, in which case action is taken to manage or mitigate this.

The Brendoncare Foundation

Report of the Trustees

For the year ended 31 March 2025

Statement of responsibilities of the Trustees

The Trustees (who are also Directors of The Brendoncare Foundation for the purposes of company law) are responsible for preparing the report of the Trustees including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company'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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Sayer Vincent LLP was reappointed as the charitable company's auditor and has expressed their willingness to continue in that capacity.

The report of the Trustees which includes the strategic report has been approved by the Trustees on 17th November 2025 and signed on their behalf by

Philip Dowson
Chairman of Trustees

Independent auditor's report

To the members of

The Brendoncare Foundation

Opinion

We have audited the financial statements of Brendoncare Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the consolidated and parent charitable company statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 group's and of the parent charitable company's affairs as at 31 March 2025 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and 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 group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Brendoncare Foundation'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 Trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated.

Independent auditor's report

To the members of

The Brendoncare Foundation

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The Trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' annual report, the Trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report

To the members of

The Brendoncare Foundation

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Finance & Audit Committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Independent auditor's report

To the members of

The Brendoncare Foundation

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

25 November 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor 110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

The Brendoncare Foundation

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2025

	Note	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Income from:							
Donations and legacies	2	52	79	131	96	115	211
Charitable activities							
Care Homes and Housing with Care	3	27,248	269	27,517	24,262	186	24,448
Friendship and well-being clubs	3	89	-	89	87	-	87
Investments		111	-	111	125	-	125
Total income		27,500	348	27,848	24,570	301	24,871
Expenditure on:							
Raising funds	4a	202	-	202	157	-	157
Charitable activities							
Care Homes and Housing with Care	4a	26,596	70	26,666	25,641	64	25,705
Friendship and well-being clubs	4a	980	29	1,009	870	88	958
Total expenditure		27,778	99	27,877	26,668	152	26,820
Net income/(expenditure)		(278)	249	(29)	(2,098)	149	(1,949)
Transfers between funds	20a	30	(30)	-	3,463	(3,463)	-
Net income/(expenditure) for the year before other recognised gains and losses	5	(248)	219	(29)	1,365	(3,314)	(1,949)
Change in valuation of interest rate swaps	17	(90)		(90)	(190)	-	(190)
Net movement in funds		(338)	219	(119)	1,175	(3,314)	(2,139)
Reconciliation of funds:							
Total funds brought forward		15,508	2,877	18,385	14,333	6,191	20,524
Total funds carried forward		15,170	3,096	18,266	15,508	2,877	18,385

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.

The Brendoncare Foundation

Balance sheets

Company no. 01791733

As at 31 March 2025

		The group and charity	
		2025	2024
		£'000	£'000
			Restated
Fixed assets:			
Tangible assets	10	44,647	45,264
		44,647	45,264
Current assets:			
Debtors due within one year	14	1,690	2,096
Short Term Deposits		2,000	2,000
Cash at bank and in hand		2,622	1,779
		6,312	5,875
Liabilities:			
Creditors: amounts falling due within one year	15	(5,409)	(4,900)
		903	975
Net current assets			
		45,550	46,239
Total assets less current liabilities			
Creditors: amounts falling due after one year	16	(27,253)	(27,913)
Interest rate swap asset/(liability)	17	(31)	59
		18,266	18,385
Total net assets			
	19a	18,266	18,385
Funds:			
Restricted income funds	20a	3,096	2,877
Unrestricted income funds:			
Designated funds		16,097	16,538
General funds		(927)	(1,030)
Total unrestricted funds		15,170	15,508
Total funds		18,266	18,385

The 2024 figures have been restated to reflect the fact that the transfer of the business of Brendoncare Clubs to Brendoncare Foundation was completed on 31st March 2024. As such, the group and charity balances at that date are the same.

