

# Brook Young People

**Report of the trustees and financial statements for  
the year ended 31 March 2022**

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## Administrative details

Charity name	Brook Young People
Trading name	Brook
Registration	Limited Company registered in England and Wales no. 2466940 Charity registered in England and Wales no. 703015 Charity registered with the Office of the Scottish Charity Regulator no. SC045788
Registered office	Penhaligon House, Green Street, Truro, TR1 2LH
Chief Executive	Helen Marshall
Company Secretary	Sally Hutchings
Auditors	Haysmacintyre LLP 10 Queen Street Place, London, EC4R 1AG
Bankers	Lloyds Bank 1 <sup>st</sup> floor, 5 St Paul's Square, Liverpool, L3 9SJ
Solicitors	Penningtons Manches LLP 125 Wood Street, London, EC2V 7AW

## Trustees

The following people have been trustees (and directors as defined by the Companies Act 2006) during the period and up to the date of signing:

Scott Bennett (Chair)

David Clark *(resigned 31/03/2022)*

Clare Daly *(appointed 9/08/2021)*

Maxine Evans (Deputy Chair)

Pamela Leonce

Chris Martin

Peter Roscrow *(appointed 21/09/2022)*

Laura Russell *(resigned 22/09/2021)*

Tim Tod

Leon Ward *(resigned 24/11/2021)*

## Senior Management

At the date of this report, the Executive Team comprises:

Helen Marshall, Chief Executive

Jo Oxlade, Deputy Chief Executive

Dougie Boyd, Director of Education & Wellbeing

Anita Harris, Director of Clinical Operations

Laura Hamzic, Director of Digital & Communications

Sally Hutchings, Director of Business Support

Simon Theobald, Director of Finance

## Introduction

The trustees present their annual report and financial statements of the charity for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, 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. (SORP 2015) (Second Edition, effective 1 January 2019).

## Structure, Governance and Management

### Company structure and ownership

During 2021/22 Brook Young People (Brook) had one subsidiary charity – Brook Scotland (company no. SC159534; charity no. SC023964) which is currently dormant.

### Governing document and constitution

Brook is constituted as a limited company and is a registered charity. Brook is governed by its Articles of Association, which were last reviewed and updated in July 2020. The business of the charity is managed by the board of trustees.

### The board of trustees

The composition of the Brook board is skills-led. All trustees are appointed by the board, and Brook's members are the same group of people as its trustees.

The Articles of Association allow any person who is willing to act as a trustee, accepts membership of the charity, and who is not disqualified from acting as a trustee or a company director to be appointed as a trustee by a decision of the Board.

The board consists of a minimum of six and a maximum of fifteen trustees and meets formally at least four times per year. Trustees serve for fixed terms of three years unless they cease to be a trustee during this period. Trustees are eligible for re-appointment for a second term by the board with the maximum period of office being two terms, with the exception of the Chair who may be reappointed for a third term in exceptional circumstances. The Chair may extend the second term of any trustee by one additional year in order to achieve a stable retirement cycle of trustees.

The board may co-opt up to three additional trustees who hold office for a period of 12 months and who may be co-opted up to three times. At the time of this report, there were no co-opted trustees.

### Induction and training of trustees

Potential trustees are identified via a range of mechanisms to ensure there is diversity of skills, backgrounds and experience on the board. On appointment, and annually thereafter, all

trustees are required to declare potential conflicts of interest, complete automatic disqualification self-declarations and checks of official registers are completed. Trustees complete a full induction process within which they agree to Brook's key policies and statement of good governance. The induction process marks the beginning of an ongoing process of trustee training, mentoring, development and annual appraisal.

### Management and decision making

The board delegates authorities to its committees and to the Chief Executive within a written Scheme of Delegation. Brook has two board committees:

- The **Risk, Finance and Audit Committee** ensures that Brook manages its finances and risks effectively and efficiently in support of its charitable objectives. It provides assurance that Brook meets its statutory and other obligations.
- The **Quality and Assurance Committee** reviews the performance of the organisation and ensures that a high quality of service is provided to Brook's clients, overseeing clinical effectiveness and safeguarding.

The Board delegates all other matters including the day-to-day running of the organisation to the Chief Executive working within the framework of all decisions made by the Board and by Committees deciding under delegated authorities.

Brook's Executive Team comprises the Chief Executive, Deputy Chief Executive, Director of Education & Wellbeing, Director of Clinical Operations, Director of Digital and Communications, Director of Finance and Director of Business Support.

The board of trustees have reviewed and adopted the Charity Governance Code. Where improvements could be made, the board agreed actions to increase compliance. These actions, alongside actions identified through other sources such as trustee appraisals and internal evaluations, form the board development plan, most recently reviewed and updated in March 2022.

### Pay and remuneration

Brook operates a *Pay and Benefits Policy*. Salaries are routinely tested against the jobs market to ensure that account is taken of experience, qualifications, and demonstrable ability to perform the job. The starting salary may also be influenced by external factors such as market conditions or availability of specialist skills. In line with the principles of equal pay enshrined within the Equal Pay Act 1970 and supported by Brook's commitment to equal pay and equality of opportunity, all salary offers are made with equal pay considerations in mind. Salaries are agreed with staff prior to the commencement of employment. A salary benchmarking exercise was completed in March 2022 to ensure that all manager and senior staff salaries are appropriate within the external market.

Brook considers its key management personnel comprises the trustees, the Executive Team (detailed above) and the Medical Director.

