

BROOKVALE

England & Wales · Charity number 526086

Details

Other names	BROOKVALE CARING FOR PEOPLE WITH SPECIAL NEEDS
Status	Registered
Legal form	Other
Registered	1963-10-07
Register	View on the Charity Commission register

Contact

Address	Brookvale Home Simister Lane Prestwich Manchester M25 2SF
Phone	01616531767
Email	admin@brookvale.org

Activities

Objects: TO PROVIDE EDUCATIONAL AND REMEDIAL TRAINING TO ALL CHILDREN OF ANY RELIGION RACE CREED ETHNIC ORIGIN OR COLOUR WHO QUALIFY FOR SUCH TRAINING. THE SCHOOL SHALL PROVIDE SUCH COMPETANT PERSONNEL AS IN THE OPINION OF THE BOARD OF GOVERNORS ARE ADEQUATE TO CARRY OUT THE WORK.

Activities: TO PROVIDE EDUCATIONAL AND REMEDIAL TRAINING TO ALL PEOPLE WITH LEARNING DIFFICULTIES OF ANY RELIGION RACE CREED ETHNIC ORIGIN OR COLOUR WHO QUALIFY FOR SUCH TRAINING. WE SHALL PROVIDE SUCH COMPETANT PERSONNEL AS IN THE OPINION OF THE BOARD OF GOVERNORS ARE ADEQUATE TO CARRY OUT THE WORK.

Classification

- **How:** Provides Human Resources
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** People With Disabilities

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£3,693,055	£4,404,340	£10,356,127	66
2023-12-31	£3,460,029	£4,234,211	£10,778,933	71
2022-12-31	£3,471,018	£3,974,357	£11,215,565	73
2021-12-31	£3,629,821	£3,487,786	£11,720,341	81
2020-12-31	£3,387,929	£3,614,360	£11,173,073	84

Trustees

Name	Role	Appointed
DANIEL SAVAGE	Chair	
Amos Waldman		2022-10-01
Andrew Krauza		2024-10-06
Lee Taylor		2025-07-16
STEPHEN POLLOCK		

BROOKVALE

England & Wales - Charity number 526086

Accounts

BROOKVALE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
Registered charity No: 526086

BARLOW ANDREWS LLP
CHARTERED ACCOUNTANTS
BOLTON

BROOKVALE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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BROOKVALE

TRUSTEES' REPORT

The trustees present their annual report and the audited financial statements of Brookvale (the "charity") for the year ended 31 December 2024.

Reference and administrative information

Charity name	Brookvale
Charity registration number:	526086
Registered office and operational address:	Simister Lane, Prestwich, Manchester, M25 2SF

Trustees

Mr S Pollock	
Mr S Larah	(deceased July 2025)
Mr D Savage	
Mr M Walters	(deceased June 2024)
Mr A Waldman	
Mr A Krauza	(appointed October 2024)
Mr L Taylor	(appointed July 2025)

Principal staff members

Carl Richmond	Chief Executive Officer
Lynne Richmond	Executive Director
Gareth Richmond	Director of Service
Georgia McHugh	Registered Manager

Statutory auditor

Barlow Andrews LLP, Carlyle House, 78 Chorley New Road, Bolton

Bankers

HSBC Bank plc, 8 High Street, Manchester, M60 4AJ

BROOKVALE
TRUSTEES' REPORT
(continued)

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

Structure, governance and management

Governing document

Brookvale is a registered charity. The organisation was founded in 1951 and is governed by a trust deed adopted on 5 July 1992.

Organisational structure

Brookvale is governed by a board of trustees which meets monthly. The trustees, along with the principal staff members, are responsible for the strategic direction of the charity. They review wages and salaries annually and the remuneration of the key management personnel.

The day to day responsibility and management of the charity rests with the principal staff members. The executive director has overall responsibility for delivering the aims and objectives of Brookvale.

Trustees

The trustees who have served during the year and up to the date of this report are as listed on page 1.

Recruitment and appointment of trustees and board

The recruitment and appointment of trustees at Brookvale follows the conditions established within the trust deed.

The board is made up of executives (minimum 5, maximum 8) and committee members (maximum 6 members).

The executive trustees are able to propose and appoint trustees who in their opinion would benefit the objectives of the organisation.

Trustee induction and training

All trustees undergo an induction process into the workings of Brookvale. The induction covers the obligations of board members and their responsibilities, main documents setting out the organisation's mission, vision and values, financial background and key strategic priorities.

Risk management

The trustees are continuing to review major strategies, business and operational risks which the charity faces, and consider that the existing systems in place are adequate to manage identified risks to an acceptable level.

Objectives and activities

Principal objectives

The principal object of the charity is the relief and care of persons with mental handicap learning disabilities.

In furtherance of the above object, the organisation shall have the power:

- (a) To establish and maintain residential homes and day centres for people and therein to provide remedial, occupational and social training.
- (b) To establish and maintain holiday homes for the benefit of residents of such residential homes.
- (c) To raise funds from public and private sources for the efficient performance of these objects.

Each year the trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide a public benefit. The trustees are more than satisfied that they do.

BROOKVALE
TRUSTEES' REPORT
(continued)

Achievements, performance and future plans

As we entered 2024 there was trepidation as to what the year ahead would bring us here at Brookvale in view of the challenges we have faced over the last few years.

The charity is almost fully reliant on the fees received from Local Authorities (the rates of which increase at a far lower percentage than increases in essential expenditure) and the rental income from our investment properties, as donations continue to diminish.

In this ongoing cost of living crisis challenges to all involved in Social Care continue to be significant.

To the credit of Management, with their robust budgeting review some substantial cost cutting has been made, which has placed the charity on an even keel.

There have been cost reductions in laundry and food costs, due to our strong relationships with our suppliers and being able to negotiate better deals, together with utilities generally. We have also renegotiated three long-standing care packages for residents whose needs have changed significantly with age, the new fees being a more current reflection of the care and time required.

Despite the reduction in running costs the Charity was hit by a huge blow in relation to our water costs. Out of the blue at the end of 2024 we received the notification from our water supplier that a 'Smart Meter', which had been fitted 5 years previously, had been faulty and did not match up with the actual water meter. In short, we were told that we had under paid for the water supply to the tune of £345,000 during that 5 year period. Of course, this came as a huge shock and it highlighted that there was a considerable issue with leakage. As the fault lay with the water supplier, we were able to negotiate a substantial allowance, reducing the amount owing to £225,000. This was still a considerable burden to the charity, despite the fact it was agreed that the amount be paid back in monthly instalments.

The size of the bill prompted investigation into leakages on the site. After a long period of investigation it was established that there was a considerable leak due to a burst pipe deep underground in the area outside of North View. A large amount of ground works were necessary to reach and replace the damaged water pipe. This again was at great cost to the Charity. Following replacement of the water pipes the monthly bills have reduced dramatically.

There are also the constant costs of repairs and renewals, of course, which is to be expected in view of the size of the complex.

Regardless of the sizeable running costs, we continue to strive to provide outstanding care for our residents. The robust and supportive Management, together with a very loyal team of care staff, ensures that high quality care continues to be provided to all. Morale amongst our staff remains high and they are looked after by the charity by paying them a real living wage.

Residents remain fit and well and we were happy to welcome our newest and youngest resident, Harley Dudson in July 2024. Harley is just 18 and has significant needs; nonetheless, he has settled in very well indeed.

Sadly, in June 2024 we lost one of Brookvale's stalwarts: Maurice Walters could be described as "Mr Brookvale" as he was one of the co-founders of the charity whose daughter was a resident at Brookvale until her early passing. He was the Finance Director for Brookvale until his late 80's, before becoming a Trustee. His innovative style future-proofed Brookvale far into the future, with his canny investments and setting up of a solar field and wind turbines on site. The income these renewables produce offsets the cost of the utilities significantly. Maurice continues to be greatly missed by all.

It is also with deep sadness that we announce the passing of one of our longest standing Trustees, Sid Larah. He committed a large amount of his personal time for the benefit of Brookvale and its smooth running. He will be sadly missed by all.

On a brighter note, we were delighted to welcome Andrew Krauza as a new Trustee. Andrew has a wealth of experience in the world of banking and we expect him to be a considerable asset to our charity. Since the year end, we have had another addition to the Board of Trustees by way of Lee Taylor. We are very much looking forward to working alongside him.

In conclusion, 2024 was another challenging year for us, as it was for all in the care sector; however, there appear to be shoots of recovery. We are optimistic for the year ahead and with the continued hard work of the management and the support of a strong Board of Trustees the future is bright.

BROOKVALE
TRUSTEES' REPORT
(continued)

Financial review

The results for the year are shown in the Statement of Financial Activities on page 9 and our financial position at the end of the year is shown in the Balance Sheet on page 10.

We had net expenditure of £711,285 for the year. After net gains of £288,479 on revaluation of investments and investment properties our net reduction in funds was £422,806. Expenditure on charitable activities exceeded income from charitable activities by over £1m, again underlining the importance of having strong income streams from our investments and investment properties. We are also grateful, as ever, for the donations and bequests received each year.

The financial position of Brookvale remains healthy and there are no going concern issues.

Principal funding sources

The majority of our income is generated from the provision of services to local authority social services departments, who are meeting the needs of individuals (most are fully funded).

Investment policy

The trustees are of the opinion that investments must be as safe as possible and therefore monies are placed with various banks in longer term fixed interest deposit accounts and checked on a regular basis. We also have monies invested with National Savings and Investments. In addition, we have some shares that were bequeathed to Brookvale over the years by various people and these have been retained to increase in value or to add the dividends to our income.

We also have our investment property portfolio. The rates of return are generally much better than can be achieved on bank deposits and other traditional investment types, and the investment is in properties which are unlikely to decrease in value.

Reserves policy

We are in a strong financial position, but the review of the year on page 3 demonstrates that we dare not be complacent and we must maintain our sound reserves base. There continues to be pressure on fees from local authorities, as discussed earlier. The ongoing difficult economic climate underlines the soundness of our policy to build a healthy reserves position, which enables us to withstand potential falls in income which might otherwise compromise the high quality of our services. We aim to maintain sufficient reserves (excluding the net book value of our tangible fixed assets) to cover up to 2 years' full running costs of over £8m. At 31 December 2024 the balance of our unrestricted funds, less the net book value of our tangible fixed assets, totalled £7,441,634.

The Building and Subsidy Fund stands at £5,270,408 at 31 December 2024. It is a designated fund which the trustees believe is required to maintain the buildings and other tangible fixed assets of the charity to a high standard for the long term and to underpin our charitable activities should funding be significantly hit at any stage. The fund will be used as and when required.

Our free reserves at year end stand at £2,171,226. This represents approximately 6 months of current annual expenditure on charitable activities and is below the target level of 2 years' full running costs per above.

BROOKVALE
TRUSTEES' REPORT
(continued)

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

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

Statement of disclosure to auditor

So far as the trustees are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

A resolution for the reappointment of Barlow Andrews LLP as auditor is to be proposed at the forthcoming Annual General Meeting. The trustees recommend that Barlow Andrews LLP remain in office until further notice.

Approved by the trustees on and signed on its behalf:

S Pollock
Trustee

15 August 2025

BROOKVALE
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF BROOKVALE

Opinion

We have audited the financial statements of Brookvale for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

BROOKVALE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF BROOKVALE

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

BROOKVALE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF BROOKVALE

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

David Kay (Senior Statutory Auditor)
For and on behalf of Barlow Andrews LLP
Statutory Auditor
Carlyle House, 78 Chorley New Road, Bolton

15 August 2025

Barlow Andrews LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BROOKVALE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Total funds 2024 £	Total funds 2023 £
Income from:			
Donations and legacies	3	15,585	39,550
Investments	4	333,708	321,185
Charitable activities	5	3,343,762	3,099,294
Total Income		3,693,055	3,460,029
Expenditure on:			
Cost of generating funds	7	51,037	48,613
Charitable activities	8	4,353,303	4,185,598
Total expenditure		4,404,340	4,234,211
Net income/(expenditure) before gains and losses on investments		(711,285)	(774,182)
Net gains/(losses) on investments and investment properties	6	288,479	337,550
Net movement in funds		(422,806)	(436,632)
Reconciliation of funds:			
Total funds brought forward		10,778,933	11,215,565
Total funds carried forward	19	10,356,127	10,778,933

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

All of the charity's operations are classed as continuing and all income and expenditure relates to unrestricted funds.

BROOKVALE
BALANCE SHEET
AS AT 31 DECEMBER 2024

	Notes	2024	2023
		£	£
Fixed assets			
Tangible fixed assets	12	2,914,493	3,239,376
Investment properties	13	4,951,701	4,626,701
Investments	14	2,034,714	2,727,721
		9,900,908	10,593,798
Current assets			
Debtors	15	141,669	168,365
Cash at bank and in hand		830,966	332,103
		972,635	500,468
Current liabilities:			
Creditors: amounts falling due in less than one year	16	(517,416)	(315,333)
Net current assets		455,219	185,135
Total net assets			
		10,356,127	10,778,933
The funds of the charity			
Unrestricted funds	19	10,356,127	10,778,933
Total charity funds		10,356,127	10,778,933

The accounts were approved by the board of trustees and signed on its behalf:

S Pollock
Trustee

15 August 2025

BROOKVALE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	£	£
Cash flows from operating activities:		
Net movement in funds for the year	(422,806)	(436,632)
Adjustments for:		
Depreciation	285,735	307,571
Gains on investments	(288,479)	(337,550)
Investment income	(333,708)	(321,185)
Decrease/(increase) in debtors	26,697	(28,400)
Increase in creditors	202,081	60,555
Cash (used in)/generated from operations	(530,480)	(755,641)
Cash flows from investing activities:		
Income from investments and investment properties	333,708	321,185
Purchase of property, plant and equipment	(4,195)	(105,186)
Net cash generated from investing activities	329,513	215,999
Net (decrease) in cash and cash equivalents	(200,967)	(539,642)
Cash and cash equivalents at start of year	3,033,508	3,573,150
Cash and cash equivalents at end of year (see below)	2,832,541	3,033,508
Analysis of cash and cash equivalents		
Cash at bank and in hand	830,966	332,103
Cash deposits held as investments	2,001,575	2,701,405
	2,832,541	3,033,508

BROOKVALE

YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Brookvale is an unincorporated registered charity, governed by a trust deed adopted on 5 July 1992. The registered office is Simister Lane, Prestwich, Manchester.

a) Accounting convention

These accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have been prepared on the historical cost convention, modified to include investment properties and certain financial instruments at fair value.

b) Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

c) Charitable funds

General funds are unrestricted funds which represent accumulated income less direct charitable expenditure and other expenditure. They are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by trustees for particular purposes, as explained further in note 19 to the accounts.

d) Income

Income is generally recognised on a receivable basis and is reported gross of related expenditure, where the amount is reasonably certain and when there is adequate certainty of receipt.

The specific bases used are as follows.

- Donations and legacies are generally accounted for as received.
- Investment income, including rents from investment properties, is recognised on a receivable basis.
- Income from residential care and similar activities is accounted for in the period to which it relates. Any such income received in advance is deferred until entitlement to the income has arisen, at which time it is credited to the statement of financial activities. Any such income which arises in the period prior to the invoice being raised, is recognised as accrued income and credited to the statement of financial activities.
- Government grants are recognised at the fair value of the asset received or receivable when there is a reasonable assurance that the grant conditions will be met and the money will be received.