Approved by the Trustees on 17th November 2025 and signed on their behalf by

Philip Dowson
Chairman

Fay Gillot
Trustee

Consolidated statement of cash flows

For the year ended 31 March 2025

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2025		2024	
	£'000	£'000	£'000	£'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(119)		(2,139)	
Fixed assets Impairments	34		-	
Depreciation charges	1,699		1,616	
Lease finance charges	797		665	
Change in valuation of swaps	90		190	
Decrease/(increase) in debtors	406		(486)	
Increase in creditors	453		3	
Net cash provided by / (used in) operating activities		3,360		(151)
Cash flows from investing activities:				
Purchase of fixed assets	(814)		(264)	
Loss/(Gain) on sale of fixed assets	-		4	
Assets under construction	(304)		(498)	
Net cash provided by/(used in) investing activities		(1,118)		(758)
Cash flows from financing activities:				
Finance lease payments	(735)		(653)	
Repayments of borrowing	(664)		(2,446)	
Net cash (used in) financing activities		(1,399)		(3,099)
Change in cash and cash equivalents in the year		843		(4,008)
Cash and cash equivalents at the beginning of the year		3,779		7,787
Cash and cash equivalents at the end of the year		4,622		3,779

Analysis of cash and cash equivalents and of net debt

	At 1 April 2024 £'000	Cash flows £'000	Other non- cash changes £'000	At 31 March 2025 £'000
Cash at bank and in hand	3,779	843	-	4,622
Total cash and cash equivalents	3,779	843	-	4,622
Loans falling due within one year	658	(664)	723	717
Loans falling due after more than one year	9,172	-	(563)	8,609
Finance lease falling due after more than one year	18,487	(735)	734	18,486
Total borrowings	28,317	(1,399)	894	27,812
Net debt	(24,538)	2,242	(894)	(23,190)

1 Accounting policies

a) Statutory information

The Brendoncare Foundation is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is The Old Malthouse, Victoria Road, Winchester, SO23 7DU.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned but dormant subsidiaries Brendoncare Clubs and Brendoncare Enterprises Limited. As both subsidiaries were dormant during the year there are no transactions and balances between the charitable company and its subsidiaries and there are no balances between the entities to be disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period as documented in the report of the Trustees.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. With improved performance cash levels have increased in the year and have continued to do so post year-end and the Board and senior management have established a clear strategy for the future of the organisation which will restore both cash and reserves levels through the sale of non-operational assets and returning the operating model of the organisation to profit. The trustees have carefully examined future financial projections and a range of scenarios in reaching this conclusion. Further detail on the trustees' assessment of going concern is included in the trustees' report.

e) Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from charitable activities comprises of income from the provision of health and social care to older people. For the care homes, it is stated after deducting charitable support by the Foundation, as the latter is regarded as a sales discount, under generally accepted accounting practice, rather than grant expenditure.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Donations comprise charitable grants received from trusts and statutory bodies, together with legacies and donations mainly from individuals.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1 Accounting policies (continued)

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. Specifically, they include the net book value of fixed assets less associated borrowing. These assets are primarily used in the business and, as such, are not easily translated into liquid funds.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the Charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Costs that are not directly attributable to support, governance or activities for generating voluntary income, are allocated based on a proportion of staff costs.

Where information about the aims, objectives and projects of the Charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities based on an estimate of staff time attributable to each activity.

1 Accounting policies (continued)

j) Interest payable

Interest is accrued and included in the consolidated statement of income and expenditure of the period for which it is receivable or payable. Interest payable includes the accrued interest differentials on interest rate swaps. The swaps are marked to market, with any valuation gains and losses accounted for through the statement of financial activities and are measured at fair value.

k) Leases

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset are with the group are capitalised in the balance sheet and are depreciated over the lease term. A corresponding liability is recognised for the lower of the fair value of the leased asset and the present value of the minimum lease payments in the balance sheet. Lease payments are apportioned between the reduction of the lease liability and finance charges in the statement of financial activities so as to achieve a constant rate of interest on the remaining balance of the liability.

Rental charges payable under operating leases are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Fixed assets are stated at the lower of their cost, being the purchase price together with any incidental expenses of acquisition, and their recoverable amount.

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The useful lives are as follows:

Freehold land	Unlimited
Freehold buildings	50 years
Leasehold buildings	50 years
Building improvements	25 - 50 years
Furniture, fittings and equipment	5 - 8 years
Leasehold improvements	Over the remaining lease
Plant and machinery	25 years
Communications equipment	8 years
Computer equipment and software	3 years
Assets under construction	Not depreciated

Grants for fixed assets are recognised in the financial statements as incoming resources. If the criteria for certainty and measurability are not met, grants are treated as deferred income and disclosed as a liability in the balance sheet.

m) 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.

n) Cash at bank and in hand and current asset investments

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.