None of the trustees of the charity received any remuneration for their services as trustees. Expenses were reimbursed as detailed in Note 7.

## Relationships with related parties

During 2021/22 the independent charity Brook Jersey has operated as a licensee of Brook. Brook received a fee from Brook Jersey in return for an exclusive licence in the Channel Islands to use the Brook identity, clinical governance framework and key policies.

## Public benefit disclosure

Brook has a duty to report on our public benefit and we have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

Brook's multidisciplinary team takes a holistic approach to sexual health and wellbeing. Our unique combination of clinical services and education programmes are designed to meet our service users' immediate needs and instil positive behaviours that influence their whole lives. The main activities Brook undertakes for the public benefit are:

- **Clinical services**, providing free and confidential information, contraception, pregnancy testing, advice and counselling, and testing and treatment for sexually transmitted infections. Our support services and programmes help our service users make positive and healthy lifestyle choices and improve their wellbeing.
- **Education and training**, in schools and community venues, to support emotional development and the learning of core life skills, with specific programmes that address the needs of the most vulnerable young people. Our training for professionals is designed to improve young people's experience of health and education.
- **Campaigning and advocacy**, in partnership with young people, to fight for a society that has a positive attitude to young people, sexuality and identity. We amplify the voices of young people in our advocacy work, ensuring sexual health remains high on the political agenda and that law, policy and practice is aligned with what they need.

## Objectives and activities

### Our charitable purpose

To promote the health, particularly sexual health of young people and those most vulnerable to sexual ill health, through providing information, education and outreach, counselling, confidential clinical and medical services, professional advice and training.

### Our vision

Young people's lives are free from inequality, rich with opportunity, and enriched by happy, healthy relationships.

### Our mission

Brook is here to equip young people for life's challenges. Being a young person can be tough. Through our innovative clinical services, digital support, tailored counselling and inspiring relationships and sex education, young people are able to take charge of their sexual health and wellbeing.

We demand better for young people. We fight for young people's rights, amplify their voice and campaign to protect their specialist services. By changing perceptions and developing skills, we give professionals the knowledge and confidence to deliver the quality services that young people need and deserve.

### **Our values**

- Trailblazing
- Collaborative
- Trustworthy
- Courageous

### **Our strategic aims and strategies for achieving them**

2021/22 was the second year of our strategic plan for 2020-2023, devised in consultation with 200 young people, our expert staff and our partners. Over the three years of the strategy, we aim to increase access to our services, particularly for those facing barriers and discrimination. We are digitally transforming our provision, driving innovative solutions to meet the ever-changing needs and expectations of our stakeholders. By championing the voice of young people, we are challenging inequality and effecting meaningful change.

The plan sets out four strategic priorities for 2020-2023:

- Challenging inequality
- Increasing accessibility
- Transforming digitally
- Driving innovation

These strategic priorities are supported by strategic objectives. Our business plan details the performance indicators, targets and responsibilities associated with each objective, through which we set out to achieve our priorities.

### **Assessing our success and impact**

We measure our success through a Key Performance Indicator framework. Progress against each of our business plan measures and a RAG rated report of delivery against our Key Performance Indicators is reported to the Executive Team every quarter and to the board of trustees every six months.

We utilise robust data collection processes to quickly adapt to the evolving needs of our service users, enabling us to identify national and regional trends and develop innovative solutions to protect the most vulnerable. Our systemic collection of feedback through the independent digital platform iWantGreatCare has been highlighted by the General Medical Council as a positive example of how to gather continuous and meaningful patient feedback. This year we have strengthened our focus on transparency and learning by piloting new analytics platforms to summarise our data. This means that our commissioners and clinical teams can access real time dashboards and quickly adapt our interventions to respond to evolving needs.

We continue to develop our applied research strategies and, through our Research Reference Group, we have built relationships with a wide range of academic and third sector researchers.

## Volunteering and participation

Brook is committed to ensuring that young people's voices are heard through our work. As part of our commitment to amplify the voice of young people, during 2021/22 we further embedded participation, co-production and service-user voice across all areas of our work. This year, we established three new participation forums. Ranging from age 13 years upwards, these give people of all ages the opportunity to contribute to our service design in meaningful ways and to explore the links with our governance structure.

We undertook a national consultation exploring how boys and young men choose to access services, and the particular barriers they might face. As part of this research, we worked with boys and young men from across England and Wales with diverse lived experiences, including young asylum seekers and refugees as well as young people in supported housing. Through a series of focus groups, we provided a safe space to listen to their challenges and discussed digital provision as a possible solution. Working in partnership with The Eve Appeal, we consulted young people under 24 throughout England to support the development of a new HPV guide. Additionally, young people co-developed our workshops in schools as part of *Time To Raise It*, a movement backed by an alliance of organisations including the Men's Health Forum.

## Achievements and performance

### Significant charitable activities undertaken

Each year we assess our progress against our strategic aims. Further details are available in our Success Report, published on our website. Key highlights include:

- We made huge strides in our digital transformation journey, relaunching our Find a Service tool to improve online access to sexual health services. This is one of four new innovative tools that make up Brook's Digital Front Door project.
- Our digital-first, all-age services continue to thrive. We launched two new contracts in April 2021, supporting over 17,000 people across Blackburn with Darwen and Southend-on-Sea.
- In response to the Ofsted review of sexual abuse in schools and colleges, we were commissioned by the Department for Education to lead a vital research project to inform work across government on sexual abuse including the government's strategy on tackling violence against women and girls.
- Huge demand for professionals' training in Wales saw Brook Cymru deliver training to Healthy School Coordinators in every local authority across Wales as we support schools to prepare for the implementation of mandatory relationships and sexuality education.
- During LGBT+ History Month, more than 15,000 young people and teachers from 620 schools in England and Wales tuned in to our Big RSE Lesson to celebrate LGBT+ culture through the decades, and our third Sexual Health Week campaign on the theme of consent reached more people than ever before.