BROOKVALE

YEAR ENDED 31 DECEMBER 2024

**NOTES TO THE FINANCIAL STATEMENTS
(continued)**

1. Accounting policies (continued)

e) Expenditure

Expenditure is accounted for on an accruals basis and is included under expense categories which aggregate all costs for allocation to activities.

Expenditure is recognised when it is incurred and is reported gross of related income on the following bases:

- Charitable expenditure comprises direct expenditure including direct staff costs attributable to its activities.
- Governance costs include costs incurred in the governance of the charity's assets and costs directly associated with constitutional and statutory requirements.
- Support costs include the central functions, including the staff costs of management, and are based on the time spent on a particular activity.
- Cost of raising funds comprises direct expenditure incurred on rental properties, including staff costs attributable to its activities.

f) Investments

Investments intended to be held long term are initially measured at transaction price and then subsequently measured at fair value at each financial reporting date. Market value is used as a representation of fair value. Changes in fair value are recognised in the statement of financial activities for the year and transaction costs are expensed as incurred.

g) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value at the financial reporting date. The surplus or deficit on revaluation is recognised in the statement of financial activities for the year.

h) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £2,000 are capitalised and included in the balance sheet at their cost.

Depreciation is provided on all tangible assets at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives, as follows.

Freehold land	Nil
Simister Lane buildings	2.5% straight line
Swimming pool complex	7.5% reducing balance
Holiday homes	2.5% straight line
Motor vehicles	25% reducing balance
Fixtures and fittings	15% reducing balance

j) Pensions

The charity operates defined contribution pension schemes for its employees, administered by independent managers, the assets of which are held separately from those of the charity. The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

k) Employee benefits

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

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

BROOKVALE

YEAR ENDED 31 DECEMBER 2024

**NOTES TO THE FINANCIAL STATEMENTS
(continued)**

l) Taxation

The organisation has charitable status and remains exempt from taxation of its income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives.

m) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank deposits held at call and other short-term liquid investments with original maturities of three months or less.

n) Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include cash and bank balances and trade debtors, are measured at transaction price.

Other financial assets

Financial assets classified as other financial assets, such as investments, are stated at fair value. Any gains or losses arising on re-measurement are recognised in the statement of financial activities.

Basic financial liabilities

Basic financial liabilities, which include other creditors, are recognised at transaction price.

2. Judgements and key sources of estimation uncertainty

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

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Investment properties

The fair value of the charity's investment properties has been arrived at on the basis of a valuation carried out at that date by the charity's trustees with the assistance of local experts, based on market evidence and local knowledge.

The most recent valuation, which was carried out by Clive Anthony Estates Limited, was performed in early 2024.

BROOKVALE
YEAR ENDED 31 DECEMBER 2024
NOTES TO THE FINANCIAL STATEMENTS
(continued)

3. Donations and legacies

	2024	2023
	£	£
Donations	15,585	38,050
Legacies	-	1,500
	<u>15,585</u>	<u>39,550</u>

4. Investment income

	2024	2023
	£	£
Rental income	213,027	217,134
National Savings investment	170	799
Bank interest	120,511	103,252
	<u>333,708</u>	<u>321,185</u>

5. Income from charitable activities

	2024	2023
	£	£
Provision of residential, respite and day care	3,343,762	3,099,294
	<u>3,343,762</u>	<u>3,099,294</u>

6. Net gains on investments and investment properties

	2024	2023
	£	£
Gains on revaluation of UK listed investments	6,823	5,729
Gains on revaluation of investment properties	281,656	331,821
	<u>288,479</u>	<u>337,550</u>

7. Costs of generating funds

	2024	2023
	£	£
Property costs	19,403	29,102
Support costs in administration of investments etc.	31,634	19,511
	<u>51,037</u>	<u>48,613</u>

BROOKVALE
YEAR ENDED 31 DECEMBER 2024
NOTES TO THE FINANCIAL STATEMENTS
(continued)

8. Costs of charitable activities

	2024	2023
	£	£
Directly allocated costs		
Provisions	197,021	202,266
Water and council tax	252,757	20,015
Insurance	56,007	52,792
Gas and electricity	188,029	209,868
Motor and travel expenses	24,342	22,687
Medical supplies	65,871	67,306
Professional fees	19,219	26,210
Nursing agency fees	620,567	580,711
Laundry and cleaning	53,014	57,510
Staff training and educational development	19,628	32,037
Printing, stationery and advertising	10,927	12,408
Telecommunications	51,928	32,337
Repairs, renewals and maintenance	189,410	214,897
Land and garden expenses	14,719	5,656
Sundry expenses	25,236	30,362
Bedding	4,469	7,255
Bank charges	2,517	2,709
Wages and salaries	1,802,895	1,825,263
National insurance	167,252	169,529
Pension costs	40,100	40,433
Depreciation	285,735	307,571
	4,091,643	3,919,822
Support costs		
Wages and salaries	205,517	205,272
National insurance	25,223	25,190
Pension costs	2,521	2,521
Accountancy and payroll fees	11,580	14,370
	244,841	247,353
Governance costs		
Auditors' remuneration	10,800	13,506
Trustee indemnity insurance	6,019	4,917
	16,819	18,423
	4,353,303	4,185,598

Support costs include the central functions, including the staff costs of management, and are based on the time spent on a particular activity.

BROOKVALE
YEAR ENDED 31 DECEMBER 2024
NOTES TO THE FINANCIAL STATEMENTS
(continued)

9. Net income

This is stated after charging:

	2024	2023
	£	£
Depreciation	285,735	307,571
Auditors' remuneration	10,800	13,506

10. Staff costs

Staff costs were as follows:

	2024	2023
	£	£
Wages and salaries	2,008,412	2,030,535
Social Security costs	192,475	194,719
Pension costs (see note 11)	42,621	42,954
	2,243,508	2,268,208

The average number of employees was:

	2024	2023
Carers and auxiliary staff	59	64
Management and administration of the charity	7	7
	66	71

The number of employees whose total employee benefits, excluding pension contributions, were over £60,000, classified within bands of £10,000, is as follows:

	2024	2023
£60,000 - £69,999	3	2
£110,000 - £119,999	1	1

The employee benefits of the key management personnel totalled £430,026 (2023: £426,352).

No remuneration or expenses, directly or indirectly out of the funds of the charity, were paid or payable during the year to any trustee or to any persons known to be connected to them. The charity spent £6,019 (2023: £4,917) in the purchase of insurance to indemnify the trustees against the consequences of any neglect or default in relation to the charity.

11. Pension costs

The charity operates defined contribution pension schemes for its employees, administered by independent managers, the assets of which are held separately from those of the charity. The pension charge in note 10 represents contributions due from the charity in the year.

BROOKVALE
YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS
(continued)

12. Tangible fixed assets

	Simister Lane land and buildings £	Holiday homes £	Fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2024	5,583,547	400,879	3,137,698	100,375	9,222,499
Additions	-	-	4,195	-	4,195
Transfer to investment property	(222,495)	-	-	-	(222,495)
At 31 December 2024	5,361,052	400,879	3,141,893	100,375	9,004,199
Depreciation					
At 1 January 2024	3,560,703	180,804	2,165,861	75,755	5,983,123
Charge for the year	125,167	10,044	144,445	6,079	285,735
Transfer to investment property	(179,151)	-	-	-	(179,151)
At 31 December 2024	3,506,719	190,848	2,310,306	81,834	6,089,707
Net book values					
At 31 December 2024	1,854,333	210,031	831,587	18,541	2,914,492
At 31 December 2023	2,022,844	220,075	971,837	24,620	3,239,376

Included in land and buildings is freehold land costing £5,078 (2023: £5,078) which is not depreciated.

All properties are freehold with the exception of holiday homes, which are long leasehold.

13. Investment properties

At valuation	£
At 1 January 2024	4,626,701
Transfer from tangible fixed assets	43,344
Revaluation	281,656
At 31 December 2024	4,951,701

Investment property comprises a portfolio of 13 properties held with the intention of obtaining rental income. The valuation of investment properties is considered on a rolling basis each year based on market evidence and local knowledge. The most recent valuation, which was carried out by Clive Anthony Estates Limited, was performed in early 2024.

The historical cost of the investment properties is £4,132,747 (2023: £3,959,388).

BROOKVALE
YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS
(continued)

14. Fixed asset investments

	Brought forward £	Additions £	Disposals £	Interrest/ revaluation £	Carried forward £	% Share of total
Cash deposits:						
Israeli Bonds	2,650,000	1,400,000	(2,050,000)		2,000,000	98.29
N S & I	51,405	50,000	(100,000)	170	1,575	0.08
	<u>2,701,405</u>	<u>1,450,000</u>	<u>(2,150,000)</u>	<u>170</u>	<u>2,001,575</u>	<u>98.37</u>
UK listed investments	26,316	-	-	6,823	33,139	1.63
	<u>2,727,721</u>	<u>1,450,000</u>	<u>(2,150,000)</u>	<u>6,993</u>	<u>2,034,714</u>	<u>100.00</u>

Investments are stated at their fair value (see note 1f).

15. Debtors

	2024 £	2023 £
Trade receivables - amounts due for provision of care	8,256	694
Prepayments and accrued income	108,413	167,671
Sundry debtors	25,000	-
	<u>141,669</u>	<u>168,365</u>

16. Current liabilities

	2024 £	2023 £
Trade payables	94,375	45,227
PAYE and national insurance	41,606	44,181
Pension creditors	327	619
Accruals	289,870	104,528
Deferred income	86,193	114,741
Other creditors	5,045	6,037
	<u>517,416</u>	<u>315,333</u>

Deferred income is in respect of amounts invoiced to local authorities, which can include an element of income relating to post-year end. The amounts involved can vary from one period to another.

17. Financial instruments

	2024 £	2023 £
Carrying amount of financial assets		
Being trade receivables, cash and bank balances and fixed asset investments	<u>2,898,936</u>	<u>3,060,518</u>
Carrying amount of financial liabilities		
Being current liabilities excluding deferred income and PAYE and national insurance	<u>389,617</u>	<u>156,411</u>

BROOKVALE

YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

18. Analysis of net assets between funds

All funds, including designated funds, are unrestricted and therefore all assets and liabilities relate to unrestricted funds.

19. Movements in funds

	Balance at start of year £	Income £	Expenditure £	Investment gains £	Balance at end of year £
<u>Current year</u>					
Designated funds					
Building and Subsidy Fund (see note below)	5,258,718	11,690	-	-	5,270,408
General funds					
General Fund	5,520,215	3,681,365	(4,404,340)	288,479	5,085,719
Total unrestricted funds	10,778,933	3,693,055	(4,404,340)	288,479	10,356,127
<u>Prior year</u>					
Designated funds					
Building and Subsidy Fund (see note below)	5,249,327	9,391	-	-	5,258,718
General funds					
General Fund	5,966,238	3,450,639	(4,234,212)	337,550	5,520,215
Total unrestricted funds	11,215,565	3,460,030	(4,234,212)	337,550	10,778,933

Designated funds: The Building and Subsidy Fund represents funds which the trustees believe are required to maintain the buildings and other tangible fixed assets of the charity to a high standard for the long term and to underpin our charitable activities should regular funding streams be significantly hit at any point.

20. Related party transactions

In the prior year one of the investment properties was rented to Mr M Walters (trustee). This property is now rented to Ms G McHugh (Registered Manager), given its close proximity to Brookvale. Another of the investment properties is rented to Mr G Richmond (Director of Services).

BROOKVALE

England & Wales - Charity number 526086

Accounts

BROOKVALE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
Registered charity No: 526086

BARLOW ANDREWS LLP
CHARTERED ACCOUNTANTS
BOLTON

BROOKVALE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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BROOKVALE

TRUSTEES' REPORT

The trustees present their annual report and the audited financial statements of Brookvale (the "charity") for the year ended 31 December 2023.

Reference and administrative information

Charity name	Brookvale
Charity registration number:	526086
Registered office and operational address:	Simister Lane, Prestwich, Manchester, M25 2SF

Trustees

Mr S Pollock

Mr S Larah

Mr S Gold

(deceased July 2023)

Mr D Savage

Mr M Walters

(deceased June 2024)

Mr A Waldman

Principal staff members

Lynne Richmond

Executive Director

Carl Richmond

Chief Executive Officer

Gareth Richmond

Quality Assurance

Statutory auditor

Barlow Andrews LLP, Carlyle House, 78 Chorley New Road, Bolton, BL1 4BY

Bankers

HSBC Bank plc, 8 High Street, Manchester, M60 4AJ

BROOKVALE
TRUSTEES' REPORT
(continued)

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)."

Structure, governance and management

Governing document

Brookvale is a registered charity. The organisation was founded in 1951 and is governed by a trust deed adopted on 5 July 1992.

Organisational structure

Brookvale is governed by a board of trustees which meets monthly. The trustees, along with the principal staff members, are responsible for the strategic direction of the charity. They review wages and salaries annually and the remuneration of the key management personnel.

The day to day responsibility and management of the charity rests with the principal staff members. The executive director has overall responsibility for delivering the aims and objectives of Brookvale.

Trustees

The trustees who have served during the year and up to the date of this report are as listed on page 1.

Recruitment and appointment of trustees and board

The recruitment and appointment of trustees at Brookvale follows the conditions established within the trust deed.

The board is made up of executives (minimum 5, maximum 8) and committee members (maximum 6 members).

The executive trustees are able to propose and appoint trustees who in their opinion would benefit the objectives of the organisation.

Trustee induction and training

All trustees undergo an induction process into the workings of Brookvale. The induction covers the obligations of board members and their responsibilities, main documents setting out the organisation's mission, vision and values, financial background and key strategic priorities.

Risk management

The trustees are continuing to review major strategies, business and operational risks which the charity faces, and consider that the existing systems in place are adequate to manage identified risks to an acceptable level.

Objectives and activities

Principal objectives

The principal object of the charity is the relief and care of persons with mental handicap learning disabilities.

In furtherance of the above object, the organisation shall have the power:

- (a) To establish and maintain residential homes and day centres for people and therein to provide remedial, occupational and social training.
- (b) To establish and maintain holiday homes for the benefit of residents of such residential homes.
- (c) To raise funds from public and private sources for the efficient performance of these objects.

Each year the trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide a public benefit. The trustees are more than satisfied that they do.

BROOKVALE
TRUSTEES' REPORT
(continued)

Achievements, performance and future plans

The ongoing cost of the living crisis has had a profound effect on us all and none more so the impact on Social Care.

Here at Brookvale we continue to struggle with the challenges of ever increasing running costs. Nonetheless our prime objective is the high-quality care we provide to our vulnerable residents which we are sure is a source of comfort to their families and loved ones.

As a charity we have experienced the most difficult time in our long-distinguished history. Donations and legacies have diminished significantly over the years and now are practically non-existent. Sadly, this is the sign of the times where people have their own issues and charity is not at the forefront of their minds.

Our charitable activities are based on the payments we receive from the Local Authorities for their clients. Unfortunately, they too are facing significant challenges, and this has had a knock-on effect on the monies we receive from them. These payments in some instances are less than the actual cost of care. Fortunately, we have a steady additional revenue stream from our property portfolio but have experienced financial difficulties and have had to eat into our investments.