1 Accounting policies (continued)

o) 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.

p) Financial instruments

The Charity has both financial assets and financial liabilities of a kind that qualify as basic financial instruments and other financial instruments in the form of interest rate swaps and finance leases.

Interest rate swaps are held to manage the risks arising from fluctuations in interest rates

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Pensions

Brendoncare enrolls all employees, who meet the criteria, into the auto-enrolment defined contribution pension scheme after two months' service.

The group also operates another defined contribution pension scheme for longer serving staff which is closed to new entrants. The scheme is stakeholder compatible.

r) Sinking funds

Sinking funds comprise the contributions, together with interest less attributable expenditure, made upon the surrender of leases in the Charity's housing developments. These contributions are for the cost of renewals, replacements, improvements and other items of capital expenditure not covered by service charges. These funds are classified as Restricted Funds in these accounts as they are held on trust for tenants current and future.

s) Short Term Deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months

Notes to the financial statements

For the year ended 31 March 2025

2 Income from donations and legacies

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Gifts	52	79	131	96	115	211
Sub-total	52	79	131	96	115	211

3 Income from charitable activities

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Care Homes and Housing with Care						
Care fee income	27,051	-	27,051	24,045	-	24,045
Sinking fund income	-	269	269	-	186	186
Other ancillary services	197	-	197	217	-	217
Sub-total	27,248	269	27,517	24,262	186	24,448
Friendship and well-being clubs						
Club subscriptions	74	-	74	70	-	70
Other ancillary services	15	-	15	17	-	17
Sub-total	89	-	89	87	-	87
Total income from charitable activities	27,337	269	27,606	24,349	186	24,535

The Brendoncare Foundation

Notes to the financial statements

For the year ended 31 March 2025

4a Analysis of expenditure (current year)

	Charitable activities			Governance £'000	2025 Total £'000	2024 Total £'000
	Cost of raising funds £'000	Care Homes and Housing with Care £'000	Friendship and well-being clubs £'000			
Staff costs	125	15,070	479	145	15,819	14,383
Staff support costs	67	1,940	217	-	2,224	2,259
Agency and consultancy	-	1,369	-	-	1,369	1,902
Total staff costs (note 6)	192	18,379	696	145	19,412	18,544
Repairs & maintenance	-	1,051	5	-	1,056	1,232
Food and household goods	-	958	17	-	975	954
Utilities	-	1,036	9	-	1,045	932
Interest payable	-	586	-	-	586	520
Finance charges on leases	-	797	-	-	797	609
Training costs	1	100	1	-	102	123
Stationery and communication costs	-	51	1	-	52	57
Transport and travel costs	-	19	25	-	44	48
Chemist and medical supplies (PPE)	-	159	-	-	159	160
Insurance	-	141	2	-	143	143
Regulatory costs	-	50	-	-	50	59
Activity costs	-	60	34	-	94	91
Staff recruitment	-	6	-	-	6	46
Legal and professional	-	33	12	-	45	65
Marketing costs	-	24	-	-	24	13
Bad debt provision	-	95	-	-	95	224
Other costs	9	178	47	-	234	225
Disposal/impairment of fixed assets	-	5	-	-	5	5
Audit and accountancy	-	-	-	67	67	64
	202	23,728	849	212	24,991	24,114
Premises and equipment support costs	-	1,062	125	-	1,187	1,090
Depreciation	-	1,539	7	-	1,546	1,474
Depreciation in support costs	-	137	16	-	153	142
	202	26,466	997	212	27,877	26,820
Governance costs	-	200	12	(212)	-	-
Total expenditure 2025	202	26,666	1,009	-	27,877	
Total expenditure 2024	157	25,705	958			26,820

The Brendoncare Foundation

Notes to the financial statements

For the year ended 31 March 2025

4b Analysis of expenditure (prior year)

