

Brook Scotland

Report of the trustees and financial statements for
the year ended 31 March 2018



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Administrative details

Charity name	Brook Scotland
Trading name	Brook
Registration	Limited Company registered in Scotland no. SC159534. Registered with the Office of the Scottish Charity Regulator no. SC023964.
Registered office	272 Bath Street, Glasgow, C2 4JR
Trustees	Scott Bennett Alastair Bridges <i>(retired 26 May 2017)</i> Leon Ward Jo Youle
Company Secretary	Jane Hughes <i>(retired 4 July 2017)</i>
Auditors	haysmacintyre 10 Queen Street Place, London, EC4R 1AG
Bankers	Lloyds Bank 273-275 Kentish Town Road, London, NW5 2LP
Sole member and parent charity	Brook Young People Registered charity in England and Wales no. 703015 Limited company in England and Wales no. 2466940

Introduction

The trustees present their annual report and financial statements of the charity for the year ended 31 March 2018.

The charity's aim is 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.

Brook Scotland ceased trading on 31 March 2017 and did not actively trade during the year to 31 March 2018 or since the year end.

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 & Trustee Investment Scotland Act 2005 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 published on 16 July 2014.

Structure, Governance and Management

Company structure and ownership

Brook Scotland is a wholly-owned subsidiary of Brook Young People (trading as Brook).

Brook Scotland has one member – Brook Young People.

Governing document and constitution

Brook Scotland is constituted as a limited company and a Scottish registered charity. Its governing document is its Articles of Association dated September 2013.

The board of trustees

The trustees of Brook Scotland are appointed by Brook Young People in accordance with the Articles of Association.

The trustees of Brook Scotland act in the best interests of Brook Scotland and have due regard to any conflicts of interest that may occur in their positions of trustees of the subsidiary and as trustees of Brook Young People.

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. All trustees are required to declare conflicts of interest and checks are obtained as appropriate. Trustees complete a full induction process within which they agree to Brook's key policies and our statement of good governance. The induction process marks the beginning of an ongoing process of trustee training and development.

Financial review

Our accounts for the year are presented on pages 8 to 14 include solely residual transactions amounting to net expenditure and net reduction in funds of £3,504 in relation to the ceasing of activities at 31 March 2017. The charity did not trade during the year and has continued as non-trading since the year end.

Trustee statement

The trustees (who are also directors of Brook Scotland 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 statement 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.

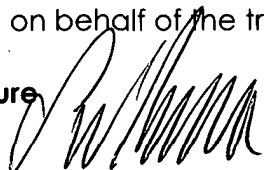
In so far as the trustees are aware:

- 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.

These financial statements have been prepared in accordance with the special provisions under Part 15 of the Companies Act 2006 applicable to smaller entities.

Signed on behalf of the trustees

Signature



Name

PIOTT BENNETT

Date

28-11-18

Independent auditor's report

Opinion

We have audited the financial statements of Brook Scotland for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet 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 2018 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 5, 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.

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

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 charitable company'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 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 strategic report and 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 strategic report 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 strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require 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.

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.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditors
Date 28 November 2018

10 Queen Street Place
London
EC4R 1AG

Statement of financial activities
(Incorporating the income and expenditure account)
For the year ended 31 March 2018

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2018 £	Total funds 2017 £
Income from					
Donations and legacies		-	-	-	1,267
Investment income		5	-	5	161
Income from charitable activities					
Improving young people's sexual health	2	-	-	-	192,811
Total income		5	-	5	194,239
Expenditure					
Cost of charitable activities					
Improving young people's sexual health	3&4	3,509	-	3,509	217,431
Total expenditure		3,509	-	3,509	217,431
Net (expenditure)		(3,504)	-	(3,504)	(23,192)
Total funds brought forward		3,504	-	3,504	26,696
Total funds carried forward	11	-	-	-	3,504

The statement of financial activities contains all recognised gains and losses in the year which all relate to activities within the year.

The notes on pages 11 to 15 form part of these financial statements.

Balance sheet

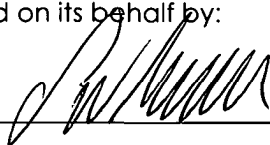
31 March 2018

			2018 total funds	2017 total funds
	Notes	£	£	£
Fixed assets				
Tangible assets	8		-	-
Total fixed assets			-	-
Current assets				
Cash at bank and in hand		6,215		50,410
Total current assets		6,215		50,410
Creditors: amounts falling due within one year	9	(6,215)		(46,906)
Net current assets			-	3,504
Total assets less current liabilities			-	3,504
Net assets			-	3,504
Funds				
Unrestricted funds	10		-	3,504
Total funds	11		-	3,504

The notes on pages 11 to 15 form part of these financial statements.