We are in the process of a budgeting review to enable longevity far into the future.

The maintenance of our buildings and grounds continues to be the subject of substantial cost and during this year we have finalised the installation of CCTV coverage of all areas for the protection of residents and staff. We have continued the project of installing state of the art fire doors throughout the complex and spent significantly on fire protection generally.

Utility and catering cost are still extremely high, as too are laundry and general maintenance costs. Despite the challenges, morale amongst our fabulous staff is high and they are supported by long term agency care staff. The continued professional development staff training comes at a high cost, but this is both mandatory and necessary.

We continue to strive to provide the very best care and environment for our residents in line with the fantastic reputation we have within in care circles.

For the record one of our long-term residents Paul Cowan moved to another provision in May 2023 as we were no longer able to provide for his complex needs.

Sadly, two of our longstanding Trustees, Stuart Gold and Maurice Walters passed away in July 2023 and June 2024 respectively. Both will be greatly missed by us all.

On a final note, we continue to be in a stable position unlike many providers in the care industry. We have a robust management structure which is supported by a strong Board of Trustees.

Financial review

The results for the year are shown in the Statement of Financial Activities on page 9 and our financial position at the end of the year is shown in the Balance Sheet on page 10.

We had net expenditure of £774,182 for the year. After net gains on investments and investment properties of £337,550 our net reduction in funds was £436,632. Expenditure on charitable activities exceeded income from charitable activities by over £1m, underlining the importance of having strong income streams from our investments and investment properties. We are also grateful, as ever, for the donations and bequests received each year.

The financial position of Brookvale remains healthy and there are no going concern issues.

BROOKVALE

TRUSTEES' REPORT (continued)

Principal funding sources

The majority of our income is generated from the provision of services to local authority social services departments, who are meeting the needs of individuals (most are fully funded).

Investment policy

The trustees are of the opinion that investments must be as safe as possible and therefore monies are placed with various banks in longer term fixed interest deposit accounts and checked on a regular basis. We also have monies invested with National Savings and Investments. In addition, we have some shares that were bequeathed to Brookvale over the years by various people and these have been retained to increase in value or to add the dividends to our income.

We also have our investment property portfolio. The rates of return are generally much better than can be achieved on bank deposits and other traditional investment types, and the investment is in properties which are unlikely to decrease in value.

Reserves policy

We are in a strong financial position, but the review of the year on page 3 demonstrates that we dare not be complacent and we must maintain our sound reserves base. There continues to be pressure on fees from local authorities, as discussed earlier. The ongoing difficult economic climate underlines the soundness of our policy to build a healthy reserves position, which enables us to withstand potential falls in income which might otherwise compromise the high quality of our services. We aim to maintain sufficient reserves (excluding the net book value of our tangible fixed assets) to cover up to 2 years' full running costs of over £8m. At 31 December 2023 the balance of our unrestricted funds, less the net book value of our tangible fixed assets, totalled £7,539,557, allowing us to face the future with confidence.

The Building and Subsidy Fund stands at £5,258,718 at 31 December 2023. It is a designated fund which the trustees believe is required to maintain the buildings and other tangible fixed assets of the charity to a high standard for the long term and to underpin our charitable activities should funding be significantly hit at any stage. The fund will be used as and when required.

BROOKVALE
TRUSTEES' REPORT
(continued)

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

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

Statement of disclosure to auditor

So far as the trustees are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

A resolution for the reappointment of Barlow Andrews LLP as auditor is to be proposed at the forthcoming Annual General Meeting. The trustees recommend that Barlow Andrews LLP remain in office until further notice.

Approved by the trustees on and signed on its behalf:

S Pollock
Trustee

26 June 2024

BROOKVALE
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF BROOKVALE

Opinion

We have audited the financial statements of Brookvale for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

BROOKVALE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF BROOKVALE

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

BROOKVALE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF BROOKVALE

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

David Kay (Senior Statutory Auditor)
for and on behalf of Barlow Andrews LLP
Chartered Accountants and Statutory Auditor
Carlyle House, 78 Chorley New Road, Bolton

26 June 2024

Barlow Andrews LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BROOKVALE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Total funds 2023 £	Total funds 2022 £
Income from:			
Donations and legacies	3	39,550	104,894
Investments	4	321,185	229,891
Charitable activities	5	3,099,294	3,090,067
Other income	6	-	46,166
Total Income		3,460,029	3,471,018
Expenditure on:			
Cost of generating funds	8	48,613	85,392
Charitable activities	9	4,185,598	3,888,965
Total expenditure		4,234,211	3,974,357
Net income/(expenditure) before gains and losses on investments		(774,182)	(503,339)
Net gains/(losses) on investments and investment properties	7	337,550	(1,437)
Net movement in funds		(436,632)	(504,776)
Reconciliation of funds:			
Total funds brought forward		11,215,565	11,720,341
Total funds carried forward	20	10,778,933	11,215,565

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

All of the charity's operations are classed as continuing and all income and expenditure relates to unrestricted funds.

BROOKVALE
BALANCE SHEET
AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible fixed assets	13	3,239,376		3,441,761	
Investment properties	14	4,626,701		4,294,879	
Investments	15	2,727,721		3,132,916	
		10,593,798		10,869,556	
Current assets					
Debtors	16	168,365		139,965	
Cash at bank and in hand		332,103		460,821	
		500,468		600,786	
Current liabilities:					
Creditors: amounts falling due in less than one year	17	(315,333)		(254,777)	
Net current assets		185,135		346,009	
Total net assets		10,778,933		11,215,565	
The funds of the charity					
Unrestricted funds	20	10,778,933		11,215,565	
Total charity funds		10,778,933		11,215,565	

The accounts were approved by the board of trustees and signed on its behalf:

S Pollock
Trustee

26 June 2024

BROOKVALE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
Cash flows from operating activities:		
Net movement in funds for the year	(436,632)	(504,776)
Adjustments for:		
Depreciation	307,571	322,938
(Losses)/gains on investments	(337,550)	1,437
Investment income	(321,185)	(229,891)
(Increase)/decrease in debtors	(28,400)	51,476
Increase/(decrease) in creditors	60,555	(10,333)
Cash (used in)/generated from operations	(755,641)	(369,149)
Cash flows from investing activities:		
Income from investments and investment properties	321,185	229,891
Purchase of property, plant and equipment	(105,186)	(30,692)
Purchase of investment properties	-	(237,037)
Net cash generated from/(used in) investing activities	215,999	(37,838)
Net (decrease) in cash and cash equivalents	(539,642)	(406,987)
Cash and cash equivalents at start of year	3,573,150	3,980,137
Cash and cash equivalents at end of year (see below)	3,033,508	3,573,150
Analysis of cash and cash equivalents		
Cash at bank and in hand	332,103	460,821
Cash deposits held as investments	2,701,405	3,112,329
	3,033,508	3,573,150

BROOKVALE

YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Brookvale is an unincorporated registered charity, governed by a trust deed adopted on 5 July 1992. The registered office is Simister Lane, Prestwich, Manchester.

a) Accounting convention

These accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have been prepared on the historical cost convention, modified to include investment properties and certain financial instruments at fair value.

b) Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

c) Charitable funds

General funds are unrestricted funds which represent accumulated income less direct charitable expenditure and other expenditure. They are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by trustees for particular purposes, as explained further in note 20 to the accounts.

d) Income

Income is generally recognised on a receivable basis and is reported gross of related expenditure, where the amount is reasonably certain and when there is adequate certainty of receipt.

The specific bases used are as follows.

- Donations and legacies are generally accounted for as received.
- Investment income, including rents from investment properties, is recognised on a receivable basis.
- Income from residential care and similar activities is accounted for in the period to which it relates. Any such income received in advance is deferred until entitlement to the income has arisen, at which time it is credited to the statement of financial activities. Any such income which arises in the period prior to the invoice being raised, is recognised as accrued income and credited to the statement of financial activities.
- Government grants are recognised at the fair value of the asset received or receivable when there is a reasonable assurance that the grant conditions will be met and the money will be received.

BROOKVALE

YEAR ENDED 31 DECEMBER 2023

**NOTES TO THE FINANCIAL STATEMENTS
(continued)**

1. Accounting policies (continued)

e) Expenditure

Expenditure is accounted for on an accruals basis and is included under expense categories which aggregate all costs for allocation to activities.

Expenditure is recognised when it is incurred and is reported gross of related income on the following bases:

- Charitable expenditure comprises direct expenditure including direct staff costs attributable to its activities.
- Governance costs include costs incurred in the governance of the charity's assets and costs directly associated with constitutional and statutory requirements.
- Support costs include the central functions, including the staff costs of management, and are based on the time spent on a particular activity.
- Cost of raising funds comprises direct expenditure incurred on rental properties, including staff costs attributable to its activities.

f) Investments

Investments intended to be held long term are initially measured at transaction price and then subsequently measured at fair value at each financial reporting date. Market value is used as a representation of fair value. Changes in fair value are recognised in the statement of financial activities for the year and transaction costs are expensed as incurred.

g) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value at the financial reporting date. The surplus or deficit on revaluation is recognised in the statement of financial activities for the year.

h) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £2,000 are capitalised and included in the balance sheet at their cost.

Depreciation is provided on all tangible assets at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives, as follows.

Freehold land	Nil
Simister Lane buildings	2.5% straight line
Swimming pool complex	7.5% reducing balance
Holiday homes	2.5% straight line
Motor vehicles	25% reducing balance
Fixtures and fittings	15% reducing balance

j) Pensions

The charity operates defined contribution pension schemes for its employees, administered by independent managers, the assets of which are held separately from those of the charity. The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

k) Employee benefits

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

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

BROOKVALE

YEAR ENDED 31 DECEMBER 2023

**NOTES TO THE FINANCIAL STATEMENTS
(continued)**

l) Taxation

The organisation has charitable status and remains exempt from taxation of its income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives.

m) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank deposits held at call and other short-term liquid investments with original maturities of three months or less.

n) Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include cash and bank balances and trade debtors, are measured at transaction price.

Other financial assets

Financial assets classified as other financial assets, such as investments, are stated at fair value. Any gains or losses arising on re-measurement are recognised in the statement of financial activities.

Basic financial liabilities

Basic financial liabilities, which include other creditors, are recognised at transaction price.

2. Judgements and key sources of estimation uncertainty

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

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Investment properties

The fair value of the charity's investment properties has been arrived at on the basis of a valuation carried out at that date by the charity's trustees with the assistance of local experts, based on market evidence and local knowledge.

BROOKVALE
YEAR ENDED 31 DECEMBER 2023
NOTES TO THE FINANCIAL STATEMENTS
(continued)

3. Donations and legacies

	2023	2022
	£	£
Donations	38,050	27,399
Legacies	1,500	77,495
	<u>39,550</u>	<u>104,894</u>

4. Investment income

	2023	2022
	£	£
Rental income	217,134	172,813
National Savings investment	799	276
Bank interest	103,252	56,802
	<u>321,185</u>	<u>229,891</u>

5. Income from charitable activities

	2023	2022
	£	£
Provision of residential, respite and day care	3,099,294	3,090,067
	<u>3,099,294</u>	<u>3,090,067</u>

6. Other income

	2023	2022
	£	£
Covid-19 support grant from Bury MBC	-	46,166
	<u>-</u>	<u>46,166</u>

7. Net gains/(losses) on investments and investment properties

	2023	2022
	£	£
Gains/(losses) on revaluation of UK listed investments	5,729	(1,437)
Gains on revaluation of investment properties	331,821	-
	<u>337,550</u>	<u>(1,437)</u>

BROOKVALE

YEAR ENDED 31 DECEMBER 2023

**NOTES TO THE FINANCIAL STATEMENTS
(continued)**

8. Costs of generating funds

	2023	2022
	£	£
Property costs	29,102	69,162
Support costs in administration of investments etc.	19,511	16,230
	48,613	85,392

9. Costs of charitable activities

Directly allocated costs

Provisions	202,266	170,350
Water and council tax	20,015	37,715
Insurance	52,792	54,709
Gas and electricity	209,868	207,916
Motor and travel expenses	22,687	21,409
Medical supplies	67,306	73,373
Professional fees	26,210	19,497
Nursing agency fees	580,711	354,472
Laundry and cleaning	57,510	54,496
Staff training and educational development	32,037	25,800
Printing, stationery and advertising	12,408	10,733
Telephone	32,337	25,978
Repairs, renewals and maintenance	214,897	285,571
Land and garden expenses	5,656	1,732
Sundry expenses	30,362	3,090
Bedding	7,255	3,615
Bank charges	2,709	2,038
Wages and salaries	1,825,263	1,773,216
National insurance	169,529	156,552
Pension costs	40,433	37,534
Depreciation	307,571	322,938
	3,919,822	3,642,734

Support costs

Wages and salaries	205,272	193,827
National insurance	25,190	24,840
Pension costs	2,521	2,519
Accountancy and payroll fees	14,370	11,040
	247,353	232,226

Governance costs

Auditors' remuneration	13,506	9,600
Trustee indemnity insurance	4,917	4,405
	18,423	14,005
	4,185,598	3,888,965

Support costs include the central functions, including the staff costs of management, and are based on the time spent on a particular activity.

BROOKVALE
YEAR ENDED 31 DECEMBER 2023
NOTES TO THE FINANCIAL STATEMENTS
(continued)

10. Net income

This is stated after charging:

	2023	2022
	£	£
Depreciation	307,571	322,938
Auditors' remuneration	13,506	9,600
	<u>321,077</u>	<u>332,538</u>

11. Staff costs

Staff costs were as follows:

	2023	2022
	£	£
Wages and salaries	2,030,535	1,967,043
Social Security costs	194,719	181,392
Pension costs (see note 12)	42,954	40,053
	<u>2,268,208</u>	<u>2,188,488</u>

The average number of employees was:

	2023	2022
Carers and auxiliary staff	64	67
Management and administration of the charity	7	6
	<u>71</u>	<u>73</u>

The number of employees whose total employee benefits, excluding pension contributions, were over £60,000, classified within bands of £10,000, is as follows:

	2023	2022
£60,000 - £69,999	2	1
£110,000 - £119,999	1	1
	<u>3</u>	<u>2</u>

The employee benefits of the key management personnel totalled £426,352 (2022: £432,957).

No remuneration or expenses, directly or indirectly out of the funds of the charity, were paid or payable during the year to any trustee or to any persons known to be connected to them. The charity spent £4,917 (2022: £4,405) in the purchase of insurance to indemnify the trustees against the consequences of any neglect or default in relation to the charity.

12. Pension costs

The charity operates defined contribution pension schemes for its employees, administered by independent managers, the assets of which are held separately from those of the charity. The pension charge in note 11 represents contributions due from the charity in the year.