	Charitable activities			Governance £'000	2025 Total £'000
	Cost of raising funds £'000	Care Homes and Housing with Care £'000	Friendship and well-being clubs £'000		
Staff costs	79	13,732	420	152	14,383
Staff support costs	68	1,971	220	-	2,259
Agency and consultancy	1	1,900	1	-	1,902
Total staff costs (note 6)	148	17,603	641	152	18,544
Repairs & maintenance	-	1,221	11	-	1,232
Food and household goods	-	936	18	-	954
Utilities	-	928	4	-	932
Interest payable	-	520	-	-	520
Training costs	-	609	-	-	609
Stationery and communication costs	-	122	1	-	123
Transport and travel costs	1	55	1	-	57
Chemist and medical supplies (PPE)	1	19	28	-	48
Insurance	-	160	-	-	160
Regulatory costs	-	143	-	-	143
Activity costs	-	59	-	-	59
Staff recruitment	-	45	46	-	91
Legal and professional	-	46	-	-	46
Marketing costs	-	65	-	-	65
Bad debt provision	1	12	-	-	13
Other costs	-	224	-	-	224
Disposal/impairment of fixed assets	6	158	61	-	225
Audit and accountancy	-	5	-	64	69
	157	22,930	811	216	24,114
Premises and equipment support costs	-	978	112	-	1,090
Depreciation	-	1,465	9	-	1,474
Depreciation in support costs	-	128	14	-	142
	-	1,593	23	-	1,616
Governance costs	-	208	8	(216)	-
Total expenditure 2023	157	25,709	954	-	26,820

Notes to the financial statements

For the year ended 31 March 2025

5 Net income for the year

This is stated after charging/(crediting):

	2025	2024
	£'000	£'000
Depreciation	1,698	1,616
Impairment of assets	34	-
Loss on disposal of fixed assets	5	4
Interest payable	586	655
Finance lease charges	797	665
Operating lease rentals:		
Property	5	5
Other	1	3
Auditor's remuneration (excluding VAT):		
Audit	35	41
Other services (23/24 audit)	21	-

6 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025	2024
	£'000	£'000
Salaries and wages	16,022	14,973
Redundancy and termination costs paid in this year	142	59
Social security costs	1,559	1,246
Pension contributions	301	363
Agency staff costs	1,388	1,903
	19,412	18,544

The company operates a defined contribution pension scheme. At the year end, payments totalling £50,000 (2024: £47,000) were outstanding and included within other creditors.

During the year, redundancy costs amounted to £142,000 (2024: £59,000), comprising £70,000 paid and £72,000 accrued at the year end.

The key management personnel of the charitable company comprise the Trustees and the Management Team as listed on page 3. The total employee benefits including national insurance and pension contributions of the key management personnel were £604,000 (2024: £574,000).

Indemnity insurance is maintained to protect the Charity and to indemnify Trustees, Officers and Staff against the consequences of any neglect or default on their part. The cost involved is £12,700 (2024: £12,700). No Charity Trustee received any remuneration or payment for professional or other services supplied to the Charity.

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,304 incurred by three members relating to attendance at meetings of the Trustees (2024: £491).

6 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel (continued)

The number of employees whose remuneration, including benefits but excluding pension contributions, fell within the following bands (over £60,000) was:

	2025 No.	2024 No.
£130,000 - £140,000	1	-
£110,000 - £120,000	-	1
£90,000 - £100,000	2	2
£70,000 - £80,000	2	6
£60,000 - £70,000	7	1

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2025 No.	2024 No.
Raising funds	3	3
Care homes	578	547
Friendship and well-being clubs	11	13
Volunteering	4	4
Support and governance	44	47
	640	614

8 Related party transactions

The related parties of The Brendoncare Foundation include the Trustees. Trustees made no restricted donations during the year (2024 :nil). During the year, one trustee undertook pro bono consultancy work with the Charity providing advice during a central office restructure. The services were provided for two days a week between January 2025 and March 2025. The services were in the form of advice and no executive function was undertaken.

9 Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The Charity's trading subsidiary Brendoncare Enterprises Limited is not exempt, however it would gift aid any available profits to the parent Charity. Brendoncare Enterprises remains dormant.

