

Charity Registration No. 1186109

Company Registration No. 02933526 (England and Wales)

BROOKFIELD HOMECARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



BROOKFIELD HOMECARE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr S Heywood Mr P Wilcox Mr W A Twemlow (Appointed 3 April 2019)
Secretary	Mr S Heywood
Charity number	1186109
Company number	02933526
Registered office	Southworth House 35 Birkenhead Road Hoylake Wirral Merseyside CH47 5AQ
Auditor	McLintocks (NW) Limited 46 Hamilton Square Birkenhead Wirral Merseyside CH41 5AR
Bankers	Royal Bank of Scotland 1 Exchange Flags Liverpool L2 3XN
Solicitors	Brabners LLP Horton House Exchange Flags Liverpool Merseyside L2 3YL

BROOKFIELD HOMECARE LIMITED

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BROOKFIELD HOMECARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

The trustees present their report and financial statements for the year ended 31 March 2020.

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 [governing document], the Companies Act 2006 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) (effective 1 January 2019)".

Objectives and activities

Purpose and aims

Brookfield Homecare Limited was acquired by Hoylake Cottage on 11th March 2019 and registered as a charity on 1st November 2019 with 3 of the Hoylake Cottage trustees elected as trustees.

The Brookfield Homecare charity's objects as stated in the Memorandum of Association are:

2.1. The Objects of the Charity are the relief, care and assistance of persons, irrespective of colour, race or creed suffering from any form of sickness or incapacity and in particular (but without prejudice to the generality of the foregoing):

2.1.1. The relief of those in need because of age, ill-health, disability or other disadvantage by (but without prejudice to the generality of the foregoing) the provision of domiciliary care;

2.1.2. To preserve and protect the health of those caring for people with physical, mental or sensory impairment within the family or home by (but without prejudice to the generality of the foregoing) providing support to carers through the provision of domiciliary care.

The charitable activities that contribute to achievement of those objectives are provision of a 24 hour domiciliary care service to those in the local community who suffer from infirmities which reduce their ability to care for themselves but who prefer to remain in their own homes, rather than enter long term residential care.

Brookfield Homecare provides care services to around 100 clients spread across Wirral but with capacity to provide for higher numbers as demand for these services, which are a local government priority, exceeds supply at present.

How our activities deliver public benefit

Our aim is to provide high quality affordable services irrespective of financial resources, so our services are open to all who need them. We aim to manage our expenses as efficiently as possible, compatible with meeting legal and regulatory requirements.

We had to increase our fees during the year so that we were able to offer a reasonable salary to attract new staff to enable us to meet demand for our services.

In our first year of ownership fundraising has not been a priority as effort was concentrated on developing the business. As the business is domiciled in Hoylake Cottage premises, capital expenditure is unlikely to be a major requirement.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

BROOKFIELD HOMECARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance

A substantial amount of management time was devoted to reviewing and improving processes, procedures and control systems during the year to ensure regulatory compliance. This led to revising manuals and related documentation for clients and staff, necessary but time-consuming work. The business operated separately from Hoylake Cottage during the year so that Hoylake Cottage management was not distracted by review of and changes to the operating procedures and financial systems, with the objective of being in a position to hand over the business to the management during the financial year from April 2020.

Our year end was changed from 31st May to 31st March to coincide with Hoylake Cottage, on acquisition. Fee income from clients increased by 12% on a comparative basis. Overhead expenses exceeded that by £7,255 due to management charges of £37,380 which related to reviewing and where necessary changing processes, developing the business and preparing its operating and financial systems for integration into Hoylake Cottage, which will not be repeated to the same extent in future years.

On acquisition the company had minimal capital so during the year, Hoylake Cottage provided a short-term loan of £40,000 and paid for improvements to the offices in the building used by Brookfield Homecare.

Financial review

The results for the year and Brookfield Homecare's financial position at the end of the year are shown on the attached financial statements. The strategic aim is to recover the full cost of services from operating income. It is accepted that this may not always occur within a single financial year.

Reserves policy

The charitable company balance sheet showed negative resources of £4,114 but that was supported by the Hoylake Cottage loan of £55,512, which was considered a satisfactory position for the first year under Hoylake Cottage ownership. The intention was that the loan would be repaid as surpluses accrued from future activity.

Funding sources

The business was supported by Hoylake Cottage during the year. Cash resources were considered adequate provided the loan remained in place.