- We worked alongside The Good Law Project and Gendered Intelligence to intervene in the successful appeal in the case of Bell v Tavistock. We intervened to protect young trans people's right to consent to their own medical treatment.
- Our national #StopCyberflashing campaign contributed to cyberflashing becoming a criminal offence as part of the upcoming Online Safety Bill.
- We have supported even more people from vulnerable communities including sex workers, young refugees and those experiencing homelessness. We have collaborated with expert organisations including The Listening Place, Gendered Intelligence and the British Red Cross to help identify the most vulnerable, with 100% of our clinical services now having partnerships or referral routes in place to increase access for under-represented groups.
- We accelerated our digital health promotion work reaching more than 589,000 people over the last 12 months, with a particular focus on HIV prevention among people from BAME communities and men who have sex with men.
- Our nationally recognised and respected Spotting the Signs tool has been redeveloped and relaunched and our revised Traffic Light Tool course received an excellent review in the Child Abuse Review, an academic journal which is one of the cornerstones of UK child protection.
- We launched our first small grants programme, distributing over £50,000 to small and medium sized charities who specialise in improving the mental health and wellbeing of young people.
- We collected 6,884 feedback reviews, with 98% of clients rating our clinical services as Good or Very Good, with a rating of 4.97 out of 5 for treating clients with dignity and respect.

### Achievement against objectives

- 1.3 million people supported through our face to face and online services.
- 128,086 young people supported through our clinical and education services.
- 33,100 people supported by our all-age clinical services.
- 13,976 telemedicine contacts.
- 137,000 visits to our new Find a Service Tool.
- 8,216 professionals upskilled through face-to-face RSE training.
- 589,134 people reached through digital health promotion campaigns.
- 3.2 million page views on brook.org.uk.
- 23,362 subscribers to our Brook Learn online learning platform.
- 65% of clinical clients from the top 40% most deprived communities.

## Financial review

### Financial position at year end

Our accounts for 2021/22 are presented on pages 19 to 33. Our income for the year totalled £12,970,423 (2021: £9,930,611), comprising £12,395,903 (2021: £9,727,223) unrestricted income and £574,520 (2021: £203,388) restricted income.

Our expenditure for the period totalled £12,264,992 (2021: £9,625,851), comprising £11,669,948 (2021: £9,400,973) unrestricted expenditure and £595,044 (2021: £224,878) restricted expenditure. This resulted in a net movement of funds of £705,431 (2021: £304,760).

### Principal funding sources

Brook is primarily funded by:

1. Local Authorities: £6,916,073
2. Clinical Commissioning Groups: £4,588,322
3. Charitable foundations: £575,420
4. Corporate sources: £100,271
5. Commercial trading: £790,337

Brook's services are commissioned by local authorities as part of their Public Health responsibilities. These funds enable the majority of our charitable activities including our clinical services. We seek grants, sponsorships and donations, and earn income by selling services and resources to enable non-commissioned activity, including our online information and support, participation activities, campaigning and advocacy, and investment in service development.

### Significant events that have affected financial performance

The COVID-19 pandemic continued to affect our income and expenditure during 2021/22. We received funding from the Coronavirus Job Retention Scheme until the scheme ended in September 2021, though at a much lower level than in 2020 as schools emerged from lockdown and demand for our services increased.

Our education and training sales, which were particularly impacted in 2020/21, surpassed expectations, achieving our strongest ever performance. At the same time we benefited from continued lower staff travel and subsistence costs through the introduction of hybrid working and new digital communication and collaboration tools.

The launch of our two new all-age Level 3 clinical services in Blackburn with Darwen and Southend-on-Sea in April 2021 increased turnover by £2M. During the year we commenced lease negotiations for a new sexual health hub in Southend-on-Sea, and secured capital funding towards the costs of the fit-out. The financial impact of this activity will be realised in 2022/23. Our Liverpool clinical service closed in November 2021 at the end of its contract, while we were successful in securing contracts to expand activity in Greater Manchester, including our first digital-only sexual health contract in Trafford, Stockport and Tameside.

## Investments

Brook does not hold material financial investments. We have clear procedures for the investments of funds, with clear approval and authority limits. We assess the ethical acceptability of any proposed investment in terms of its fit with Brook's objectives, policies and values, and the potential for any actual or perceived conflict of interest.

## Key risks and uncertainties

The Executive Team records the organisation's strategic risks in Brook's strategic risk register, which is reviewed quarterly and reported to the Risk, Finance & Audit Committee and the Board every six months. As at March 2022, there were three red rated risks on our strategic risk register:

- Capacity issues associated with challenges in clinical recruitment.
- Failure in clinical delivery or clinical governance results in harm to a service user.
- Inadequate ICT systems adversely affect service delivery, efficiency and information governance.

Mitigating actions are monitored by the Executive Team and Board. These include:

- Clinical capacity development plan;
- National nurse recruitment campaigns and new training posts;
- Review of incident management and clinical governance systems;
- Review of clinical governance policies and procedures;
- Development of a new three-year ICT strategy and one-year roadmap;
- Completion of ICT actions identified through independent penetration testing.