10 Tangible fixed assets

The group

	Freehold property	Long leasehold	Assets under construction	Fixtures, fittings and equipment and leasehold improvements	Computer equipment & software	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At the start of the year	28,000	18,460	419	9,188	1,368	57,435
Additions in year	212	-	304	279	324	1,119
Impairment of assets	-	-	(34)	-	-	(34)
Disposals in year	-	-	-	(15)	(24)	(39)
At the end of the year	28,212	18,460	689	9,452	1,668	58,481
Depreciation						
At the start of the year	5,706	223	-	5,197	1,045	12,171
Charge for the year	471	510	-	579	138	1,698
Eliminated on disposal	-	-	-	(11)	(24)	(35)
At the end of the year	6,177	733	-	5,765	1,159	13,834
Net book value						
At the end of the year	22,035	17,727	689	3,687	509	44,647
At the start of the year	22,294	18,237	419	3,991	323	45,264

Land with a value of £4,780,000 (2024: 4,780,000) is included within freehold property and not depreciated; Brendoncare commission valuation reports periodically which indicate there is negligible risk of impairment.

Long leasehold property consists of Otterbourne Hill Mews 7 apartments sold to The Edward Gostling Foundation and leased back to Brendoncare under a finance lease arrangement and the St Giles View care home which is subject to a 35 year finance lease arrangement with Octopus Real Estate.

All of the above assets are used for charitable purposes. Three non-operational freehold property assets are currently being sold. All three have received satisfactory offers but remain unsold at the date of signing these accounts. Further details are provided in note 24.

The closing balance of assets under construction relates to the costs incurred for Alton Kitchen refurbishment project

11 Subsidiary undertakings

The Brendoncare Foundation controls the following charitable company, limited by guarantee, by virtue of being the sole member:

	Brendoncare Clubs					
	Unrestricted	Restricted	2025 Total	Unrestricted	Restricted	2024 Total
	£'000	£'000	£'000	£'000 Restated	£'000 Restated	£'000 Restated
Income						
Donations and legacies	-	-	-	342	63	405
Charitable activities	-	-	-	87	-	87
Total income	-	-	-	429	63	492
Expenditure						
Raising funds	-	-	-	68	-	68
Charitable activities	-	-	-	391	93	484
Total expenditure	-	-	-	459	93	552
Transfer between funds	-	-	-	-	-	-
Net (expenditure)/income for the year	-	-	-	(30)	(30)	(60)
Reconciliation of funds:						
Total funds brought forward	-	-	-	93	76	169
Transfer of business to Brendoncare Foundation	-	-	-	(63)	(46)	(109)
Total funds carried forward	-	-	-	-	-	-
Funds					2025 £'000	2024 £'000 Restated
Assets					-	-
Liabilities					-	-
Net Assets					-	-

As described in note 12 below, the business of Brendoncare Clubs was transferred to Brendoncare Foundation on 31st March 2024 and not 1st April 2024 as previously stated. As a result, the 2024 numbers in these accounts have been restated to reflect that.

The Brendoncare Foundation

Notes to the financial statements

For the year ended 31 March 2025

12 Brendoncare Clubs - prior year restatement

The business of Brendoncare Clubs was transferred to Brendoncare Foundation on 31st March 2024 and not 1st April 2024 as previously stated. The comparative figures in these accounts have therefore been restated to reflect this. Specifically, the group and charity balance sheets as at 31st March 2024 are the same and the disclosure in notes 13 to 19 reflect this. The overall impact of this restatement is summarised below. There is no change to the results or assets and liabilities of the group however those assets and liabilities and retained funds that were previously identified as Brendoncare Clubs are now included in the balance sheet and funds of the Charity.

Reserves Position of Brendoncare Clubs	Unrestricted £'000	Restricted £'000	Total £'000
Total Funds at 31 March 2024 as previously stated	109	-	109
Total Funds at 31 March 2024 as restated	-	-	-
Impact on Income and Expenditure in Brendoncare Clubs in 2024			
Movement in funds as previously reported	(30)	(30)	(60)
Adjustment for income designation	-	-	-
Net income as restated	(30)	(30)	(60)

13 Parent Charity (The Brendoncare Foundation)

The Brendoncare Foundation's gross income and the results for the year are disclosed as follows:

	2025 £'000	2024 £'000
Gross income	27,838	24,667
Result for the year	(140)	(2,078)

14 Debtors

	The group and charity	
	2025 £'000	2024 £'000 Restated
Trade debtors	916	1,412
Other debtors	185	1
Prepayments and accrued income	589	683
	1,690	2,096