The financial statements were approved by the board of trustees on _____ 2018 and were signed on its behalf by:

Signature



Name

24-11-18

Company number: SC159534 (Scotland)

Scott Bennett

Notes to the financial statements

For the year ended 31 March 2018

1. Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

The charity has taken the exemption provided in update Bulletin 1, allowing small charities not to prepare a cash flow statement.

The charity is currently non-trading.

1.2 Income

All income is included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

1.2.1 Government grants

Income from government grants comprising £152,000 from NHS Highland have been received to enable Brook to meet its running costs while providing a service to the inhabitants of the Highlands.

1.3 Resources expended

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.

1.3.1 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 young people's sexual health' all governance costs have been allocated to this.

1.4 Tangible fixed assets and depreciation

Items costing over £1,000 with on-going value in use to the company are treated as fixed assets. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvement to leasehold property	period of the lease
Office equipment	20% straight line

1.5 Taxation

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

1.6 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. Income from charitable activities

Income from charitable activities are grants and contracts given by the NHS and other funders. Where they are to fund specific activities they are allocated to restricted funds. All income in the year was based on contracts to provide services.

2.1 Related parties transactions

Central Services Charge from Brook Young People to Brook Scotland	6,215
Total related parties transactions with Brook Young People for the year (£)	6,215

3. Charitable activities costs

The charity has one charitable activity, being 'improving young people's sexual health'. Costs are allocated to it as follows:

	Direct costs £	Support costs £	Total 2018 £	Total 2017 £
Staff costs	-	-	-	113,524
Clinical costs	-	-	-	18,335
Depreciation	-	-	-	4,000
Premises	-	(1,669)	(1,669)	35,311
Administration	-	(137)	(137)	40,571
Governance (see note 4)	-	5,315	5,315	5,690
Total expended	-	3,509	3,509	217,431

4. Governance costs

	Year 2018 £	Year 2017 £
Auditors' remuneration	(900)	3,300
Legal / Professional fees	6,215	2,390
Total governance costs	5,315	5,690

5. Net expenditure

Net expenditure is stated after charging / (crediting):

	Year 2018 £	Year 2017 £
Auditors' remuneration	(900)	3,300
Depreciation – owned assets	-	4,000

6. Trustees' remuneration and expenses

No member of the Board received any remuneration during the year. No expenses were reimbursed to any members of the Board during the year (2017: £nil).

No trustee or other person related to the charitable company had any personal interest in any contract or transaction entered into by the charitable company during the year (2017: £nil).

7. Analysis of staff costs and remuneration of key management personnel

The average monthly number of employees during the year was as follows

	2018 No.	2017 No.
Counselling and clinical services	-	11

The aggregate payroll costs of these persons were as follows:

	Year 2018 £	Year 2017 £
Wages and salaries	-	102,554
Social security costs	-	7,134
Other staff costs	-	3,856
Total staff costs	-	113,524

At 31 March 2017, all staff transferred to another provider. The total employment benefits including employer pension contributions of the key management personnel were £nil (2017: £33,629). No employees had employee benefits in excess of £60,000 (2017: None).

8. Tangible assets

	Leasehold improvements £	Computers and office equipment £	Total fixed assets £
Cost			
As at 01 April 2017	41,105	36,805	77,910
Disposals	(41,105)	(36,805)	(77,910)
As at 31 March 2018	-	-	-
Depreciation			
As at 01 April 2017	41,105	36,805	77,910
On disposals	(41,105)	(36,805)	(77,910)
As at 31 March 2018	-	-	-
Net book value			
As at 31 March 2018	-	-	-
As at 31 March 2017	-	-	-

9. Creditors

Amounts falling due within one year:

	2018 £	2017 £
Trade creditors	-	1,286
Intercompany creditors (Brook Young People)	6,215	35,000
Payroll related creditors	-	3,251
Accrued expenditure	-	7,369
Total	6,215	46,906

10. Net movement in funds

	Funds 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance 31 Mar 2018 £
Unrestricted funds	3,504	5	(3,509)	-	-
Total	3,504	5	(3,509)	-	3,504

11. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2018 total funds £	2017 total funds £
Current assets	6,215	-	6,215	50,410
Current liabilities	(6,215)	-	(6,215)	(46,906)
Total	-	-	-	3,504

12. Company status

The company is a company limited by guarantee, not having a share capital. The liability of each member is limited to £5.