## COVID-19

The COVID-19 pandemic was added to the strategic risk register in 2020/21. Originally rated red, the risk rating was reduced to green in March 2022, reflecting that our business plan and financial projections for the year were no longer significantly negatively impacted and the risk was mitigated and well managed. Risk levels were monitored closely throughout the year, on a local and national level, in order that our services could respond quickly if necessary. Our risk assessment was reviewed and updated monthly, or more frequently as legislation and guidance changed, and we continue to review and implement infection control guidance for clinical settings.

## Plans for future periods

Our annual business plan for 2022/23 sets out the activities that we will undertake in the third and final year of our current strategic plan. During 2022/23 we will:

- **Challenge inequality** by further developing our participation work, while continuing to invest in our people and our infrastructure to ensure we can deliver exceptional services.

- **Increase accessibility** by implementing our Equality and Diversity action plan and developing new projects to understand the needs of looked after children/care leavers, and disabled and neuro-divergent/diverse young people.
- **Transform digitally** by launching and developing our Digital Front Door, redeveloping Brook Learn, and continuing staff participation in digital innovation processes.
- **Drive innovation** by piloting an employability support programme, developing new mental health support initiatives in partnership, and producing our new strategic plan for 2023-26.

Throughout the year we will consult with trustees, service users, staff and external partners to develop a new strategic plan for 2023-2026. Through a series of strategic planning away-days, staff roadshows, participation forums and stakeholder round-table events we will ensure that our vision, mission and values remain relevant and fit for the upcoming strategic phase, and consider the successes achieved during the current strategy and the external influences that could impact on our future, in order to set new strategic priorities for 2023-2026.

The final term of the Chair of our board of trustees ends in March 2023. We have commenced an external recruitment process, seeking to ensure a suitable handover period and allowing the new Chair the opportunity to influence the new strategic plan.

## Pension liabilities

The charity has a potential liability to the Pensions Trust (see Note 20). The present value at 31 March 2022 was £2,068 (2021: £10,737). In addition, Brook pays into a stakeholder scheme on behalf of its other employees.

## Reserves

Brook's *Managing Resources Pillar Policy* states:

*We will maintain a minimum level of unrestricted reserves equivalent to three months total operating costs, subject to regular review to ensure the policy remains appropriate to the organisation's development.*

### Reserves held

At 31 March 2022, Brook held £2,471,947 (2021: £1,766,516) total funds in reserve. Of these funds:

- £197,180 are restricted and not available for general purposes;
- £1,103,813 are designated;
- £1,170,954 are available as free reserves.

Three months' operating costs, and therefore our minimum level of unrestricted reserves is £2,550,000. Such minimum reserves provide a temporary buffer against planned and unplanned peaks and troughs of income and expenditure and mitigate financial risk.

At £2,274,767 our unrestricted reserves level is below this minimum threshold. We have implemented a number of cost saving and other initiatives as part of a wider multi-year plan to reshape the charity's operations and deliver further surpluses in the future. It is expected that the charity will have unrestricted reserves above the minimum level by 2022/23.

## Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

## Statement of trustees' responsibilities

The trustees (who are the directors of Brook for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and have chosen to adopt United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the trustees are aware:

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

The trustees report on pages 4 to 14 was approved and signed on behalf of the trustees:

**Signature:**

A handwritten signature in black ink, appearing to read 'S. Bennett'.

Scott Bennett, Chair of the Board of Trustees

**Date: 23 November 2022**

## Independent auditor's report to the members of Brook Young People

### Opinion

We have audited the financial statements of Brook Young People for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Balance Sheet, the Cash Flow Statement 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 charitable company's affairs as at 31 March 2022 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Trustees' Annual Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Care Quality Commission and safeguarding regulations, GDPR, health and safety regulations and employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and tax regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements,

as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'L Stokes'.

Lee Stokes (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place  
London  
EC4R 1AG

Date: 23 November 2022

# Statement of financial activities (Incorporating the income and expenditure account) For the year ended 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
<b>Income from</b>					
Donations & legacies		34,905	100	35,005	1,322
Grants	2	1,000	574,420	575,420	208,388
Income from charitable activities					
Improving sexual health	3	12,305,748	-	12,305,748	9,277,297
Other income		54,250	-	54,250	443,604
<b>Total income</b>		<b>12,395,903</b>	<b>574,520</b>	<b>12,970,423</b>	<b>9,930,611</b>
<b>Expenditure</b>					
Costs of raising funds					
Fundraising		3,677	-	3,677	8,056
Cost of charitable activities					
Improving sexual health		11,666,271	595,044	12,261,315	9,617,795
<b>Total expenditure</b>	<b>4</b>	<b>11,669,948</b>	<b>595,044</b>	<b>12,264,992</b>	<b>9,625,851</b>
<b>Net Income / (expenditure)</b>		<b>725,955</b>	<b>(20,524)</b>	<b>705,431</b>	<b>304,760</b>
<b>Net movement in funds for the year</b>		<b>725,955</b>	<b>(20,524)</b>	<b>705,431</b>	<b>304,760</b>
Balance brought forward at 1 April 2021		1,548,812	217,704	1,766,516	1,461,756
<b>Balance carried forward at 31 March 2022</b>	15 16	<b>2,274,767</b>	<b>197,180</b>	<b>2,471,947</b>	<b>1,766,516</b>

There were no gains or losses in the period other than as above. All activities are continuing and are within the Charity's objects. The notes on pages 22 to 34 form part of these financial statements.