15 Creditors: amounts falling due within one year

	The group and charity	
	2025 £'000	2024 £'000 Restated
Bank loans	717	658
Trade creditors	1,351	1,303
Taxation and social security	285	285
Other creditors	1,263	966
Accruals and deferred income	1,793	1,688
	5,409	4,900

16 Creditors: amounts falling due after one year

	The group and charity	
	2025 £'000	2024 £'000 Restated
Amount due between two and five years:		
Bank loans	2,735	2,758
Deferred income	18	18
	2,753	2,776
Amounts due after five years:		
Bank loans	5,824	6,365
Loans from NHS	50	50
Amounts due under finance leases	18,486	18,487
Deferred income	171	176
	27,284	27,854
Secured creditors included in Notes 15 and 16	9,276	9,781

Amounts due under finance leases

Included in creditors are amounts due under finance leases in accordance with UK GAAP. Under finance lease accounting, due to the length of the lease and the present value of future lease payments, an asset is created (see note 10) and an equivalent liability. The asset and liability reduce over the course of the lease representing the useful economic value of the property. Rental payments continue to be paid as per the lease. The most significant lease is the St Giles View care home which is leased for 35 years from 2023.

Notes to the financial statements

For the year ended 31 March 2025

16 Creditors: amounts falling due after one year (continued)

Bank loans

Each of the bank loans is secured by a first legal charge over one or more specified properties.

The loans are on a mix of fixed and variable rate terms and are repayable by instalments over the period 2014 to 2041. Sterling interest rate swaps entered into for the period 2020 to 2026 effectively convert part of the debt to fixed rate terms, as follows:

In £'000	2024/25	2023/24
Principal	£6,840	£4,800
Fixed interest rate	4.31%	2.40%

In £'000	Expires within 1-5 years	Notional principal £6,840	Fair value asset	Fair value liability -£31
Pay fixed for variable (3 month SONIA)				

Loans from the National Health Service

The Old Parsonage, Otterbourne

The loan agreement with Winchester Health Authority in respect of its loan of £50,000 stipulates that, in the event of the Otterbourne property being sold, or ceasing to be used as a Brendoncare home, the loan becomes repayable. The loan is non-interest bearing.

17 Interest rate swap liability

	The Group and charity	
	2025 £'000	2024 £'000
Opening balance	(59)	(249)
Fair value movement	90	190
	31	(59)

The interest rate swaps liability reflects the movement in the fair value of the interest rate swaps.

18 Deferred income

Deferred income comprises fee income paid in advance and deferred gain on the disposal of the apartments at Otterbourne Hill.

	The Group and charity	
	2025 £'000	2024 £'000
Balance at the beginning of the year	222	221
Amount released to income in the year	(28)	(23)
Amount deferred in the year	41	24
Balance at the end of the year	235	222

19a Analysis of group net assets between funds (current year)

	General unrestricted £'000	Designated funds £'000	Restricted funds £'000	Total funds £'000
Tangible fixed assets	-	44,647	-	44,647
Net current assets	(927)	(1,266)	3,096	903
Long term liabilities	-	(27,284)	-	(27,284)
Net assets at the end of the year	(927)	16,097	3,096	18,266

The balance of designated funds includes the interest rate swap reserve within long term liabilities.

19b Analysis of group net assets between funds (prior year)

	General unrestricted £'000	Designated funds £'000	Restricted funds £'000	Total funds £'000
Tangible fixed assets	-	45,264	-	45,264
Net current assets	(1,030)	(872)	2,877	975
Long term liabilities	-	(27,854)	-	(27,854)
Net assets at the end of the year	(1,030)	16,538	2,877	18,385

20a Movements in funds (current year)

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers *	At the end of the year £'000
Restricted funds:					
Care Homes donations	86	44.00	(19)	-	111
Brendoncare Clubs	-	35.00	(29)	-	6
Sinking funds	2,791	269.00	(51)	(30)	2,979
Total restricted funds	2,877	348	(99)	(30)	3,096
Unrestricted funds:					
Designated funds:					
Interest rate swap reserve	(459)	79	-	(90)	(470)
Fixed Assets less associated borrowing	16,997	-	-	(430)	16,567
Total designated funds	16,538	79	-	(520)	16,097
General funds	(1,030)	27,499	(27,946)	550	(927)
Total unrestricted funds	15,508	27,578	(27,946)	30	15,170
Total funds	18,385	27,926	(28,045)	-	18,266

* Transfers between designated funds and general funds represent the movements during the year in the net book value of fixed assets and associated borrowings against those assets. Principally these movements, in year, are represented by depreciation of assets and capital repayments of borrowing. The net movement has led to a reduction in the net book value of fixed assets less associated borrowing and therefore greater available general funds.