Principal risks and uncertainties

A full assessment of risks that the business might face was not undertaken during the first year as the trustees and management developed a detailed understanding of how the business operated. It was understood, prior to acquisition, that domiciliary care services were in demand and supply was short and that proved to be the case. It was also understood that the limiting factor to increasing services would be ability to recruit more staff. The latter proved to be the main risk to developing the business further and led to an improvement in the staff remuneration package offered.

Meeting regulatory requirements, whilst absolutely necessary, required investment in management time and expense and in future years will continue to incur that but not at such a substantial cost.

Funding adequacy, to ensure excessive reliance was not placed on Hoylake Cottage, was a challenge at times during the year, but proved manageable.

BROOKFIELD HOMECARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2020**

Post balance sheet events and plans for the future

The current year has been, of course, dominated by the virus outbreak.

Early in the year, the trustees decided to apply for a Government guaranteed "Bounce-back loan" of £50,000 so that the short-term loan from Hoylake Cottage could be repaid, relieving the parent company from funding demands from Brookfield Homecare. That was accomplished in June 2020.

Demand for our services was high during the year but staff recruitment proved to be a challenge which limited the extent to which we were able to generate an increase in fee income. However, at the 9-month stage, the business had achieved a surplus and had received grants which covered the cost to our operations of managing the virus. It is expected that a surplus will be achieved at the year end but the final quarter may well prove to be more challenging for us.

Structure, governance and management

Legal Structure

Brookfield Homecare Limited ("the Trust") was incorporated on 27th May 1994. The issued share capital was acquired by Hoylake Cottage on 11th March 2019 whereupon new Articles of Association were adopted setting out its objectives and powers and how it is governed. The company was registered as a charity on 1st November 2019.

There are no activities outside England. It is managed by a Board of Directors whose members are the directors for the purposes of Company Law and charity trustees for the purposes of Charity Law.

The Trust Board of Directors

The Board currently comprises 3 Trustees who are also Trustees of Hoylake Cottage. The Articles of Association permit "virtual" Board meetings, which facility has been used effectively in the 2020-21 year and specify that the Board should comprise a minimum of 3 Trustees appointed by the Hoylake Cottage Board of Trustees; no maximum is specified.

Trustees are selected to ensure that they have the necessary skills and experience and are willing to attend regular Board and other meetings. New Trustees are briefed on their legal obligations, the decision-making process and the business plan and financial performance of the Trust.

One third (or the number nearest one third) of the Trustees appointed must retire in each year at a meeting of the Trustees called for that purpose, those longest in office retiring first and the choice between any of equal service being made by drawing lots.

Management

Day-to-day operational management is under the control of the Office Manager who reports to the Hoylake Cottage management team; the latter being responsible to the Board of Trustees.

Board meetings are held bi-monthly as a minimum and minutes and any supporting documents are distributed to Hoylake Cottage Trustees.

Operational decision-making is delegated by Trustees to the Office Manager and to the Hoylake Cottage General Manager and Finance Manager, including financial transactions that are within the annual budgets agreed by the Board and monitored in both formal and informal meetings by members of the Board.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr S Heywood

Mr P Wilcox

Mr W A Twemlow

Mr R Oakden

(Appointed 3 April 2019)

(Resigned 3 April 2019)

BROOKFIELD HOMECARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Pay policy for key management personnel


The directors consider the senior management team comprise the key management personnel of the Brookfield Homecare and Höylake Cottage charities in charge of controlling, running and operating the Trust on a day-to-day basis. The pay of the senior staff is reviewed annually and normally increased to the same extent as the rest of the staff. All the directors give of their time freely and no director received remuneration in his capacity as a director in the year.

Auditor

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Mr S Heywood

Trustee

Dated: *2nd March 2021*

BROOKFIELD HOMECARE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2020

The trustees, who are also the directors of Brookfield Homecare Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

BROOKFIELD HOMECARE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BROOKFIELD HOMECARE LIMITED

Opinion

We have audited the financial statements of Brookfield Homecare Limited (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2020 and of its incoming resources and application of resources, 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.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

BROOKFIELD HOMECARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BROOKFIELD HOMECARE LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' 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' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 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.

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

BROOKFIELD HOMECARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BROOKFIELD HOMECARE LIMITED

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. 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 auditors' 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.