## Balance sheet

### As at 31 March 2022

	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	9	1,125,993	948,742
<b>Total fixed assets</b>		<b>1,125,993</b>	<b>948,742</b>
<b>Current assets</b>			
Stocks	10	160,679	139,888
Debtors	11	1,355,710	647,202
Cash at bank and in hand		1,254,991	1,513,000
<b>Total current assets</b>		<b>2,771,380</b>	<b>2,300,090</b>
Creditors: amounts falling due within one year	12	(1,411,122)	(1,424,486)
<b>Net current assets</b>		<b>1,360,258</b>	<b>875,604</b>
<b>Total assets less current liabilities</b>		<b>2,486,251</b>	<b>1,824,346</b>
Creditors: amounts falling due after one year	13	(12,236)	(47,093)
Provision for pension deficit	20	(2,068)	(10,737)
<b>Net assets</b>		<b>2,471,947</b>	<b>1,766,516</b>
<b>Funds</b>			
Restricted funds	15	197,180	217,704
Unrestricted funds			
General funds	16	1,170,954	602,774
Designated funds	16	1,103,813	946,038
<b>Total funds</b>	17	<b>2,471,947</b>	<b>1,766,516</b>

The notes on pages 22 to 34 form part of these financial statements.

The financial statements were approved by the board of trustees on 23 November 2022 and were signed on its behalf by:

Signature:



Scott Bennett, Chair of the Board of Trustees

**Date: 23 November 2022**

Company number: 2466940

## Cash flow statement

### For the year ended 31 March 2022

	Notes	2022 £	2021 £
Net cash outflow from operating activities	a	538,802	970,245
Cash flows from investing activities and deconsolidation	b	(464,616)	(411,233)
Cash flows from financing activities	c	(332,195)	5,352
<b>Change in cash and cash equivalents</b>		<b>(258,009)</b>	<b>564,364</b>
<b>Cash and cash equivalents at the start of the period</b>		<b>1,513,000</b>	<b>948,636</b>
<b>Cash and cash equivalents at the end of the period</b>	19	<b>1,254,991</b>	<b>1,513,000</b>

Notes to the cash flow statement	2022 £	2021 £
<b>a. Reconciliation of net cash outflow from operating activities</b>		
Net Income	705,431	304,760
Depreciation charges on fixed assets	278,696	191,453
(Increase)/decrease in stocks	(20,791)	3,464
(Increase)/decrease in debtors	(708,508)	419,073
Increase in creditors	283,974	51,495
<b>Net cash outflow from operating activities</b>	<b>538,802</b>	<b>970,245</b>
<b>b. Cash flows from investing activities and deconsolidation</b>		
Purchase of property, plant and equipment	(455,947)	(409,250)
Provision for pension deficit and other reserve movement	(8,669)	(1,983)
<b>Cash flow from investing activities and deconsolidation</b>	<b>(464,616)</b>	<b>(411,233)</b>
<b>c. Cash flows from financing activities</b>		
Cash element of bank loan repayments	(332,195)	(94,648)
Bank loans	-	100,000
<b>Cash flow from financing activities</b>	<b>(332,195)</b>	<b>5,352</b>

The notes on pages 22 to 34 form part of these financial statements.

## Notes to the financial statements For the year ended 31 March 2022

### 1. Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts.

#### 1.1 Basis of accounting

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (SORP 2015) (Second Edition, effective 1 January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern, and there is a rigorous 3 year strategic plan in place to continue to achieve a surplus position each year.

##### 1.1.1 Critical accounting 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods where necessary.

#### 1.2 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

The charity has no legacy income.

Grants are recognised in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

Gifts in kind, including investments, are recognised at their market value on receipt.

### 1.3 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is charged on an accruals basis. Governance costs relate to the general running of the charity, allowing the charity to operate and generate the information required for public accountability, as opposed to the direct management functions inherent in generating funds, service delivery or project work.

### 1.4 Allocation of support and governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees. As the charity has only one charitable activity being '*improving the sexual health of young people and those most vulnerable to sexual ill-health*' all governance costs have been allocated to this.

Expenditure is charged on an accruals basis and is analysed between the charity's main activities. Direct expenditure, including staff costs and associated establishment and overhead costs, is allocated directly to the relevant activity. Other staff costs and associated establishment and overhead costs are classified as support costs and are allocated to specific activities by reference to the time spent on each. The charity's main activities are:

- Charitable activities comprise expenditure related to the charitable objectives;
- Costs of raising funds comprise expenditure related to fundraising activities and related publicity;
- Governance costs comprise expenditure relating to the governance of the charity.

### 1.5 Tangible fixed assets and depreciation

Fixed assets costing more than £1,000 are capitalised and depreciated over their estimated useful lives, starting from the first month after capitalisation:

Freehold property	2% straight line
Leasehold property	period of the lease
Improvement to leasehold property	period of the lease
Computer equipment	25% straight line
Fixtures, fittings and equipment	20% straight line
Digital assets	33% straight line

### 1.6 Stocks and consumables

Stocks are stated at the lower of cost and net realisable value. Consumable items for use in the clinics have been valued at cost as represented by the invoiced value and are included in stock values.

### 1.7 Debtors and creditors

Short term debtors are measured at transaction price, less any impairment and short term creditors are measured at the transaction price.

## 1.8 Taxation

The charity is exempt from corporation tax on its charitable activities.

## 1.9 Operating leases

Operating lease costs are charged to the Statement of Financial Activities on a straight line basis over the lease term.