BROOKVALE
YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS
(continued)

13. Tangible fixed assets

	Simister Lane land and buildings £	Holiday homes £	Fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2023	5,583,547	400,879	3,052,502	80,385	9,117,313
Additions	-	-	85,196	19,990	105,186
Transfer to investment property	-	-	-	-	-
At 31 December 2023	5,583,547	400,879	3,137,698	100,375	9,222,499
Depreciation					
At 1 January 2023	3,435,168	170,760	1,998,803	70,821	5,675,552
Charge for the year	125,535	10,044	167,058	4,934	307,571
Transfer to investment property	-	-	-	-	-
At 31 December 2023	3,560,703	180,804	2,165,861	75,755	5,983,123
Net book values					
At 31 December 2023	2,022,844	220,075	971,837	24,620	3,239,376
At 31 December 2022	2,148,379	230,119	1,053,699	9,564	3,441,761

Included in land and buildings is freehold land costing £5,078 (2022: £5,078) which is not depreciated.

All properties are freehold with the exception of holiday homes, which are long leasehold.

14. Investment properties

At valuation	£
At 1 January 2023	4,294,879
Additions in the year at cost	-
Revaluations in the year	331,822
At 31 December 2023	4,626,701

Investment property comprises a portfolio of 12 properties held with the intention of obtaining rental income. The valuation of investment properties is considered on a rolling basis each year based on market evidence and local knowledge. The most recent valuation, which was carried out by Clive Anthony Estates Limited, was performed shortly after the year end on 9 of the properties.

The historical cost of the investment properties is £3,959,388 (2022: £3,959,388).

BROOKVALE
YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS
(continued)

15. Fixed asset investments

	Brought forward £	Additions £	Disposals £	Revaluations/ interest £	Carried forward £	% Share of total
Cash deposits:						
Israeli Bonds	2,815,000	600,000	(765,000)	-	2,650,000	97.15%
N S & I	297,329	-	(247,000)	1,076	51,405	1.88%
	3,112,329	600,000	(1,012,000)	1,076	2,701,405	99.03%
UK listed investments	20,587	-	-	5,729	26,316	0.97%
	3,132,916	600,000	(1,012,000)	6,805	2,727,721	100.00%

Investments are stated at their fair value (see note 1f).

16. Debtors

	2023 £	2022 £
Trade receivables - amounts due for provision of care	694	15,838
Prepayments and accrued income	167,671	124,127
	168,365	139,965

17. Current liabilities

	2023 £	2022 £
Trade payables	45,227	90,752
PAYE and national insurance	44,181	42,141
Pension creditors	619	619
Accruals	104,528	96,325
Deferred income	114,741	19,983
Other creditors	6,037	4,957
	315,333	254,777

Deferred income is in respect of amounts invoiced to local authorities, which can include an element of income relating to post-year end. The amounts involved can vary from one period to another.

18. Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Being trade receivables, cash and bank balances and fixed asset investments	3,060,518	3,609,575
Carrying amount of financial liabilities		
Being current liabilities excluding deferred income and PAYE and national insurance	156,411	192,653

BROOKVALE
YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS
(continued)

19. Analysis of net assets between funds

All funds, including designated funds, are unrestricted and therefore all assets and liabilities relate to unrestricted funds.

20. Movements in funds

	Balance at start of year £	Income £	Expenditure £	Investment gains £	Balance at end of year £
<u>Current year</u>					
Designated funds					
Building and Subsidy Fund (see note below)	5,249,327	9,391	-	-	5,258,718
General funds					
General Fund	5,966,238	3,450,639	(4,234,212)	337,550	5,520,215
Total unrestricted funds	11,215,565	3,460,030	(4,234,212)	337,550	10,778,933
<u>Prior year</u>					
Designated funds					
Building and Subsidy Fund (see note below)	5,244,569	4,758	-	-	5,249,327
General funds					
General Fund	6,475,772	3,466,260	(3,974,357)	(1,437)	5,966,238
Total unrestricted funds	11,720,341	3,471,018	(3,974,357)	(1,437)	11,215,565

Designated funds: The Building and Subsidy Fund represents funds which the trustees believe are required to maintain the buildings and other tangible fixed assets of the charity to a high standard for the long term and to underpin our charitable activities should regular funding streams be significantly hit at any point.

21. Related party transactions

One of the investment properties is rented to Mr M Walters (trustee) at fair value. Another of the investment properties is rented to Mr G Richmond (Quality Assurance Manager), which is also done at fair value.

BROOKVALE

England & Wales - Charity number 526086

Accounts

BROOKVALE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
Registered charity No: 526086

BARLOW ANDREWS LLP
CHARTERED ACCOUNTANTS
BOLTON

BROOKVALE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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BROOKVALE

TRUSTEES' REPORT

The trustees present their annual report and the audited financial statements of Brookvale (the "charity") for the year ended 31 December 2022.

Reference and administrative information

Charity name	Brookvale
Charity registration number:	526086
Registered office and operational address:	Simister Lane, Prestwich, Manchester, M25 2SF

Trustees

Mr S Pollock

Mr S Larah

Mr S Gold

Mr D Savage

Mr M Walters

Mr A Waldman

(appointed 1 October 2022)

Principal staff members

Lynne Richmond

Carl Richmond

Executive Director and Registered Manager

Chief Executive Officer

Statutory auditor

Barlow Andrews LLP, Carlyle House, 78 Chorley New Road, Bolton, BL1 4BY

Bankers

HSBC Bank plc, 8 High Street, Manchester, M60 4AJ

BROOKVALE
TRUSTEES' REPORT
(continued)

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)."

Structure, governance and management

Governing document

Brookvale is a registered charity. The organisation was founded in 1951 and is governed by a trust deed adopted on 5 July 1992.

Organisational structure

Brookvale is governed by a board of trustees which meets monthly. The trustees, along with the principal staff members, are responsible for the strategic direction of the charity. They review wages and salaries annually and the remuneration of the key management personnel.

The day to day responsibility and management of the charity rests with the principal staff members. The executive director has overall responsibility for delivering the aims and objectives of Brookvale.

Trustees

The trustees who have served during the year and up to the date of this report are as listed on page 1.

Recruitment and appointment of trustees and board

The recruitment and appointment of trustees at Brookvale follows the conditions established within the trust deed.

The board is made up of executives (minimum 5, maximum 8) and committee members (maximum 6 members).

The executive trustees are able to propose and appoint trustees who in their opinion would benefit the objectives of the organisation.

Trustee induction and training

All trustees undergo an induction process into the workings of Brookvale. The induction covers the obligations of board members and their responsibilities, main documents setting out the organisation's mission, vision and values, financial background and key strategic priorities.

Risk management

The trustees are continuing to review major strategies, business and operational risks which the charity faces, and consider that the existing systems in place are adequate to manage identified risks to an acceptable level.

Objectives and activities

Principal objectives

The principal object of the charity is the relief and care of persons with mental handicap learning disabilities.

In furtherance of the above object, the organisation shall have the power:

- (a) To establish and maintain residential homes and day centres for people and therein to provide remedial, occupational and social training.
- (b) To establish and maintain holiday homes for the benefit of residents of such residential homes.
- (c) To raise funds from public and private sources for the efficient performance of these objects.

Each year the trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide a public benefit. The trustees are more than satisfied that they do.

BROOKVALE
TRUSTEES' REPORT
(continued)

Achievements, performance and future plans

As we began to move out of the global Covid pandemic, we entered into 2022 with hope and optimism.

There had been a lessening of the stringent government guidelines in relation to the running of care homes despite the continued prevalence of the virus. The visiting regime changed to allow families to see their loved ones, yet within controlled parameters. Covid testing remained paramount and a necessity for staff, residents and visitors. All residents received all of their booster jabs when they fell due. These boosters and the purchase of the air purifiers in the previous year kept our vulnerable residents safe and well. Happily, during the course of the year government guidelines became less stringent.

In September we were able to hold our first fully attended AGM since the start of the pandemic. This was a wonderful experience and was an opportunity to outline, to the families of our residents, what outstanding work had been done by the management and care staff to safely navigate Brookvale through Covid. It was outlined during the meeting that with future proofing in mind one of our longstanding care staff, Georgia McHugh, was currently in training to qualify as a Registered Manager to both assist Lynne Richmond and replace her when Lynne was ready for retirement. At that time Lynne would become an Executive and Georgia would become the Registered Manager. There was some sad news in that after many years of fundraising, the ladies committee was to disband. Those committee members who were present were thanked for their hard work and commitment.

As the threat of Covid dissipated, a new threat to the ability to run care homes arrived in the way of Russia's invasion of Ukraine. This had a massive impact in terms of the cost of power utilities. A cost-of-living crisis developed, and the cost of electricity and gas increased massively. The cost of running Brookvale increased dramatically, especially in conjunction with an extremely cold Autumn and early Winter. Running a 12 acre site is very expensive business.

Expenditure at Brookvale increased significantly as continued maintenance and improvements were necessary during this year. The cost of fire protection is significant but a priority to keep our residents safe. We embarked on a project to replace all of the doors within Brookvale with state-of-the-art protection fire doors. This is going to be a long and expensive process, but is necessary for the extra protection of residents. I am happy to report that as of the end of 2022 we completed the replacement doors in East View. The plan is that doors will be replaced in remaining views next year, starting with North View.

Expenditure was up generally in terms of the rise in the cost of utilities, increasing staffing cost due to pay rises and more use of agency staff. There was a large increase in insurance costs, too. The income we receive from the local authorities continues to diminish in real terms and we were increasingly reliant on the income we receive from our considerable property portfolio. To this extent it was agreed that we would buy another property to add to the portfolio. An appropriate one was sourced and in early 2022 the charity purchased 36 Clarendon Street in Whitefield. Also, we had more independent residents who had lived in our property at 153 Simister Lane, Prestwich come down to live in South View as their care needs had changed. This property was then re-adapted and placed on the rental market. It has now been added to our property portfolio and was tenanted in December 2022.

Large amounts were expended in relation to the redevelopment of both 75 Simister Lane, Prestwich and 357 Heywood Road, Prestwich before they could be put back on the rental market. Both required new kitchens, bathrooms, carpets and full decoration, which came at a significant cost. As of the end of the year all properties are tenanted and remain a significant source of income. The charity still has significant investments with banking institutions and the increase in interest rates has benefited those investments.

Sadly, during the course of the year we lost one of our longest standing residents, Angela White, who will be missed by all. We also mourn the passing of Joyce Pounder and Pamela Rose. All three had fulfilling lives under our care.

The charity remains extremely stable under robust governance and management. The staff remain professional and committed. Morals remain high and the quality of care continues to be outstanding.

We will try to overcome the difficulties and obstacles thrown in front of us, to ensure that the high quality of care for our vulnerable residents continues long into the future.

BROOKVALE
TRUSTEES' REPORT
(continued)

Financial review

The results for the year are shown in the Statement of Financial Activities on page 9 and our financial position at the end of the year is shown in the Balance Sheet on page 10.

We had net expenditure of £503,339 for the year. After net losses on investments of £1,437 our net reduction in funds was £504,776. Expenditure on charitable activities exceeded income from charitable activities by almost £800,000, underlining the importance of having strong income streams from our investments and investment properties. We are also grateful, as ever, for the donations and bequests received each year.

The financial position of Brookvale remains healthy and there are no going concern issues.

Principal funding sources

The majority of our income is generated from the provision of services to local authority social services departments, who are meeting the needs of individuals (most are fully funded).

Investment policy

The trustees are of the opinion that investments must be as safe as possible and therefore monies are placed with various banks in longer term fixed interest deposit accounts and checked on a regular basis. We also have monies invested with National Savings and Investments. In addition, we have some shares that were bequeathed to Brookvale over the years by various people and these have been retained to increase in value or to add the dividends to our income.

We have also expanded our investment property portfolio. The rates of return are generally much better than can be achieved on bank deposits and other traditional investment types, and the investment is in properties which are unlikely to decrease in value.

Reserves policy

We are in a strong financial position, but the review of the year on page 3 demonstrates that we dare not be complacent and we must maintain our sound reserves base. There continues to be pressure on fees from local authorities, as discussed earlier. The ongoing difficult economic climate underlines the soundness of our policy to build a healthy reserves position, which enables us to withstand potential falls in income which might otherwise compromise the high quality of our services. We aim to maintain sufficient reserves (excluding the net book value of our tangible fixed assets) to cover up to 2 years' full running costs of over £7.5m. At 31 December 2022 the balance of our unrestricted funds, less the net book value of our tangible fixed assets, totalled £7,773,804, allowing us to face the future with confidence.

The Building and Subsidy Fund stands at £5,249,327 at 31 December 2022. It is a designated fund which the trustees believe is required to maintain the buildings and other tangible fixed assets of the charity to a high standard for the long term and to underpin our charitable activities should funding be significantly hit at any stage. The fund will be used as and when required.

BROOKVALE
TRUSTEES' REPORT
(continued)

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

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

Statement of disclosure to auditor

So far as the trustees are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

A resolution for the reappointment of Barlow Andrews LLP as auditor is to be proposed at the forthcoming Annual General Meeting. The trustees recommend that Barlow Andrews LLP remain in office until further notice.

Approved by the trustees on and signed on its behalf:

S Pollock
Trustee

6 September 2023

BROOKVALE
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF BROOKVALE

Opinion

We have audited the financial statements of Brookvale for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

BROOKVALE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF BROOKVALE

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

BROOKVALE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF BROOKVALE

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

David Kay (Senior Statutory Auditor)
for and on behalf of Barlow Andrews LLP
Chartered Accountants and Statutory Auditor
Carlyle House, 78 Chorley New Road, Bolton

6 September 2023

Barlow Andrews LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BROOKVALE
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Total funds 2022 £	Total funds 2021 £
Income from:			
Donations and legacies	3	104,894	304,979
Investments	4	229,891	187,337
Charitable activities	5	3,090,067	2,971,506
Other income	6	46,166	165,999
Total Income		3,471,018	3,629,821
Expenditure on:			
Cost of generating funds	8	85,392	45,482
Charitable activities	9	3,888,965	3,442,304
Total expenditure		3,974,357	3,487,786
Net income/(expenditure) before gains and losses on investments		(503,339)	142,035
Net gains/(losses) on investments and investment properties	7	(1,437)	405,233
Net movement in funds		(504,776)	547,268
Reconciliation of funds:			
Total funds brought forward		11,720,341	11,173,073
Total funds carried forward	20	11,215,565	11,720,341

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

All of the charity's operations are classed as continuing and all income and expenditure relates to unrestricted funds.