20b Movements in funds (prior year)

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At the end of the year £'000
Restricted funds:					
Alton	42	-	-	(42)	-
Tooting	-	-	-	-	-
East Grinstead	812	-	-	(812)	-
Knightwood	351	-	-	(351)	-
Otterbourne Hill	1,293	-	-	(1,293)	-
Other funds	211	-	-	(211)	-
Care Homes donations	-	52	(13)	47	86
Brendoncare Clubs	-	63	(88)	25	-
Sinking funds	3,482	186	(51)	(826)	2,791
Total restricted funds	6,191	301	(152)	(3,463)	2,877
Unrestricted funds:					
Designated funds:					
Paul Woodhouse	948	-	-	(948)	-
Interest rate swap reserve	(511)	-	242	(190)	(459)
Operations fund	11,016	-	-	(11,016)	-
Fixed Assets less associated borrowing	-	-	-	16,997	16,997
Total designated funds	11,453	-	242	4,843	16,538
General funds	2,880	24,571	(27,101)	(1,380)	(1,030)
Total unrestricted funds	14,333	24,571	(26,859)	3,463	15,508
Total funds	20,524	24,872	(27,011)	-	18,385

20b Movements in funds (prior year) (continued)

Purposes of restricted funds

Restricted funds are those received by Brendoncare for a specific purpose as determined by the donor. Many of these have been used to support the building of care homes. Once these funds have been spent, generally speaking, the restriction is met and the funds are moved into the Fixed Assets designated fund. Unspent restricted funds remain in restricted funds. A review of restricted funds was undertaken and found that the purposes of the funding were to support the building of various care homes. Therefore, the restriction was extinguished once the funds were spent. As a result, the decision was made to release these restricted funds into the designated capital fund and the general fund, as appropriate.

Purposes of designated funds

Designated funds include a fund equivalent to the net book value of fixed assets (less associated borrowing) as these funds are not freely available for the general purposes of the charity or group.

General funds

The balance of this fund on 31 March 2025 stood at (£0.9m) (2024: (£1.03m)). It comprises those funds that are freely available for the general purposes of the charity/group. Our target level of reserves in our reserves policy is £3.2m. Brendoncare is currently in the process of selling non-operational assets that are currently included in designated funds. The sales of these assets is expected to generate £4.1m into general funds. Given an upturn in financial operating performance in 2025/26 we expect that general funds will meet our target during 2026.

Other funds

Interest rate swap reserve

The balance of this fund on 31 March 2025 stood at a deficit of £471,000 (2024: deficit £459,000). It comprises the fair value movement in the interest rate swaps, and the charge representing the difference in the variable interest rate on the loans compared with the fixed rate achieved through the swap.

Sinking Funds

Included in Restricted Funds (previously in designated funds) are those balances that are received from owners of the leasehold flats at some of our care homes when they sell their property. The funds are to be put towards the cost of replacing, reinstating or improving the mews flats estate and have therefore been moved to restricted funds.

Other Funds

During the year to 31 March 2025, Brendoncare Clubs received a grant of £23,000 (2024: £47,000) from the National Lottery Community Fund towards the Community Support Services. This is included within other funds in the prior year.

21 Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Less than one year	5	5	-	3
One to five years	25	20	-	-
Over five years	15	25	-	-
	45	50	-	3

22 Capital commitments

At the balance sheet date, the group had zero capital commitments (2024 £nil)

23 Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

24 Post Balance Sheet Events

The charity owns certain freehold properties that it regards as non-operational in that none of them are now generating revenue towards the charity's charitable objects. As such, it has been agreed to sell these properties to reinvest the proceeds into operational activity and to help achieve the Charity's growth strategy.

As at the date of signing these accounts, the Charity was in negotiations with potential buyers for these properties which have a current net book value of £2.2m. At this stage none of the sales is certain and therefore the assets remain held at book value. We expect the sale of non-operational assets to complete within 12 to 18 months of signing these accounts.