## 1.10 Pension scheme

The charity contributes to the personal schemes of certain employees. All such pension schemes are defined contribution schemes. The pension cost represents contributions payable by the company during the period.

Brook auto enrolled its staff in August 2015 into the Legal & General Worksave Pension Plan, scheme number Gf87785001.

Brook also contributes to the Pensions Trust's Growth Plan (The Plan). The Plan is funded and is not contracted-out of the State scheme. The scheme is classified as a multi-employer defined benefit scheme where the share of assets and liabilities attributable to each member cannot be accurately quantified. As such contributions relating to current service are accounted for as they fall due but the commitment to make additional contributions in respect of past service deficit are accounted for once the commitment can be quantified. Contributions to both of these plans are accounted for as they fall due.

## 1.11 Funds

Restricted funds are the unexpended balances of income held on trust to be applied for specific purposes. Designated funds are unrestricted funds that are set aside at the discretion of the trustees for specific purposes: the purpose of specific designated funds is shown in the notes to the financial statements. General funds are the accumulated surplus of income over expenditure and are available for use at the discretion of the trustees in furtherance of the company's objectives.

## 1.12 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## 2. Income from grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Other grants	1,000	574,420	575,420	208,388
<b>Total grants</b>	<b>1,000</b>	<b>574,420</b>	<b>575,420</b>	<b>208,388</b>

  

Comparative figures	Unrestricted funds £	Restricted funds £	Total 2021 £
Other grants	5,000	203,388	208,388
<b>Total grants</b>	<b>5,000</b>	<b>203,388</b>	<b>208,388</b>

### 3. Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
CCG funding	4,588,322	-	4,588,322	3,376,332
Local Authority funding	6,916,073	-	6,916,073	5,576,675
Trusts & Corporates	100,271	-	100,271	173,312
Education sales	656,970	-	656,970	141,190
Other income	44,112	-	44,112	9,788
<b>Total charitable activities</b>	<b>12,305,748</b>	<b>-</b>	<b>12,305,748</b>	<b>9,277,297</b>

Comparative figures	Unrestricted funds £	Restricted funds £	Total 2021 £
CCG funding	3,376,332	-	3,376,332
Local Authority funding	5,576,675	-	5,576,675
Trusts & Corporates	173,312	-	173,312
Education sales	141,190	-	141,190
Other income	9,788	-	9,788
<b>Total charitable activities</b>	<b>9,277,297</b>	<b>-</b>	<b>9,277,297</b>

### 4. Total expenditure

The charity has one charitable activity, being 'improving the sexual health of young people and those most vulnerable to sexual ill health'. Costs are allocated to it as follows:

	Direct costs £	Support costs £	Total 2022 £	Total 2021 £
Staff related costs	6,534,850	580,062	7,114,912	6,108,430
Clinical costs	2,385,614	-	2,385,614	1,410,882
Depreciation	259,552	19,145	278,697	191,453
Premises and IT	1,592,860	190,999	1,783,859	1,439,112
Other operational costs	157,991	-	157,991	112,986
Administration	-	543,919	543,919	362,988
<b>Total expenditure</b>	<b>10,930,867</b>	<b>1,334,125</b>	<b>12,264,992</b>	<b>9,625,851</b>

#### 4. Total expenditure (continued)

Comparative figures	Direct costs £	Support costs £	Total 2021 £
Staff related costs	5,612,851	495,579	6,108,430
Clinical costs	1,410,882	-	1,410,882
Depreciation	172,308	19,145	191,453
Premises and IT	1,296,904	142,208	1,439,112
Other operational costs	112,986	-	112,986
Administration	-	362,988	362,988
<b>Total expenditure</b>	<b>8,605,931</b>	<b>1,019,920</b>	<b>9,625,851</b>

#### 5. Governance costs

	Total 2022 £	Total 2021 £
Trustees' expenses	323	-
Audit	25,740	25,680
Legal fees	17,052	900
<b>Total governance costs</b>	<b>43,115</b>	<b>26,580</b>

#### 6. Staff costs

	2022 No.	2021 No.
Average number employed	245	235

The aggregate payroll costs of these persons were as follows:

	2022 £	2021 £
Salaries	5,936,733	5,266,414
Social security costs	563,326	481,970
Pension costs	253,938	201,633
Other costs, including recruitment, training, temporary staff and consultants	136,492	160,396
<b>Total staff costs</b>	<b>6,890,489</b>	<b>6,110,413</b>

The number of employees earning in excess of £60,000 was as follows:

	2022 No.	2021 No.
£60,000 - £70,000	3	4
£70,000 - £80,000	1	1
£80,000 - £90,000	1	3
£90,000 - £100,000	2	-
£120,000 - £130,000	1	-
£140,000 - £150,000	-	1
£150,000 - £160,000	1	-

The organisation considers the Key Management Personnel to be the senior management as referred to in the Trustees' Annual Report. Total remuneration of this group in the year was £808,821 (2021: £706,647), which included employers pension costs of £10,482 (2021: £10,464). During the year the charity incurred redundancy costs totalling £47,860 (2021: £21,849).

## 7. Trustees' remuneration and expenses

None of the trustees of the charity received any remuneration from the charity for their services as trustees (2021: £nil).

During the period, trustees were reimbursed for travelling expenses incurred in attending meetings and other expenses incurred on the charity's behalf, totalling £323 (2021: No trustees were reimbursed expenses totalling £nil).