BROOKVALE
BALANCE SHEET
AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible fixed assets	13	3,441,761		3,971,000	
Investment properties	14	4,294,879		3,820,849	
Investments	15	3,132,916		3,134,076	
		10,869,556		10,925,925	
Current assets					
Debtors	16	139,965		191,441	
Cash at bank and in hand		460,821		868,085	
		600,786		1,059,526	
Current liabilities:					
Creditors: amounts falling due in less than one year	17	(254,777)		(265,110)	
Net current assets		346,009		794,416	
Total net assets		11,215,565		11,720,341	
The funds of the charity					
Unrestricted funds	20	11,215,565		11,720,341	
Total charity funds		11,215,565		11,720,341	

The accounts were approved by the board of trustees and signed on its behalf:

S Pollock
Trustee

6 September 2023

BROOKVALE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash flows from operating activities:		
Net movement in funds for the year	(504,776)	547,268
Adjustments for:		
Depreciation	322,938	348,857
Losses/(gains) on investments	1,437	(405,233)
Investment income	(229,891)	(187,337)
Decrease/(increase) in debtors	51,476	(14,763)
Decrease in creditors	(10,333)	(10,004)
Cash (used in)/generated from operations	(369,149)	278,788
Cash flows from investing activities:		
Income from investments and investment properties	229,891	187,337
Purchase of property, plant and equipment	(30,692)	(44,952)
Purchase of investment properties	(237,037)	(379,669)
Net cash used in investing activities	(37,838)	(237,284)
Net (decrease)/increase in cash and cash equivalents	(406,987)	41,504
Cash and cash equivalents at start of year	3,980,137	3,938,633
Cash and cash equivalents at end of year (see below)	3,573,150	3,980,137
Analysis of cash and cash equivalents		
Cash at bank and in hand	460,821	868,085
Cash deposits held as investments	3,112,329	3,112,052
	3,573,150	3,980,137

BROOKVALE

YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Brookvale is an unincorporated registered charity, governed by a trust deed adopted on 5 July 1992. The registered office is Simister Lane, Prestwich, Manchester.

a) Accounting convention

These accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have been prepared on the historical cost convention, modified to include investment properties and certain financial instruments at fair value.

b) Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

c) Charitable funds

General funds are unrestricted funds which represent accumulated income less direct charitable expenditure and other expenditure. They are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by trustees for particular purposes, as explained further in note 20 to the accounts.

d) Income

Income is generally recognised on a receivable basis and is reported gross of related expenditure, where the amount is reasonably certain and when there is adequate certainty of receipt.

The specific bases used are as follows.

- Donations and legacies are generally accounted for as received.
- Investment income, including rents from investment properties, is recognised on a receivable basis.
- Income from residential care and similar activities is accounted for in the period to which it relates. Any such income received in advance is deferred until entitlement to the income has arisen, at which time it is credited to the statement of financial activities. Any such income which arises in the period prior to the invoice being raised, is recognised as accrued income and credited to the statement of financial activities.
- Government grants are recognised at the fair value of the asset received or receivable when there is a reasonable assurance that the grant conditions will be met and the money will be received.

BROOKVALE

YEAR ENDED 31 DECEMBER 2022

**NOTES TO THE FINANCIAL STATEMENTS
(continued)**

1. Accounting policies (continued)

e) Expenditure

Expenditure is accounted for on an accruals basis and is included under expense categories which aggregate all costs for allocation to activities.

Expenditure is recognised when it is incurred and is reported gross of related income on the following bases:

- Charitable expenditure comprises direct expenditure including direct staff costs attributable to its activities.
- Governance costs include costs incurred in the governance of the charity's assets and costs directly associated with constitutional and statutory requirements.
- Support costs include the central functions, including the staff costs of management, and are based on the time spent on a particular activity.
- Cost of raising funds comprises direct expenditure incurred on rental properties, including staff costs attributable to its activities.

f) Investments

Investments intended to be held long term are initially measured at transaction price and then subsequently measured at fair value at each financial reporting date. Market value is used as a representation of fair value. Changes in fair value are recognised in the statement of financial activities for the year and transaction costs are expensed as incurred.

g) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value at the financial reporting date. The surplus or deficit on revaluation is recognised in the statement of financial activities for the year.

h) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £2,000 are capitalised and included in the balance sheet at their cost.

Depreciation is provided on all tangible assets at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives, as follows.

Freehold land	Nil
Simister Lane buildings	2.5% straight line
Swimming pool complex	7.5% reducing balance
Holiday homes	2.5% straight line
Motor vehicles	25% reducing balance
Fixtures and fittings	15% reducing balance

j) Pensions

The charity operates defined contribution pension schemes for its employees, administered by independent managers, the assets of which are held separately from those of the charity. The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

k) Employee benefits

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

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

BROOKVALE

YEAR ENDED 31 DECEMBER 2022

**NOTES TO THE FINANCIAL STATEMENTS
(continued)**

l) Taxation

The organisation has charitable status and remains exempt from taxation of its income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives.

m) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank deposits held at call and other short-term liquid investments with original maturities of three months or less.

n) Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include cash and bank balances and trade debtors, are measured at transaction price.

Other financial assets

Financial assets classified as other financial assets, such as investments, are stated at fair value. Any gains or losses arising on re-measurement are recognised in the statement of financial activities.

Basic financial liabilities

Basic financial liabilities, which include other creditors, are recognised at transaction price.

2. Judgements and key sources of estimation uncertainty

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

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Investment properties

The fair value of the charity's investment property has been arrived at on the basis of a valuation carried out at that date by the charity's trustees, based on market evidence and local knowledge.

BROOKVALE
YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS
(continued)

3. Donations and legacies

	2022	2021
	£	£
Donations	27,399	54,979
Legacies	77,495	250,000
	<u>104,894</u>	<u>304,979</u>

4. Investment income

	2022	2021
	£	£
Rental income	172,813	138,416
National Savings investment	276	30
Bank interest	56,802	48,891
	<u>229,891</u>	<u>187,337</u>

5. Income from charitable activities

	2022	2021
	£	£
Provision of residential, respite and day care	3,090,067	2,971,506
	<u>3,090,067</u>	<u>2,971,506</u>

6. Other income

	2022	2021
	£	£
Covid-19 support grant from Bury MBC	46,166	165,999
	<u>46,166</u>	<u>165,999</u>

7. Net gains/(losses) on investments and investment properties

	2022	2021
	£	£
(Losses)/gains on revaluation of UK listed investments	(1,437)	5,233
Gains on revaluation of investment properties	-	400,000
	<u>(1,437)</u>	<u>405,233</u>

BROOKVALE

YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS
(continued)

8. Costs of generating funds

	2022	2021
	£	£
Property costs	69,162	32,598
Support costs in administration of investments etc.	16,230	12,884
	85,392	45,482

9. Costs of charitable activities

Directly allocated costs

Provisions	170,350	162,825
Water and council tax	37,715	139,264
Insurance	54,709	45,673
Gas and electricity	207,916	126,029
Motor and travel expenses	21,409	23,151
Medical supplies	73,373	47,653
Professional fees	19,497	18,367
Nursing agency fees	354,472	37,600
Laundry and cleaning	54,496	60,967
Staff training and educational development	25,800	6,481
Printing, stationery and advertising	10,733	7,804
Telephone	25,978	21,172
Repairs, renewals and maintenance	285,571	186,488
Land and garden expenses	1,732	3,090
Sundry expenses	3,090	1,372
Bedding	3,615	1,459
Bank charges	2,038	2,678
Wages and salaries	1,773,216	1,767,061
National insurance	156,552	152,588
Pension costs	37,534	37,126
Depreciation	322,938	348,857
	3,642,734	3,197,705

Support costs

Wages and salaries	193,827	194,826
National insurance	24,840	23,840
Pension costs	2,519	2,518
Accountancy and payroll fees	11,040	10,490
	232,226	231,674

Governance costs

Auditors' remuneration	9,600	8,940
Trustee indemnity insurance	4,405	3,985
	14,005	12,925
	3,888,965	3,442,304

Support costs include the central functions, including the staff costs of management, and are based on the time spent on a particular activity.

BROOKVALE
YEAR ENDED 31 DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS
(continued)

10. Net income

This is stated after charging:

	2022	2021
	£	£
Depreciation	322,938	348,857
Auditors' remuneration	9,600	8,940
	<u>332,538</u>	<u>357,800</u>

11. Staff costs

Staff costs were as follows:

	2022	2021
	£	£
Wages and salaries	1,967,043	1,961,887
Social Security costs	181,392	176,428
Pension costs (see note 12)	40,053	39,644
	<u>2,188,488</u>	<u>2,177,959</u>

The average number of employees was:

	2022	2021
Carers and auxiliary staff	67	75
Management and administration of the charity	6	6
	<u>73</u>	<u>81</u>

The number of employees whose total employee benefits, excluding pension contributions, were over £60,000, classified within bands of £10,000, is as follows:

	2022	2021
£60,000 - £69,999	1	1
£110,000 - £119,999	1	1
	<u>2</u>	<u>2</u>

The employee benefits of the key management personnel totalled £432,957 (2021: £383,351).

No remuneration or expenses, directly or indirectly out of the funds of the charity, were paid or payable during the year to any trustee or to any persons known to be connected to them. The charity spent £4,405 (2021: £3,985) in the purchase of insurance to indemnify the trustees against the consequences of any neglect or default in relation to the charity.

12. Pension costs

The charity operates defined contribution pension schemes for its employees, administered by independent managers, the assets of which are held separately from those of the charity. The pension charge in note 11 represents contributions due from the charity in the year.

BROOKVALE
YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS
(continued)

13. Tangible fixed assets

	Simister Lane land and buildings £	Holiday homes £	Fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2022	5,925,647	400,879	3,021,810	80,385	9,428,721
Additions	-	-	30,692	-	30,692
Transfer to investment property	(342,100)	-	-	-	(342,100)
At 31 December 2022	5,583,547	400,879	3,052,502	80,385	9,117,313
Depreciation					
At 1 January 2022	3,407,454	160,716	1,821,918	67,633	5,457,721
Charge for the year	132,821	10,044	176,885	3,188	322,938
Transfer to investment property	(105,107)	-	-	-	(105,107)
At 31 December 2022	3,435,168	170,760	1,998,803	70,821	5,675,552
Net book values					
At 31 December 2022	2,148,379	230,119	1,053,699	9,564	3,441,761
At 31 December 2021	2,518,193	240,163	1,199,892	12,752	3,971,000

Included in land and buildings is freehold land costing £5,078 (2021: £5,078) which is not depreciated.

All properties are freehold with the exception of holiday homes, which are long leasehold.

14. Investment properties

At valuation	£
At 1 January 2022	3,820,849
Additions in the year at cost	237,037
Transfer from tangible fixed assets	236,993
At 31 December 2022	4,294,879

Investment property comprises a portfolio of 12 properties held with the intention of obtaining rental income. Any revaluations during the year are based on market evidence and local knowledge and are carried out professionally, where necessary, or by the trustees otherwise.

The historical cost of the investment properties is £3,959,388 (2021: £3,380,251).

BROOKVALE
YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS
(continued)

15. Fixed asset investments

	Brought forward £	Additions £	Disposals £	Revaluations £	Carried forward £	% Share of total
Cash deposits:						
Israeli Bonds	2,815,000	2,050,000	(2,050,000)	-	2,815,000	89.85
N S & I	297,052	-	-	277	297,329	9.49
	3,112,052	2,050,000	(2,050,000)	277	3,112,329	99.34
UK listed investments	22,024	-	-	(1,437)	20,587	0.66
	3,134,076	2,050,000	(2,050,000)	(1,160)	3,132,916	100.00

Investments are stated at their fair value (see note 1f).

16. Debtors

	2022 £	2021 £
Trade receivables - amounts due for provision of care	49,672	105,268
Prepayments and accrued income	90,293	86,173
	139,965	191,441

17. Current liabilities

	2022 £	2021 £
Trade payables	90,752	53,330
PAYE and national insurance	42,141	39,217
Pension creditors	619	619
Accruals	96,325	81,108
Deferred income	19,983	85,910
Other creditors	4,957	4,926
	254,777	265,110

Deferred income is in respect of amounts invoiced to local authorities, which can include an element of income relating to post-year end. The amounts involved can vary from one period to another.

18. Financial instruments

	2022 £	2021 £
Carrying amount of financial assets		
Being trade receivables, cash and bank balances and fixed asset investments	3,643,409	4,107,429
Carrying amount of financial liabilities		
Being current liabilities excluding deferred income and PAYE and national insurance	192,653	139,983

BROOKVALE
YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS
(continued)

19. Analysis of net assets between funds

All funds, including designated funds, are unrestricted and therefore all assets and liabilities relate to unrestricted funds.

20. Movements in funds

	Balance at start of year £	Income £	Expenditure £	Investment gains £	Balance at end of year £
<u>Current year</u>					
Designated funds					
Building and Subsidy Fund (see note below)	5,244,569	4,758	-	-	5,249,327
General funds					
General Fund	6,475,772	3,466,260	(3,974,357)	(1,437)	5,966,238
Total unrestricted funds	11,720,341	3,471,018	(3,974,357)	(1,437)	11,215,565
<u>Prior year</u>					
Designated funds					
Building and Subsidy Fund (see note below)	5,240,133	4,436	-	-	5,244,569
General funds					
General Fund	5,932,940	3,625,385	(3,487,786)	405,233	6,475,772
Total unrestricted funds	11,173,073	3,629,821	(3,487,786)	405,233	11,720,341

Designated funds: The Building and Subsidy Fund represents funds which the trustees believe are required to maintain the buildings and other tangible fixed assets of the charity to a high standard for the long term and to underpin our charitable activities should regular funding streams be significantly hit at any point.

21. Related party transactions

There are no related party transactions to report for this or the previous year.

BROOKVALE

England & Wales - Charity number 526086

Accounts

BROOKVALE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
Registered charity No: 526086

BARLOW ANDREWS LLP
CHARTERED ACCOUNTANTS
BOLTON

BROOKVALE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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BROOKVALE

TRUSTEES' REPORT

The trustees present their annual report and the audited financial statements of Brookvale (the "charity") for the year ended 31 December 2021.

Reference and administrative information

Charity name	Brookvale
Charity registration number:	526086
Registered office and operational address:	Simister Lane, Prestwich, Manchester, M25 2SF

Trustees

Mr S Pollock
Mr S Larah
Mr S Gold
Mr D Savage
Mr M Walters

Principal staff members

Lynne Richmond	Executive Director and Registered Manager
Carl Richmond	Chief Executive Officer

Statutory auditor

Barlow Andrews LLP, Carlyle House, 78 Chorley New Road, Bolton, BL1 4BY

Bankers

HSBC Bank plc, 8 High Street, Manchester, M60 4AJ

BROOKVALE
TRUSTEES' REPORT
(continued)

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charities' trust deed, the Charities Act 2011 and, "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)."

Structure, governance and management

Governing document

Brookvale is a registered charity. The organisation was founded in 1951 and is governed by a Trust Deed adopted on 5 July 1992.

Organisational structure

Brookvale is governed by a board of trustees which meets monthly. The trustees, along with the principal staff members, are responsible for the strategic direction of the charity. They review wages and salaries annually and the remuneration of the key management personnel.

The day to day responsibility and management of the charity rests with the principal staff members. The executive director has overall responsibility for delivering the aims and objectives of Brookvale.

Trustees

The trustees who have served during the year and up to the date of this report are as listed on page 1.

Recruitment and appointment of trustees and board

The recruitment and appointment of trustees at Brookvale follows the conditions established within the Trust Deed.

The board is made up of executives (minimum 5, maximum 8) and committee members (maximum 6 members).

The executive trustees are able to propose and appoint trustees who in their opinion would benefit the objectives of the organisation.

Trustee induction and training

All trustees undergo an induction process into the workings of Brookvale. The induction covers the obligations of board members and their responsibilities, main documents setting out the organisation's mission, vision and values, financial background and key strategic priorities.

Risk management

The trustees are continuing to review major strategies, business and operational risks which the charity faces, and consider that the existing systems in place are adequate to manage identified risks to an acceptable level.

Objectives and activities

Principal objectives

The principal object of the charity is the relief and care of persons with mental handicap learning disabilities.