**Helen Furlong FCCA (Senior Statutory Auditor)
for and on behalf of McLintocks (NW) Limited**

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**Chartered Accountants
Statutory Auditor**

46 Hamilton Square
Birkenhead
Wirral
Merseyside
CH41 5AR

BROOKFIELD HOMECARE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Charitable activities	3	219,126	-
Other trading activities	4	310,550	392,492
Total income		<u>529,676</u>	<u>392,492</u>
<u>Expenditure on:</u>			
Raising funds	5	<u>314,693</u>	<u>382,755</u>
Charitable activities	6	<u>222,239</u>	-
Total resources expended		<u>536,932</u>	<u>382,755</u>
Net (expenditure)/income for the year/ Net (outgoing)/incoming resources		(7,256)	9,737
Other recognised gains and losses			
Other gains or losses	10	-	(46,324)
Net movement in funds		<u>(7,256)</u>	<u>(36,587)</u>
Fund balances at 1 April 2019		3,142	39,729
Fund balances at 31 March 2020		<u><u>(4,114)</u></u>	<u><u>3,142</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

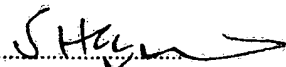
BROOKFIELD HOMECARE LIMITED

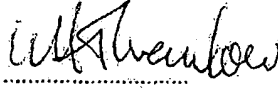
BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11		11,593		7,325
Current assets					
Debtors	12	40,145		36,229	
Cash at bank and in hand		44,824		35,395	
		84,969		71,624	
Creditors: amounts falling due within one year	13	(100,676)		(75,807)	
Net current liabilities			(15,707)		(4,183)
Total assets less current liabilities			(4,114)		3,142
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		(4,116)		3,140	
Share capital		2		2	
			(4,114)		3,142
			(4,114)		3,142

The financial statements were approved by the Trustees on 2nd March 2021


Mr S Heywood
Trustee


Mr W A Twemlow
Trustee

Company Registration No. 02933526

BROOKFIELD HOMECARE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	18		17,239		77,567
Investing activities					
Purchase of tangible fixed assets		(7,810)		(7,706)	
Net cash used in investing activities			(7,810)		(7,706)
Financing activities					
Dividends paid		-		(46,324)	
Net cash used in financing activities			-		(46,324)
Net increase in cash and cash equivalents			9,429		23,537
Cash and cash equivalents at beginning of year			35,395		11,858
Cash and cash equivalents at end of year			<u>44,824</u>		<u>35,395</u>

BROOKFIELD HOMECARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

Brookfield Homecare Limited is a private company incorporated in England and Wales. The registered office is Southworth House, 35 Birkenhead Road, Hoylake, Wirral, Merseyside, CH47 5AQ.

Charitable status was obtained on 1 November 2019.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, 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 financial statements. Since the year end it has been recognised that the Covid-19 Pandemic has not had an adverse financial impact on the charity and is not considered to do so in the near future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. Also since the year end the charity has been able to repay the loan from its parent company thus clearing its balance sheet liability.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income from charitable activities includes income received under contract. Income is recognised in the Statement of Financial Activities when the related services have been provided.

Income from trading activities, includes income from trading activities to raise funds for the charity. Income is recognised when earned and the charity is entitled to the receipt.

1.5 Expenditure

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable activities.

BROOKFIELD HOMECARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Support costs are those that assist the work of the charity but are not directly attributable to the charitable activities. Support costs include office costs, administrative payroll costs and governance costs which support the charity's activities. Where the support costs cannot be attributable to a direct activity they have been allocated to the costs of raising funds and charitable activities on a pro-rata basis.

Governance costs represent costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% on cost
Computers	33.33% & 20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 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.

BROOKFIELD HOMECARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is exempt from corporation tax on its activities.

1.11 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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.