## 8. Net income / (expenditure)

Net income / (expenditure) for the period is stated after charging:

	Total 2022 £	Total 2021 £
Auditors' fee	25,740	25,680
Operating leases – land and buildings	584,914	623,279
Operating leases – other	26,753	37,230
Depreciation and loss on disposal of fixed assets	278,696	191,453

## 9. Tangible fixed assets

	Freehold property £	Leasehold property & improvements £	Furniture computers equipment £	Total £
<b>Cost</b>				
As at 01 April 2021	513,831	2,644,231	1,794,256	4,952,318
Additions	-	134,496	321,451	455,947
<b>As at 31 March 2022</b>	<b>513,831</b>	<b>2,778,727</b>	<b>2,115,707</b>	<b>5,408,265</b>
<b>Depreciation</b>				
As at 01 April 2021	334,741	2,321,973	1,346,862	4,003,576
Charge for the year	14,000	95,217	169,479	278,696
Transfers	-	-	-	-
<b>As at 31 March 2022</b>	<b>348,741</b>	<b>2,417,190</b>	<b>1,516,341</b>	<b>4,282,272</b>
<b>Net book value</b>				
<b>As at 31 March 2022</b>	<b>165,090</b>	<b>361,537</b>	<b>599,366</b>	<b>1,125,993</b>
As at 31 March 2021	179,090	322,258	447,394	948,742

## 10. Stocks and work in progress

	2022 £	2021 £
Publications & consumables	160,679	139,888
<b>Total</b>	<b>160,679</b>	<b>139,888</b>

## 11. Debtors

	2022 £	2021 £
Trade debtors	972,150	275,020
Prepayments and accrued income	340,431	84,846
Other debtors	43,129	287,336
<b>Total</b>	<b>1,355,710</b>	<b>647,202</b>

## 12. Creditors: amounts falling due within one year

Amounts falling due within one year:

	2022 £	2021 £
Trade creditors	687,015	452,032
Social security and other taxes	147,794	148,424
Accruals and deferred income	529,404	481,905
Loans	34,857	332,195
Other creditors	12,052	9,930
<b>Total</b>	<b>1,411,122</b>	<b>1,424,486</b>

Accruals and deferred income includes £336,740 (2021: £390,710) of income that was deferred to a future year in line with when the related work is carried out. All deferred income as at 31 March 2021 was released to the SOFA during the year.

## 13. Creditors: amounts falling due after one year

Amounts falling due after more than one year:

	2022 £	2021 £
Loans	12,236	47,093
<b>Total</b>	<b>12,236</b>	<b>47,093</b>

The current loan is with Big Issue Invest, repayable over 36 months at an interest rate of 8%; the loan was unsecured. A second loan with Social and Sustainable Capital taken out in 2019 was repaid in full at the end of June 2021.

## 14. Operating leases

	2022 Land & buildings £	2022 Other £	2021 Land & buildings £	2021 Other £
<b>Leases expiring:</b>				
Within one year	425,381	20,433	258,875	312
Within 2-5 years	498,338	81,731	300,646	-
Over five years	35,704	-	74,654	-
<b>Total commitment</b>	<b>959,423</b>	<b>102,164</b>	<b>634,175</b>	<b>312</b>

## 15. Restricted funds

	Balance 01/04/21 £	Income £	Expenditure £	Acquisition / transfers £	Balance 31/03/22 £
Restricted assets	217,704	-	(20,524)	-	197,180
Restricted projects	-	574,520	(574,520)	-	-
<b>Total</b>	<b>217,704</b>	<b>574,520</b>	<b>(595,044)</b>	<b>-</b>	<b>197,180</b>

## 15. Restricted funds (continued)

Comparative figures	Balance 01/04/20 £	Income £	Expenditure £	Acquisition / transfers £	Balance 31/03/21 £
Restricted assets	239,194	-	(21,490)	-	217,704
Restricted projects	-	203,388	(203,388)	-	-
<b>Total</b>	<b>239,194</b>	<b>203,388</b>	<b>(224,878)</b>	<b>-</b>	<b>217,704</b>

Restricted assets are linked to specific properties whose future use is limited by covenants. Restricted projects are summarised in more detail below.

Restricted projects (summarised below) represent funds given to the charity for specific purposes. Any unspent at the yearend are carried forward.

Restricted projects	Balance 01/04/21 £	Income £	Expenditure £	Acquisition / transfers £	Balance 31/03/22 £
Garfield Weston Foundation	-	125,000	(125,000)	-	-
Fidelity Foundation	-	175,000	(175,000)	-	-
The Sackler Trust	-	10,000	(10,000)	-	-
Cornwall Council – COVID Recovery	-	87,933	(87,933)	-	-
Blackburn with Darwin CCG	-	15,000	(15,000)	-	-
Dutchy Health Grant	-	7,059	(7,059)	-	-
Manchester Healthy Relationships	-	28,890	(28,890)	-	-
EBM Charitable Trust	-	10,000	(10,000)	-	-
FIL UK Foundation	-	75,000	(75,000)	-	-
Manchester COVID Grant	-	13,867	(13,867)	-	-
Masonic Charitable Grant	-	21,671	(21,671)	-	-
John James Bristol	-	5,000	(5,000)	-	-
Other	-	100	(100)	-	-
<b>Total</b>	<b>-</b>	<b>574,420</b>	<b>(574,420)</b>	<b>-</b>	<b>-</b>

## 16. Unrestricted funds

	Balance 01/04/21 £	Income £	Expenditure £	Additions/ transfers £	Balance 31/03/22 £
Unrestricted funds	602,774	12,395,903	(11,411,766)	(415,947)	1,170,954
Designated funds					
Fixed assets funds	731,038	-	(258,172)	455,947	928,813
Dilapidations funds	215,000	-	-	(40,000)	175,000
<b>Total</b>	<b>1,548,812</b>	<b>12,395,903</b>	<b>(11,669,948)</b>	<b>-</b>	<b>2,274,767</b>

Designated funds have been created to represent the net book value of unrestricted fixed assets and an approximation of dilapidations owed on premises. All other funds are classified as general funds.