In furtherance of the above object, the organisation shall have the power:

- (a) To establish and maintain residential homes and day centres for people and therein to provide remedial, occupational and social training.
- (b) To establish and maintain holiday homes for the benefit of residents of such residential homes.
- (c) To raise funds from public and private sources for the efficient performance of these objects.

Each year the trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide a public benefit. The trustees are more than satisfied that they do.

BROOKVALE
TRUSTEES' REPORT
(continued)

Achievements, performance and future plans

As we entered into 2021 we were still in the midst of the Global Covid pandemic which was still having a profound effect on Care Homes. Happily, with exceptional management and committed care staff, we kept Covid outbreaks under control.

We continued to be the subject of strict and stringent Government Guidance in relation to controlled visits of family members of our vulnerable residents. This was a constant emotional challenge which lessened as the year went on. Daily Covid testing for staff took place, with monthly tests for our residents. This too was a considerable logistic challenge. In order to attempt to keep our residents and staff safe from Covid and other viruses we invested a substantial amount on Ultraviolet Air Purifiers. A considerable amount of research was carried out to ensure quality, effectiveness and value for money. These Air Purifiers were placed strategically around the living spaces and have proven to be a great success in combatting the risk of Covid and other viruses. Despite the pressures of the Pandemic, the start of 2021 brought some unexpected yet welcome news.

We had been contacted by a firm of Solicitors who acted on behalf of the Estate of the recently passed Myra Elkin. Unbeknown to us she had left her entire Estate to Brookvale in her will. There was a substantial value to the Estate in excess £350,000. Due to Covid there were delays with Probate however we were provided with £250,000 in advance. Having received that money and in light of continued diminishing income from the Local Authorities it was agreed we would look to purchase another property for rental income to supplement the income from the Local Authorities.

We looked at various properties but agreed on the purchase of an off plan new build in Prestwich. This was a prime location on Hillside Avenue and we were confident that it would rent out quickly and at a substantial rent. A tenant moved in within a week of the property being placed on the market and they continue to be long term tenants.

The other rental properties in the Portfolio continued to provide a very satisfactory return in the region of 6.5%. There was the usual expenditure in respect of maintenance and repairs throughout the site. There were upgrades in all areas including flooring, furniture and kitchen machinery together with laundry machinery. Utilities including gas and electricity increased in price as did running costs generally. There was a considerable increase on the costs of insurance.

The cost of the provision of PPE for infection control remained high however we did receive some financial assistance by way of Government Covid Grants. In terms of infection control it was important to ensure there were no issues with Legionella Disease. Despite the Pandemic a full independent risk assessment took place.

Having seen the drama of the Danish footballer collapsing on the pitch with heart issues during the World Cup it was important to ensure that all the Defibrillators on site were in good working order. They were all serviced, and staff were retrained so that they would be fully prepared to deal with such emergencies.

Sadly, we lost two long standing residents due to natural causes. Diane Boher passed on 21/2/21 and Graham Taylor on 21/5/21; the loss of these much loved residents then lead to a further reduction in the income from the Local Authorities.

Staff morale remains high despite the challenges of Covid and they should be commended for their commitment and quality of care. We now hope to navigate our way through the pandemic and strive to strengthen the Charity's standing. It is important that we continue the high quality of care we provide to our vulnerable residents.

We will continue to seek investment opportunities to supplement the diminishing income from Local Authorities.

Regardless of the difficulties and challenges of Covid the Charity remains in a strong position moving forward into the future.

BROOKVALE

TRUSTEES' REPORT (continued)

Financial review

The results for the year are shown in the Statement of Financial Activities on page 9 and our financial position at the end of the year is shown in the Balance Sheet on page 10.

We had net income of £142,035 for the year. After net gains on investments of £405,233, our net surplus on funds was £547,268. Expenditure on charitable activities exceeded income from charitable activities by some £470,798, underlining the importance of having strong income streams from our investments and investment properties. We are also grateful, as ever, for the donations and bequests received each year.

The financial position of Brookvale remains healthy and there are no going concern issues.

Principal funding sources

The majority of our income is generated from the provision of services to local authority social services departments, who are meeting the needs of individuals (most are fully funded).

Investment policy

The trustees are of the opinion that investments must be as safe as possible and therefore monies are placed with various banks in longer term fixed interest deposit accounts and checked on a regular basis. We also have monies invested with National Savings and Investments. In addition, we have some shares that were bequeathed to Brookvale over the years by various people and these have been retained to increase in value or to add the dividends to our income.

We have also expanded our investment property portfolio. The rates of return are generally much better than can be achieved on bank deposits and other traditional investment types, and the investment is in properties which are unlikely to decrease in value.

Reserves policy

We are in a strong financial position, but the review of the year on the previous page demonstrates that we dare not be complacent and we must maintain our sound reserves base. There continues to be pressure on fees from local authorities, as discussed earlier. The ongoing difficult economic climate underlines the soundness of our policy to build a healthy reserves position, which enables us to withstand potential falls in income which might otherwise compromise the high quality of our services. We aim to maintain sufficient reserves (excluding the net book value of our tangible fixed assets) to cover up to 2 years' full running costs of over £7m. At 31 December 2021 the balance of our unrestricted funds, less the net book value of our tangible fixed assets, totalled £7,749,341, allowing us to face the future with confidence.

The Building and Subsidy Fund stands at £5,244,569 at 31 December 2021. It is a designated fund which the trustees believe is required to maintain the buildings and other tangible fixed assets of the charity to a high standard for the long term and to underpin our charitable activities. The fund will be used as and when required.

BROOKVALE
TRUSTEES' REPORT
(continued)

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

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

Statement of disclosure to auditor

So far as the trustees are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

A resolution for the reappointment of Barlow Andrews LLP as auditor is to be proposed at the forthcoming Annual General Meeting. The trustees recommend that Barlow Andrews LLP remain in office until further notice.

Approved by the trustees on and signed on its behalf:

D Savage
Chairman

12 September 2022

BROOKVALE
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF BROOKVALE

Opinion

We have audited the financial statements of Brookvale for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company'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 responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

BROOKVALE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF BROOKVALE

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

BROOKVALE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF BROOKVALE

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

David Kay (Senior Statutory Auditor)
for and on behalf of Barlow Andrews LLP
Chartered Accountants and Statutory Auditor
Carlyle House, 78 Chorley New Road, Bolton

12 September 2022

Barlow Andrews LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BROOKVALE
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Total funds 2021 £	Total funds 2020 £
Income from:			
Donations and legacies	3	304,979	33,756
Investments	4	187,337	201,542
Charitable activities	5	2,971,506	3,086,652
Other income	6	165,999	65,979
Total Income		3,629,821	3,387,929
Expenditure on:			
Cost of generating funds	8	45,482	35,713
Charitable activities	9	3,442,304	3,578,647
Total expenditure		3,487,786	3,614,360
Net income/(expenditure) before gains and losses on investments		142,035	(226,431)
Net gains/(losses) on investments and investment properties	7	405,233	(2,577)
Net movement in funds		547,268	(229,008)
Reconciliation of funds:			
Total funds brought forward		11,173,073	11,402,081
Total funds carried forward	20	11,720,341	11,173,073

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

All of the charity's operations are classed as continuing and all income and expenditure relates to unrestricted funds.

BROOKVALE
BALANCE SHEET
AS AT 31 DECEMBER 2021

	Notes	2021	2020
		£	£
Fixed assets			
Tangible fixed assets	13	3,971,000	4,545,810
Investment properties	14	3,820,849	2,770,275
Investments	15	3,134,076	3,363,813
		10,925,925	10,679,898
Current assets			
Debtors	16	191,441	176,678
Cash at bank and in hand		868,085	591,611
		1,059,526	768,289
Current liabilities:			
Creditors: amounts falling due in less than one year	17	(265,110)	(275,114)
Net current assets		794,416	493,175
Total net assets			
		11,720,341	11,173,073
The funds of the charity			
Unrestricted funds	20	11,720,341	11,173,073
Total charity funds		11,720,341	11,173,073

The accounts were approved by the board of trustees and signed on its behalf:

D Savage
Chairman

12 September 2022

BROOKVALE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Cash flows from operating activities:		
Net movement for the year	547,268	(229,008)
Adjustments for:		
Depreciation	348,857	392,614
(Gains)/losses on investments	(405,233)	2,577
Investment income	(187,337)	(201,542)
(Increase)/decrease in debtors	(14,763)	55,146
(Decrease)/increase in creditors	(10,004)	18,228
Cash generated from operations	278,788	38,015
Cash flows from investing activities:		
Income from investments and investment properties	187,337	201,542
Purchase of property, plant and equipment	(44,952)	(71,025)
Purchase of investment properties	(379,669)	(209,499)
Net cash used in investing activities	(237,284)	(78,982)
Net increase/(decrease) in cash and cash equivalents	41,504	(40,967)
Cash and cash equivalents at start of year	3,938,633	3,979,600
Cash and cash equivalents at end of year (see below)	3,980,137	3,938,633
Analysis of cash and cash equivalents		
Cash at bank and in hand	868,085	591,611
Cash deposits held as investments	3,112,052	3,347,022
	3,980,137	3,938,633

BROOKVALE

YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Brookvale is an unincorporated registered charity, governed by a trust deed adopted on 5 July 1992. The registered office is Simister Lane, Prestwich, Manchester.

a) Accounting convention

These accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value.

b) Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

c) Charitable funds

General funds are unrestricted funds which represent accumulated income less direct charitable expenditure and other expenditure. They are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by trustees for particular purposes, as explained further in note 20 to the accounts.

d) Income

Income is generally recognised on a receivable basis and is reported gross of related expenditure, where the amount is reasonably certain and when there is adequate certainty of receipt.

The specific bases used are as follows.

- Donations and legacies are generally accounted for as received.
- Investment income, including rents from investment properties, is recognised on a receivable basis.
- Income from residential care and similar activities is accounted for in the period to which it relates. Any such income received in advance is deferred until entitlement to the income has arisen, at which time it is credited to the statement of financial activities. Any such income which arises in the period prior to the invoice being raised, is recognised as accrued income and credited to the statement of financial activities.
- Government grants are recognised at the fair value of the asset received or receivable when there is a reasonable assurance that the grant conditions will be met and the money will be received.

BROOKVALE

YEAR ENDED 31 DECEMBER 2021

**NOTES TO THE FINANCIAL STATEMENTS
(continued)**

1. Accounting policies (continued)

e) Expenditure

Expenditure is accounted for on an accruals basis and is included under expense categories which aggregate all costs for allocation to activities.

Expenditure is recognised when it is incurred and is reported gross of related income on the following bases:

- Charitable expenditure comprises direct expenditure including direct staff costs attributable to its activities.
- Governance costs include costs incurred in the governance of the charity's assets and costs directly associated with constitutional and statutory requirements.
- Support costs include the central functions, including the staff costs of management, and are based on the time spent on a particular activity.
- Cost of raising funds comprises direct expenditure incurred on rental properties, including staff costs attributable to its activities.

f) Investments

Investments intended to be held long term are initially measured at transaction price and then subsequently measured at fair value at each financial reporting date. Market value is used as a representation of fair value. Changes in fair value are recognised in the statement of financial activities for the year and transaction costs are expensed as incurred.

g) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value at the financial reporting date. The surplus or deficit on revaluation is recognised in the statement of financial activities for the year.

h) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £2,000 are capitalised and included in the balance sheet at their cost.

Depreciation is provided on all tangible assets at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives, as follows.

Freehold land	Nil
Simister Lane buildings	2.5% straight line
Swimming pool complex	7.5% reducing balance
Holiday homes	2.5% straight line
Motor vehicles	25% reducing balance
Fixtures and fittings	15% reducing balance

i) Operating leases

Rentals payable under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

j) Pensions

The charity operates defined contribution pension schemes for its employees, administered by independent managers, the assets of which are held separately from those of the charity. The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

BROOKVALE

YEAR ENDED 31 DECEMBER 2021

**NOTES TO THE FINANCIAL STATEMENTS
(continued)**

k) Employee benefits

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

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

l) Taxation

The organisation has charitable status and remains exempt from taxation of its income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives.

m) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank deposits held at call and other short-term liquid investments with original maturities of three months or less.

n) Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include cash and bank balances, are measured at transaction price.

Other financial assets

Financial assets classified as other financial assets, such as trade debtors, are stated at fair value. Any gains or losses arising on re-measurement are recognised in the statement of financial activities.

Basic financial liabilities

Basic financial liabilities, which include other creditors, are recognised at transaction price.

2. Judgements and key sources of estimation uncertainty

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

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Investment properties

The most critical estimate and assumptions for investment properties relate to the determination of the carrying value. Investment properties have been revalued during the year, based on a desktop valuation completed by management.

BROOKVALE
YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS
(continued)

3. Donations and legacies

	2021	2020
	£	£
Donations	54,979	33,756
Legacies	250,000	-
	<u>304,979</u>	<u>33,756</u>

4. Investment income

	2021	2020
	£	£
Rental income	138,416	138,005
UK listed investments	-	689
National Savings investment	30	2,465
Bank interest	48,891	60,383
	<u>187,337</u>	<u>201,542</u>

5. Income from charitable activities

	2021	2020
	£	£
Provision of residential, respite and day care	2,971,506	3,086,652
	<u>2,971,506</u>	<u>3,086,652</u>

6. Other income

	2021	2020
	£	£
Job retention scheme grants	-	12,196
Covid-19 support grant from Bury MBC	165,999	53,783
	<u>165,999</u>	<u>65,979</u>

7. Net gains/(losses) on investments and investment properties

	2021	2020
	£	£
Gains/(losses) on revaluation of UK listed investments	5,233	(2,577)
Gains/(losses) on revaluation of investment properties	400,000	-
	<u>405,233</u>	<u>(2,577)</u>

BROOKVALE

YEAR ENDED 31 DECEMBER 2021

**NOTES TO THE FINANCIAL STATEMENTS
(continued)**

8. Costs of generating funds

	2021	2020
	£	£
Property costs	32,598	32,790
Support costs in administration of investments etc.	12,884	2,923
	45,482	35,713

9. Costs of charitable activities

Directly allocated costs

Provisions	162,825	168,835
Water and council tax	139,264	125,749
Insurance	45,673	37,988
Gas and electricity	126,029	78,060
Motor and travel expenses	23,151	19,483
Medical supplies	47,653	53,228
Professional fees	55,967	29,512
Laundry and cleaning	60,967	55,929
Staff training and educational development	6,481	8,546
Printing, stationery and advertising	7,804	10,176
Telephone	21,172	24,342
Repairs, renewals and maintenance	186,488	179,643
Land and garden expenses	3,090	3,060
Sundry expenses	1,372	2,702
Bedding	1,459	3,069
Bank charges	2,678	4,409
Wages and salaries	1,767,061	1,934,929
National insurance	152,588	166,964
Pension costs	37,126	46,832
Depreciation	348,857	392,614
	3,197,705	3,346,070

Support costs

Wages and salaries	194,826	187,852
National insurance	23,840	23,009
Pension costs	2,518	2,514
Accountancy and payroll fees	10,490	9,738
	231,674	223,113

Governance costs

Auditor's remuneration	8,940	8,400
Trustee indemnity insurance	3,985	1,064
	12,925	9,464
	3,442,304	3,578,647

Support costs include the central functions, including the staff costs of management, and are based on the time spent on a particular activity.