BROOKFIELD HOMECARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

3 Charitable activities

	Domiciliary care 2020 £	Domiciliary care 2019 £
Sales within charitable activities	219,126	-

4 Other trading activities

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Trading activity income: Domiciliary care	310,550	392,492

5 Raising funds

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Trading costs</u>		
Other trading activities	19,624	19,641
Staff costs	223,908	296,138
Depreciation and impairment	2,077	381
Support costs	69,084	66,595
Trading costs	314,693	382,755
	314,693	382,755

BROOKFIELD HOMECARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

6 Charitable activities

	Domiciliary care 2020 £	Domiciliary care 2019 £
Staff costs	157,994	-
Depreciation and impairment	1,465	-
Insurance	959	-
Phone	1,054	-
Advertising, printing, postage & stationery	2,576	-
General expenses	2,141	-
Medical supplies	530	-
Recruitment & other staff costs	3,165	-
Repairs & maintenance	3,423	-
	<u>173,307</u>	<u>-</u>
Share of support costs (see note 7)	46,192	-
Share of governance costs (see note 7)	2,740	-
	<u>222,239</u>	<u>-</u>

7 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Staff costs	72,979	-	72,979	63,716	-	63,716
Professional fees	37,381	-	37,381	-	-	-
Bank charges	1,033	-	1,033	479	-	479
Audit fees	-	1,200	1,200	-	-	-
Legal and professional	-	5,423	5,423	-	-	-
Accountancy	-	-	-	-	2,400	2,400
	<u>111,393</u>	<u>6,623</u>	<u>118,016</u>	<u>64,195</u>	<u>2,400</u>	<u>66,595</u>
Analysed between						
Trading	65,201	3,883	69,084	64,195	2,400	66,595
Charitable activities	46,192	2,740	48,932	-	-	-
	<u>111,393</u>	<u>6,623</u>	<u>118,016</u>	<u>64,195</u>	<u>2,400</u>	<u>66,595</u>

Governance costs includes payments to the auditors of £1,200 (2019- £NIL) for audit fees.

BROOKFIELD HOMECARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

8 Trustees

During the year Mr S Heywood received £10,446 (2019: £1,226) for professional services supplied to Brookfield Homecare Limited in addition to normal trustee duties which have not been remunerated.

There were no trustees' expenses paid for the year ended 31 March 2020 nor for the period ended 31 March 2019.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Admin	2	2
Domiciliary care	28	26
	<u>30</u>	<u>28</u>

Employment costs

	2020 £	2019 £
Wages and salaries	424,500	334,978
Social security costs	24,065	20,241
Other pension costs	6,316	4,635
	<u>454,881</u>	<u>359,854</u>

Key management personnel of the charity consisted of the office manager whose employee benefits total £37,166 (2018: £33,601),

There were no employees whose annual remuneration was £60,000 or more.

10 Other gains or losses

	Unrestricted funds
	2019 £
Dividends paid	<u>46,324</u>

BROOKFIELD HOMECARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

11 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2019	6,348	1,025	7,373
Additions	5,532	2,278	7,810
At 31 March 2020	11,880	3,303	15,183
Depreciation and impairment			
At 1 April 2019	48	-	48
Depreciation charged in the year	2,855	687	3,542
At 31 March 2020	2,903	687	3,590
Carrying amount			
At 31 March 2020	8,977	2,616	11,593
At 31 March 2019	6,300	1,025	7,325

12 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	24,697	18,691
Prepayments and accrued income	15,448	17,538
	40,145	36,229

13 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	6,282	6,364
Trade creditors	4,150	5,820
Amount owed to parent undertaking	55,512	33,715
Other creditors	32,260	28,708
Accruals and deferred income	2,472	1,200
	100,676	75,807

BROOKFIELD HOMECARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

14	Share capital	2020	2019
		£	£
	Ordinary share capital		
	Issued and fully paid		
	2 of £1 each	2	2
		<u>2</u>	<u>2</u>
15	Operating lease commitments		
	At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:		
		2020	2019
		£	£
	Within one year	270	-
	Between two and five years	270	-
		<u>540</u>	<u>-</u>
16	Related party transactions		
	As disclosed in note 8, trustee, Mr S Heywood, received fees in connection with his company secretarial duties.		
17	Parent Company		
	Hoylake Cottage is regarded by the trustees as being the charity's ultimate parent charitable company. It's registered office and principle place of business is Southworth House, 35 Birkenhead Road, Hoylake, Wirral, Merseyside CH47 5AQ.		
18	Cash generated from operations	2020	2019
		£	£
	Deficit for the year	(7,256)	9,737
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	3,542	381
	Movements in working capital:		
	(Increase)/decrease in debtors	(3,916)	2,626
	Increase in creditors	24,869	64,823
	Cash generated from operations	<u>17,239</u>	<u>77,567</u>
19	Analysis of changes in net funds		
	The charity had no debt during the year.		