## 17. Analysis of net assets between funds

	Tangible fixed assets £	Net current assets £	Long term creditors £	Total 2022 £
Restricted funds	197,180	-	-	197,180
General funds	-	1,185,258	(14,304)	1,170,954
Designated funds	928,813	175,000	-	1,103,813
<b>Total</b>	<b>1,125,993</b>	<b>1,360,258</b>	<b>(14,304)</b>	<b>2,471,947</b>

Comparative figures	Tangible fixed assets £	Net current assets £	Long term creditors £	Total 2021 £
Restricted funds	217,704	-	-	217,704
General funds	-	660,604	(57,830)	602,774
Designated funds	731,038	215,000	-	946,038
<b>Total</b>	<b>948,742</b>	<b>875,604</b>	<b>(57,830)</b>	<b>1,766,516</b>

## 18. Contingent liabilities

Four of the properties owned by Brook were purchased with the assistance of public authorities. If Brook stops using the property for the intended purpose an amount is potentially repayable. The properties are regularly valued in order to assess the potential liability if any of the properties were sold or stopped being used. For three of the properties the potential liability would be based on a percentage of the future sale proceeds; these range from 81% to 100%. For the fourth property the liability is the repayment of the grants received or a relevant proportion of the sales value if higher. As the potential future sales values are unknown it is not possible to calculate the expected sales proceeds, and therefore the total potential liability. All four properties have been used for many years, and there is no indication or intention that Brook will cease carrying out its charitable activities at any of the locations.

## 19. Analysis of changes in net debt

	1 April 2021 £	Cash flows £	Other non-cash changes £	31 March 2022 £
<b>Cash and cash equivalents</b>				
Cash	1,513,000	(258,009)	-	1,254,991
	<b>1,513,000</b>	<b>(258,009)</b>	<b>-</b>	<b>1,254,991</b>
<b>Borrowings</b>				
Debt due within one year	(332,195)	332,195	(34,857)	(34,857)
Debt due after one year	(47,093)	-	34,857	(12,236)
	<b>(379,288)</b>	<b>332,195</b>	<b>-</b>	<b>(47,093)</b>
<b>Total commitment</b>	<b>1,133,712</b>	<b>74,186</b>	<b>-</b>	<b>1,207,898</b>

## 20. Pensions

The company participates in the Pensions Trust Growth plan on behalf of some long-serving employees, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

### Deficit contributions

From 1 April 2016 to 30 September 2025	£12,945,440 per annum (payable monthly and increasing by 3% each on 1 <sup>st</sup> April)
From 1 April 2016 to 30 September 2028	£54,560 per annum (payable monthly and increasing by 3% each on 1 <sup>st</sup> April)
From 1 April 2019 to 31 January 2025	£11,243,000 per annum (payable monthly and increasing by 3% each on 1 <sup>st</sup> April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

## 20. Pensions (continued)

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

### 20.1 Present values of provision

	31 March 2022 £	31 March 2021 £	31 March 2020 £
Present value of provision	2,068	10,737	12,720

### 20.2 Reconciliation of opening and closing provisions

	Period ending 31 March 2022 £	Period ending 31 March 2021 £
Provision at start of period	10,737	12,720
Unwinding of the discount factor (interest expense)	50	288
Deficit contribution paid	(4,358)	(2,638)
Remeasurements – impact of any change in assumptions	(4,361)	367
Provision at end of period	2,068	10,737

### 20.3 Assumptions

	31 March 2022 % per annum	31 March 2021 % per annum	31 March 2020 % per annum
Rate of discount	2.35	0.66	2.53

## 21. Comparative information

### Statement of financial activities (Incorporating the income and expenditure account) For the year ended 31 March 2021

	Unrestricted funds £	Restricted funds £	Total funds 2021 £
<b>Income from</b>			
Donations & legacies	1,322	-	1,322
Grants	5,000	203,388	208,388
Income from charitable activities			
Improving sexual health	9,277,297	-	9,277,297
Other income	443,604	-	443,604
<b>Total income</b>	<b>9,727,223</b>	<b>203,388</b>	<b>9,930,611</b>
<b>Expenditure</b>			
Costs of raising funds			
Fundraising	8,056	-	8,056
Cost of charitable activities			
Improving sexual health	9,392,917	224,878	9,617,795
<b>Total expenditure</b>	<b>9,400,973</b>	<b>224,878</b>	<b>9,625,851</b>
<b>Net income / (expenditure) before transfer to Brook Jersey</b>	<b>326,250</b>	<b>(21,490)</b>	<b>304,760</b>
Transfers to Brook Jersey	-	-	-
<b>Net income / (expenditure)</b>	<b>326,250</b>	<b>(21,490)</b>	<b>304,760</b>
<b>Net movement in funds for the year</b>	<b>326,250</b>	<b>(21,490)</b>	<b>304,760</b>
Balance brought forward at 1 April 2020	1,222,562	239,194	1,461,756
<b>Balance carried forward at 31 March 2021</b>	<b>1,548,812</b>	<b>217,704</b>	<b>1,766,516</b>