BROOKVALE**YEAR ENDED 31 DECEMBER 2021****NOTES TO THE FINANCIAL STATEMENTS
(continued)****10. Net income**

This is stated after charging:

	2021	2020
	£	£
Depreciation	348,857	392,614
Auditors' remuneration:		
• Audit fees	8,940	8,400
• Other services	10,490	9,738

11. Staff costs

Staff costs were as follows

	2021	2020
	£	£
Wages and salaries	1,961,887	2,125,704
Social Security costs	176,428	189,973
Pension costs (see note 12)	39,644	49,346
	2,177,959	2,365,023

The average number of employees was:

	2021	2020
Carers and auxiliary staff	75	78
Management and administration of the charity	6	6
	81	84

The number of employees whose total employee benefits, excluding pension contributions, were over £60,000, classified within bands of £10,000, is as follows:

	2021	2020
£60,000 - £69,999	1	1
£100,000 - £109,999	-	1
£110,000 - £119,999	1	-

The employee benefits of the key management personnel totalled £383,351 (2020: £388,795).

No remuneration or expenses, directly or indirectly out of the funds of the charity, were paid or payable during the year to any trustee or to any persons known to be connected to them. The charity spent £3,985 (2020: £1,064) in the purchase of insurance to indemnify the trustees against the consequences of any neglect or default in relation to the charity.

12. Pension costs

The charity operates defined contribution pension schemes for its employees, administered by independent managers, the assets of which are held separately from those of the charity. The pension charge in note 11 represents contributions due from the charity in the year.

BROOKVALE
YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS
(continued)

13. Tangible fixed assets

	Simister Lane land and buildings £	Holiday homes £	Fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2021	6,243,337	400,879	2,976,858	80,385	9,701,459
Additions	-	-	44,952	-	44,952
Transfer to investment property	(317,690)	-	-	-	(317,690)
At 31 December 2021	5,925,647	400,879	3,021,810	80,385	9,428,721
Depreciation					
At 1 January 2021	3,316,777	150,671	1,624,819	63,382	5,155,649
Charge for the year	137,462	10,045	197,099	4,251	348,857
Transfer to investment property	(46,785)	-	-	-	(46,785)
At 31 December 2021	3,407,454	160,716	1,821,918	67,633	5,457,721
Net book values					
At 31 December 2021	2,518,193	240,163	1,199,892	12,752	3,971,000
At 31 December 2020	2,926,560	250,208	1,352,039	17,003	4,545,810

Included in land and buildings is freehold land costing £5,078 (2020: £5,078) which is not depreciated.

All properties are freehold with the exception of holiday homes, which are long leasehold.

14. Investment properties

At valuation	£
At 1 January 2021	2,770,275
Additions in the year at cost	379,669
Transfers from owner-occupied property	270,905
Net gains or losses through fair value adjustments	400,000
At 31 December 2021	3,820,849

Investment property comprises a portfolio of 10 properties acquired with the intention of obtaining rental income. Investment properties have been revalued during the year, based on a desktop valuation completed by management.

The historical cost of the investment properties is £3,380,251 (2020: £2,682,890).

BROOKVALE
YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS
(continued)

15. Fixed asset investments

	Brought forward £	Additions £	Disposals £	Revaluations £	Carried forward £	% Share of total
Cash deposits:						
Israeli Bonds	3,050,000	765,000	(1,000,000)	-	2,815,000	89.82
N S & I	297,022	-	-	30	297,052	9.48
	3,347,022	765,000	(1,000,000)	30	3,112,052	99.30
UK listed investments	16,791	-	-	5,233	22,024	0.70
	3,363,813	765,000	(1,000,000)	5,263	3,134,076	100.00

Investments are stated at their fair value (see note 1f).

16. Debtors

	2021 £	2020 £
Trade receivables - amounts due for provision of care	105,268	103,038
Prepayments and accrued income	86,173	73,640
	<u>191,441</u>	<u>176,678</u>

17. Current liabilities

	2021 £	2020 £
Trade payables	53,330	18,986
PAYE and national insurance	39,217	47,118
Pension creditors	619	694
Accruals	81,108	65,570
Deferred income	85,910	98,885
Other creditors	4,926	43,861
	<u>265,110</u>	<u>275,114</u>

Deferred income is in respect of amounts invoiced to local authorities, which can include an element of income relating to post-year end. The amounts involved can vary from one period to another.

18. Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Being trade receivables, cash and bank balances and fixed asset investments	<u>4,107,429</u>	<u>4,058,462</u>
Carrying amount of financial liabilities		
Being current liabilities excluding deferred income and PAYE and national insurance	<u>139,983</u>	<u>129,111</u>

BROOKVALE
YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS
(continued)

19. Analysis of net assets between funds

All funds, including designated funds, are unrestricted and therefore all assets and liabilities relate to unrestricted funds.

20. Movements in funds

	Balance at start of year £	Income £	Expenditure £	Investment gains/(losses) £	Balance at end of year £
<u>Current year</u>					
Designated funds					
Building and Subsidy Fund (see note below)	5,240,133	4,436	-	-	5,244,569
General funds					
General Fund	5,932,940	3,625,385	(3,487,786)	405,233	6,475,772
Total unrestricted funds	11,173,073	3,629,821	(3,487,786)	405,233	11,720,341
<u>Prior year</u>					
Designated funds					
Building and Subsidy Fund (see note below)	5,234,844	5,289	-	-	5,240,133
General funds					
General Fund	6,167,237	3,382,640	(3,614,360)	(2,577)	5,932,940
Total unrestricted funds	11,402,081	3,387,929	(3,614,360)	(2,577)	11,173,073

Designated funds: The Building and Subsidy Fund represents funds which the trustees believe are required to maintain the buildings and other tangible fixed assets of the charity to a high standard for the long term and to underpin our charitable activities should regular funding streams be significantly hit at any point.

21. Related party transactions

There are no related party transactions to report for this or the previous year.

BROOKVALE

England & Wales - Charity number 526086

Accounts

BROOKVALE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
Registered charity No: 526086

BARLOW ANDREWS LLP
CHARTERED ACCOUNTANTS
BOLTON

BROOKVALE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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BROOKVALE

TRUSTEES' REPORT

The trustees present their annual report and the audited financial statements of Brookvale (the "charity") for the year ended 31 December 2020.

Reference and administrative information

Charity name	Brookvale
Charity registration number:	526086
Registered office and operational address:	Simister Lane, Prestwich, Manchester, M25 2SF

Trustees

Mr S Pollock
Mr S Larah
Mr S Gold
Mr D Savage
Mr M Walters

Principal staff members

Lynne Richmond	Executive Director and Registered Manager
Carl Richmond	Chief Executive Officer

Statutory auditor

Barlow Andrews LLP, Carlyle House, 78 Chorley New Road, Bolton, BL1 4BY

Bankers

HSBC Bank plc, 8 High Street, Manchester, M60 4AJ

BROOKVALE
TRUSTEES' REPORT
(continued)

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charities' trust deed, the Charities Act 2011 and, "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)."

Structure, governance and management

Governing document

Brookvale is a registered charity. The organisation was founded in 1951 and is governed by a Trust Deed adopted on 5 July 1992.

Organisational structure

Brookvale is governed by a board of trustees which meets monthly. The trustees, along with the principal staff members, are responsible for the strategic direction of the charity.

The day to day responsibility and management of the charity rests with the principal staff members. The executive director has overall responsibility for delivering the aims and objectives of Brookvale.

Trustees

The trustees who have served during the year and up to the date of this report are as listed on page 1.

Recruitment and appointment of trustees and board

The recruitment and appointment of trustees at Brookvale follows the conditions established within the Trust Deed.

The board is made up of executives (minimum 5, maximum 8) and committee members (maximum 6 members).

The executive trustees are able to propose and appoint trustees who in their opinion would benefit the objectives of the organisation.

Trustee induction and training

All trustees undergo an induction process into the workings of Brookvale. The induction covers the obligations of board members and their responsibilities, main documents setting out the organisation's mission, vision and values, financial background and key strategic priorities.

Risk management

The trustees are continuing to review major strategies, business and operational risks which the charity faces, and consider that the existing systems in place are adequate to manage identified risks to an acceptable level.

Objectives and activities

Principal objectives

The principal object of the charity is the relief and care of persons with mental handicap learning disabilities.

In furtherance of the above object, the organisation shall have the power:

- (a) To establish and maintain residential homes and day centres for people and therein to provide remedial, occupational and social training.
- (b) To establish and maintain holiday homes for the benefit of residents of such residential homes.
- (c) To raise funds from public and private sources for the efficient performance of these objects.

Each year the trustees review the objectives and activities of the charity to ensure they continue to reflect our aims and to provide a public benefit. The trustees are more than satisfied that they do.

BROOKVALE
TRUSTEES' REPORT
(continued)

Achievements, performance and future plans

The Trustees' Report for 2019 began with the comment that Brookvale had experienced one of its most difficult years! Little did we know of what was to follow. 2020 started in an unremarkable manner, the calm before the storm. As we moved into the end of February there were reports of a virus which had originated in China that had started to sweep through Europe. This virus, labelled as Coronavirus (or COVID-19), was causing the death of many people.

At the beginning of March, it was apparent that this virus was of major concern due to the rapid spread of illness it was causing amongst the general population and, in particular, within care homes. In order to keep our vulnerable residents safe, a robust decision had to be made. The trustees, in line with the CEO and the management, agreed that for the safety of our residents and staff we would 'lock down' immediately. This meant that all visits into Brookvale were stopped, other than for urgent medical professional visits. This included a difficult decision to close our Day Care provision. Brookvale's 'lock down' was in advance of the Government's official restrictions coming into force and was a decision which served our residents well in our attempt to keep them safe from the deadly virus. Soon we were in the midst of a worldwide pandemic, with many thousands losing their lives or becoming seriously ill.

As Brookvale is based in the countryside, and due to how the buildings have been developed, we were able to successfully segregate residents within their particular areas (North View, South View, East View, West View and The Atrium). This segregation helped to stop any cross infection. Staff would now have a new way of providing care, donned in PPE. At the beginning of the pandemic the sourcing of masks, aprons and gloves became increasingly difficult, even from our regular suppliers. This resulted in us having to find alternative providers of PPE, which in turn led to the charity having to pay a huge premium to obtain supplies of vital PPE for our staff. A substantial amount was spent on infection control measures such as sanitisers, new easy-clean furniture, and an electronic system to log the care of residents.

Due to the brave and diligent care by the staff we had no cases of COVID during the height of the pandemic and as such we were chosen for a CQC targeted inspection looking at our infection control and prevention measures. This was an announced inspection and took place on 18th August 2020. We were highly praised by the inspection team, and they summarised their findings as follows: -

"We found the following examples of good practice.

- The care home closed to all visitors except healthcare professionals.
- PPE was disposed of in clinical waste or designated PPE waste bins, as appropriate. The clinical waste bin was pressure washed and disinfected inside and out on a weekly basis.
- During the pandemic, the service switched from paper to electronic care records to reduce infection transmission. The provider purchased and installed tablets throughout the home.
- The provider had made a number of changes to its staffing arrangements. Staff had been allocated to work in specific areas of the home. The home offered free drinks and food to staff to reduce the need for staff to go out to the shops. Arrangements had been made for staff to use taxis to limit the use of public transport.
- Managers regularly asked key suppliers of food, medicines, cleaning materials and PPE about their risks and contingency plans.
- The provider had a robust and effective governance structure in place comprised of a thorough quality assurance framework."

Of course, to have such a robust infection control framework was at a substantial cost to the charity and this is reflected in losses which have occurred in 2020. This was exacerbated by the large loss of income due to the closure of the day care service. This was indeed a unique year and, notwithstanding the pandemic, the usual challenges of running a care home in the current climate remained. Funding from the Local Authorities remains an issue so we continue to look at other avenues of income. With this in mind, a further property was purchased this year to add to the rental portfolio. The three bedroomed property on Nipper Lane, Whitefield has proved to be a popular rental.

BROOKVALE
TRUSTEES' REPORT
(continued)

Due to the effects of Coronavirus restrictions very little maintenance work was carried out on the Brookvale site, save for urgent works. However, Brookvale and its beautifully groomed grounds proved a safe haven for residents and staff alike. There was a difficult period experienced in late November when, despite all our hard work, we suffered a COVID outbreak. Thankfully none of those who contracted the virus suffered any serious illness and many were asymptomatic.

The year ended on a sad note when we said goodbye to one of our residents who had been in our care for many years. Lynda Craven passed away peacefully on Christmas Eve having suffered for some time with dementia. 2020 has been a year of dedicating all our efforts into keeping our residents safe and well, and the hope is that there will be significant developments in beating the virus through 2021 and that some normality will return.

Financial review

The results for the year are shown in the Statement of Financial Activities on page 9 and our financial position at the end of the year is shown in the Balance Sheet on page 10.

We had net expenditure of £226,431 for the year. After net losses on investments of £2,577, our net deficit on funds was £229,008. Expenditure on charitable activities exceeded income from charitable activities by some £492,000, underlining the importance of having strong income streams from our investments and investment properties. We are also grateful, as ever, for the donations and bequests received each year.

The financial position of Brookvale remains healthy and there are no going concern issues.

Principal funding sources

The majority of our income is generated from the provision of services to local authority social services departments, who are meeting the needs of individuals (most are fully funded).

Investment policy

The trustees are of the opinion that investments must be as safe as possible and therefore monies are placed with various banks in longer term fixed interest deposit accounts and checked on a regular basis. We also have monies invested with National Savings and Investments. In addition, we have some shares that were bequeathed to Brookvale over the years by various people and these have been retained to increase in value or to add the dividends to our income.

We have also expanded our investment property portfolio. The rates of return are generally much better than can be achieved on bank deposits and other traditional investment types, and the investment is in properties which are unlikely to decrease in value.

Reserves policy

We are in a strong financial position, but the review of the year on the previous page demonstrates that we dare not be complacent and we must maintain our sound reserves base. There continues to be pressure on fees from local authorities, as discussed earlier. The ongoing difficult economic climate underlines the soundness of our policy to build a healthy reserves position, which enables us to withstand potential falls in income which might otherwise compromise the high quality of our services. We aim to maintain sufficient reserves (excluding the net book value of our tangible fixed assets) to cover up to 2 years' full running costs of over £7m. At 31 December 2020 the balance of our unrestricted funds, less the net book value of our tangible fixed assets, totalled £6,627,263, so still not yet quite at the target level.

The Building and Subsidy Fund stands at £5,240,133 at 31 December 2020. It is a designated fund which the trustees believe is required to maintain the buildings and other tangible fixed assets of the charity to a high standard for the long term and to underpin our charitable activities. The fund will be used as and when required.

BROOKVALE
TRUSTEES' REPORT
(continued)

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

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

Statement of disclosure to auditor

So far as the trustees are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

A resolution for the reappointment of Barlow Andrews LLP as auditor is to be proposed at the forthcoming Annual General Meeting. The trustees recommend that Barlow Andrews LLP remain in office until further notice.

Approved by the trustees on and signed on its behalf:

D Savage
Chairman

14 September 2021

BROOKVALE
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF BROOKVALE

Opinion

We have audited the financial statements of Brookvale for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company'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 responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

BROOKVALE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF BROOKVALE

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

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

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

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

BROOKVALE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF BROOKVALE

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the company's legal advisors.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

David Kay (Senior Statutory Auditor)
for and on behalf of Barlow Andrews LLP
Chartered Accountants and Statutory Auditor
Carlyle House, 78 Chorley New Road, Bolton

14 September 2021

Barlow Andrews LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BROOKVALE
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Total funds 2020 £	Total funds 2019 £
Income from:			
Donations and legacies		33,756	57,782
Investments	2	201,542	195,581
Charitable activities	3	3,086,652	3,172,580
Other income	4	65,979	-
Total Income		3,387,929	3,425,943
Expenditure on:			
Cost of generating funds	6	35,713	34,323
Charitable activities	7	3,578,647	3,540,041
Total expenditure		3,614,360	3,574,364
Net expenditure before (losses)/gains on investments		(226,431)	(148,421)
Net (losses)/gains on investments and investment properties	5	(2,577)	3,648
Net movement in funds		(229,008)	(144,773)
Reconciliation of funds:			
Total funds brought forward		11,402,081	11,546,854
Total funds carried forward	17	11,173,073	11,402,081

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

All of the charity's operations are classed as continuing and all income and expenditure relates to unrestricted funds.

BROOKVALE
BALANCE SHEET
AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible fixed assets	10	4,545,810		4,867,399	
Investment properties	11	2,770,275		2,560,776	
Investments	12	3,363,813		3,619,175	
		10,679,898		11,047,350	
Current assets					
Debtors	13	176,678		231,824	
Cash at bank and in hand		591,611		379,793	
		768,289		611,617	
Current liabilities:					
Creditors: amounts falling due in less than one year	14	(275,114)		(256,886)	
Net current assets		493,175		354,731	
Total net assets		11,173,073		11,402,081	
The funds of the charity					
Unrestricted funds	17	11,173,073		11,402,081	
Total charity funds		11,173,073		11,402,081	

The accounts were approved by the board of trustees and signed on its behalf:

D Savage
Chairman

14 September 2021

BROOKVALE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	£	£
Cash flows from operating activities:		
Net movement for the year	(229,008)	(144,773)
Adjustments for:		
Depreciation	392,614	364,553
Losses/(gains) on investments	2,577	(3,648)
Investment income	(201,542)	(195,581)
Decrease/(Increase) in debtors	55,146	(93,470)
Increase in creditors	18,228	42,568
Cash generated from/(used by) operations	38,015	(30,351)
Cash flows from investing activities:		
Income from investments and investment properties	201,542	195,581
Purchase of property, plant and equipment	(71,025)	(249,121)
Purchase of investment properties	(209,499)	(179,011)
Net cash used in investing activities	(78,982)	(232,551)
Net decrease in cash and cash equivalents	(40,967)	(262,902)
Cash and cash equivalents at start of year	3,979,600	4,242,502
Cash and cash equivalents at end of year (see below)	3,938,633	3,979,600
Analysis of cash and cash equivalents		
Cash at bank and in hand	591,611	379,793
Cash deposits held as investments	3,347,022	3,599,807
	3,938,633	3,979,600

BROOKVALE

YEAR ENDED 31 DECEMBER 2020

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Brookvale is an unincorporated registered charity, governed by a trust deed adopted on 5 July 1992. The registered office is Simister Lane, Prestwich, Manchester.

a) Accounting convention

These accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value.

b) Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

c) Charitable funds

General funds are unrestricted funds which represent accumulated income less direct charitable expenditure and other expenditure. They are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by trustees for particular purposes, as explained further in note 17 to the accounts.

d) Income

Income is generally recognised on a receivable basis and is reported gross of related expenditure, where the amount is reasonably certain and when there is adequate certainty of receipt.

The specific bases used are as follows.

- Donations and legacies are generally accounted for as received.
- Investment income, including rents from investment properties, is recognised on a receivable basis.
- Income from residential care and similar activities is accounted for in the period to which it relates. Any such income received in advance is deferred until entitlement to the income has arisen, at which time it is credited to the statement of financial activities.
- Government grants are recognised at the fair value of the asset received or receivable when there is a reasonable assurance that the grant conditions will be met and the money will be received.

BROOKVALE

YEAR ENDED 31 DECEMBER 2020

**NOTES TO THE FINANCIAL STATEMENTS
(continued)**

1. Accounting policies (continued)

e) Expenditure

Expenditure is accounted for on an accruals basis and is included under expense categories which aggregate all costs for allocation to activities.

Expenditure is recognised when it is incurred and is reported gross of related income on the following bases:

- Charitable expenditure comprises direct expenditure including direct staff costs attributable to its activities.
- Governance costs include costs incurred in the governance of the charity's assets and costs directly associated with constitutional and statutory requirements.
- Support costs include the central functions, including the staff costs of management, and are based on the time spent on a particular activity.
- Cost of raising funds comprises direct expenditure incurred on rental properties, including staff costs attributable to its activities.

f) Investments

Investments intended to be held long term are initially measured at transaction price and then subsequently measured at fair value at each financial reporting date. Market value is used as a representation of fair value. Changes in fair value are recognised in the statement of financial activities for the year and transaction costs are expensed as incurred.

g) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value at the financial reporting date. The surplus or deficit on revaluation is recognised in the statement of financial activities for the year.

h) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £2,000 are capitalised and included in the balance sheet at their cost.

Depreciation is provided on all tangible assets at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives, as follows.

Freehold land	Nil
Simister Lane buildings	2.5% straight line
Swimming pool complex	7.5% reducing balance
Holiday homes	2.5% straight line
Motor vehicles	25% reducing balance
Fixtures and fittings	15% reducing balance

i) Operating leases

Rentals payable under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

j) Pensions

The charity operates defined contribution pension schemes for its employees, administered by independent managers, the assets of which are held separately from those of the charity. The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

BROOKVALE

YEAR ENDED 31 DECEMBER 2020

NOTES TO THE FINANCIAL STATEMENTS
(continued)

k) Taxation

The organisation has charitable status and remains exempt from taxation of its income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives.

l) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank deposits held at call and other short-term liquid investments with original maturities of three months or less.

m) Financial instruments

A financial instrument is a contract which results in a financial asset arising in one entity and a financial liability arising in another. The charity generally only has basic financial instruments, such as short-term trade receivables and trade payables, and cash and bank balances. It has elected to apply the provisions of FRS 102 Section 11 'Basic Financial Instruments' to these.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument. Short term trade receivables and trade payables are measured at transaction price, including transaction costs.

2. Investment income

	2020	2019
	£	£
Rental income	138,005	130,174
UK listed investments	689	67
National Savings investment	2,465	-
Bank interest	60,383	65,340
	<u>201,542</u>	<u>195,581</u>

3. Income from charitable activities

	2020	2019
	£	£
Provision of residential, respite and day care	<u>3,086,652</u>	<u>3,172,580</u>

4. Other income

	2020	2019
	£	£
Job retention scheme grants	12,196	-
Covid-19 support grant from Bury MBC	53,783	-
	<u>65,979</u>	<u>-</u>

5. Net gains/(losses) on investments and investment properties

	2020	2019
	£	£
(Losses)/gains on revaluation of UK listed investments	(2,577)	3,648
	<u>(2,577)</u>	<u>3,648</u>

BROOKVALE

YEAR ENDED 31 DECEMBER 2020

NOTES TO THE FINANCIAL STATEMENTS
(continued)

	2020	2019
	£	£
6. Costs of generating funds		
Property costs	32,790	31,403
Support costs in administration of investments etc.	2,923	2,920
	<u>35,713</u>	<u>34,323</u>
7. Costs of charitable activities		
Directly allocated costs		
Provisions	168,835	158,713
Water and council tax	125,749	104,756
Insurance	37,988	33,773
Gas and electricity	78,060	75,125
Motor and travel expenses	19,483	22,281
Medical supplies	53,228	66,010
Cost of holidays	-	668
Professional fees	29,512	42,953
Laundry and cleaning	55,929	57,093
Staff training and educational development	8,546	19,510
Printing, stationery and advertising	10,176	19,383
Telephone	24,342	23,156
Repairs, renewals and maintenance	179,643	152,241
Land and garden expenses	3,060	8,896
Sundry expenses	2,702	2,646
Bedding	3,069	2,415
Bank charges	4,409	3,305
Wages and salaries	1,934,929	1,943,753
National insurance	166,964	168,376
Pension costs	46,832	50,714
Depreciation	392,614	364,553
	<u>3,346,070</u>	<u>3,320,320</u>
Support costs		
Wages and salaries	187,852	174,129
National insurance	23,009	21,462
Pension costs	2,514	5,850
Accountancy and payroll fees	9,738	9,816
	<u>223,113</u>	<u>211,257</u>
Governance costs		
Auditor's remuneration	8,400	7,400
Trustee indemnity insurance	1,064	1,064
	<u>9,464</u>	<u>8,464</u>
	<u>3,578,647</u>	<u>3,540,041</u>

Support costs include the central functions, including the staff costs of management, and are based on the time spent on a particular activity.

BROOKVALE**YEAR ENDED 31 DECEMBER 2020****NOTES TO THE FINANCIAL STATEMENTS
(continued)****8. Staff costs**

Staff costs were as follows

	2020	2019
	£	£
Wages and salaries	2,125,704	2,120,802
Social Security costs	189,973	189,838
Pension costs (see note 9)	49,346	56,564
	<u>2,365,023</u>	<u>2,367,204</u>
The average number of employees was:	2020	2019
Carers and auxiliary staff	78	81
Management and administration of the charity	6	6
	<u>84</u>	<u>87</u>

The number of employees whose total employee benefits, excluding pension contributions, were over £60,000, classified within bands of £10,000, is as follows:

	2020	2019
£60,000 - £69,999	1	0
£70,000 - £79,999	0	1
£90,000 - £99,999	0	1
£120,000 - £129,999	1	0

Contributions totalling £8,409 (2019: £8,317) were made to a defined contribution scheme for the higher paid employees.

The employee benefits of the key management personnel totalled £388,795 (2019: £396,423).

No remuneration or expenses, directly or indirectly out of the funds of the charity, were paid or payable during the year to any trustee or to any persons known to be connected to them. The charity spent £1,064 (2019: £1,064) in the purchase of insurance to indemnify the trustees against the consequences of any neglect or default in relation to the charity.

9. Pension costs

The charity operates defined contribution pension schemes for its employees, administered by independent managers, the assets of which are held separately from those of the charity. The pension charge in note 8 represents contributions due from the charity in the year.

BROOKVALE
YEAR ENDED 31 DECEMBER 2020

NOTES TO THE FINANCIAL STATEMENTS
(continued)

10. Tangible fixed assets

	Simister Lane land and buildings £	Holiday homes £	Fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2020	6,238,969	400,879	2,910,201	80,385	9,630,434
Additions	4,368	-	66,657	-	71,025
At 31 December 2020	6,243,337	400,879	2,976,858	80,385	9,701,459
Depreciation					
At 1 January 2020	3,166,967	140,626	1,397,728	57,714	4,763,035
Charge for the year	149,810	10,045	227,091	5,668	392,614
At 31 December 2020	3,316,967	150,671	1,624,819	63,382	5,155,649
Net book values					
At 31 December 2020	2,926,560	250,208	1,352,039	17,003	4,545,810
At 31 December 2019	3,072,002	260,253	1,512,473	22,671	4,867,399

Included in land and buildings is freehold land costing £5,078 (2019: £5,078) which is not depreciated.

All properties are freehold with the exception of holiday homes, which are long leasehold.

11. Investment properties

At valuation	£
At 1 January 2020	2,560,776
Additions in the year at cost	209,499
At 31 December 2020	2,770,275

Investment property comprises a portfolio of 8 properties acquired with the intention of obtaining rental income. With the exception of 357 Heywood Road, which was an existing asset transferred from tangible fixed assets to investment properties in 2018 at an agreed market valuation, each of the properties have been purchased within the last 4 years and the trustees are satisfied that their cost price represents a close approximation of their fair value at year end on an open market basis.

The historical cost of the investment properties is £2,682,890 (2019: £2,473,391).

BROOKVALE
YEAR ENDED 31 DECEMBER 2020

NOTES TO THE FINANCIAL STATEMENTS
(continued)

12. Fixed asset investments

	Brought forward £	Additions £	Disposals £	Revaluations £	Carried forward £	% Share of total
Cash deposits:						
Arbuthnot Latham	530,250	-	(530,250)	-	-	0.00
Israeli Bonds	2,550,000	2,050,000	(1,550,000)	-	3,050,000	90.67
N S & I	519,557	2,465	(225,000)	-	297,022	8.83
	3,599,807	2,052,465	(2,305,250)	-	3,347,022	99.50
UK listed investments	19,368	-	-	(2,577)	16,791	0.50
	3,619,175	2,052,465	(2,305,250)	(2,577)	3,363,813	100.00

Investments are stated at their fair value (see note 1f).

13. Debtors

	2020 £	2019 £
Trade receivables - amounts due for provision of care	103,038	98,139
Prepayments and accrued income	73,640	133,685
	<u>176,678</u>	<u>231,824</u>

14. Current liabilities

	2020 £	2019 £
Trade payables	18,986	56,152
PAYE and national insurance	47,118	46,951
Pension creditors	694	703
Accruals	65,570	43,920
Deferred income	98,885	105,045
Other creditors	43,861	4,115
	<u>275,114</u>	<u>256,886</u>

Deferred income is in respect of amounts received in advance from local authorities, which can vary from one period to another.

15. Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Being trade receivables, cash and bank balances and fixed asset investments	<u>4,058,462</u>	<u>4,097,107</u>
Carrying amount of financial liabilities		
Being current liabilities excluding deferred income and PAYE and national insurance	<u>129,111</u>	<u>104,890</u>

BROOKVALE
YEAR ENDED 31 DECEMBER 2020

NOTES TO THE FINANCIAL STATEMENTS
(continued)

16. Analysis of net assets between funds

All funds, including designated funds, are unrestricted and therefore all assets and liabilities relate to unrestricted funds.

17. Movements in funds

	Balance at start of year £	Income £	Expenditure £	Investment gains/(losses) £	Balance at end of year £
<u>Current year</u>					
Designated funds					
Building and Subsidy Fund (see note below)	5,234,844	5,289	-	-	5,240,133
General funds					
General Fund	6,167,237	3,382,640	(3,614,360)	(2,577)	5,932,940
Total unrestricted funds	11,402,081	3,387,929	(3,614,360)	(2,577)	11,173,073
<u>Prior year</u>					
Designated funds					
Building and Subsidy Fund (see note below)	5,229,148	5,696	-	-	5,234,844
General funds					
General Fund	6,317,706	3,420,247	(3,574,364)	3,648	6,167,237
Total unrestricted funds	11,546,854	3,425,943	(3,574,364)	3,648	11,402,081

Designated funds: The Building and Subsidy Fund represents funds which the trustees believe are required to maintain the buildings and other tangible fixed assets of the charity to a high standard for the long term and to underpin our charitable activities should regular funding streams be significantly hit at any point.

18. Related party transactions

There are no related party transactions to report for this or the previous year.