

BETHPHAGE

England & Wales · Charity number 1046225

Details

Other names BETHPHAGE GREAT BRITAIN

Status Registered

Legal form Charitable company

Company number [02971171](#)

Registered 1995-05-04

Register [View on the Charity Commission register](#)

Contact

Address 8 Longbow Close
Harlescott Lane
Shrewsbury
SY1 3GZ

Phone 01743272880

Email enquiries@bethphage.co.uk

Website www.bethphage.co.uk

Activities

Objects: 5 The charity's objects ('Objects') are specifically restricted to for the public benefit:(1) the relief of persons with disability (whether mental or physical) and/or mental health needs in particular by:(a) providing or assisting in the provision of residential accommodation and associated services, work schemes, training, education, facilities, employment opportunities, transport, equipment, creative arts, advocacy, care and support services for such persons; and(b) the provision of counselling, advice and support to persons with disability (whether mental or physical) and/or mental health needs, their families, carers, support groups and advocates;(2) advancing education by:(a) the provision of training to persons providing care for disabled people (whether their disability is mental or physical) and/or people with mental health needs; and(b) the provision of learning resources to further the development of individual capabilities, competences, skills and understanding.

Activities: Provides support to adults with disabilities or mental health needs in Shropshire and the West Midlands. Our services include registered care homes, supported living services, day opportunities, outreach support and a specialist assessment and transition service. Most of the people we support have a learning disability.

Classification

- **How:** Provides Services
- **What:** Disability, Economic/community Development/employment
- **Who:** People With Disabilities

Geography

- Birmingham City
- Shropshire
- Telford & Wrekin
- Walsall
- Wolverhampton

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£11,395,644	£11,086,504	£4,048,754	330
2024-03-31	£10,180,759	£9,600,756	£3,739,614	332
2023-03-31	£9,456,842	£9,434,586	£3,159,611	331
2022-03-31	£9,103,224	£8,867,010	£3,137,355	314
2021-03-31	£9,036,878	£8,276,228	£2,901,141	320

Trustees

Name	Role	Appointed
DEREK LUM	Chair	
Craig Macbeth Mr		2026-01-28
IRENA ZOFIA SOBOLEWSKA		
Meelis Sued Rev		2025-05-19
Paula Morris		2025-10-14

BETHPHAGE

England & Wales - Charity number 1046225

Accounts

REGISTERED COMPANY NUMBER: 02971171 (England and Wales)
REGISTERED CHARITY NUMBER: 1046225

REPORT OF THE TRUSTEES, GROUP STRATEGIC REPORT AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025
FOR
BETHPHAGE

D.R.E. & CO (Audit) Limited
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

BETHPHAGE

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2025

TRUSTEES	D Lum I Z Sobolewska A C Aston (resigned 1.7.24) A P Bloor (appointed 22.8.24) (resigned 7.10.25) R M Houghton (resigned 20.05.25) A H Krauss (resigned 12.7.24) P Morris (appointed 14.10.25) M Suedl (appointed 19.5.25)
COMPANY SECRETARY	S Wheeler
REGISTERED OFFICE	8 Longbow Close Harlescott Lane Shrewsbury Shropshire SY1 3GZ
REGISTERED COMPANY NUMBER	02971171 (England and Wales)
REGISTERED CHARITY NUMBER	1046225
AUDITORS	D.R.E. & CO (Audit) Limited 7 Lower Brook Street Oswestry Shropshire SY11 2HG
SOLICITORS	Trowers and Hamlin LLP 3 Bunhull Row, London, EC1Y 8YZ Aaron & Partners Lakeside House, Oxon Business Park Shrewsbury, SY3 5HJ
BANKERS	The Co-Operative Bank plc 1 Balloon Street, Manchester, M4 4BE CAF Bank Ltd 25 Kings Hill Avenue West Malling, ME19 4JQ
EXECUTIVE MANAGEMENT TEAM	Helen Nickless, CEO Alice Blakeman, Service Development Manager Claire Flavell, Head of Operations Clare Shaw, Quality Manager Chris Stephens, Head of Finance and IT Stuart Wheeler, Head of Human Resources
HONORARY PRESIDENT	Donna Werner
MEMBERS	Mosaic Council of Lutheran Churches

BETHPHAGE

STRATEGIC REPORT **FOR THE YEAR ENDED 31 MARCH 2025**

In this report references to Bethphage include Bethphage Property Limited, our new subsidiary company.

1. Business Overview:

Our primary activities are to support people with disabilities to achieve their potential through the direct provision of supported living services, registered care homes, community inclusion, and day opportunities.

The vast majority of our funding during the year came from statutory sources with the following local authorities commissioning services: Birmingham City Council, Shropshire Council, Telford & Wrekin Council, and Walsall Council. Income comes in the form of block grants, individual contracts, and Direct Payments. A small amount of income comes from private funding. We recognise the pressures that these key stakeholders must operate under and strive to make the working relationships as cost effective and efficient as possible.

With the increasing limitations of local authority funding, we are also now considering other voluntary grants, fund raising opportunities, and the role of volunteers.

The year was dominated by continuing financial pressure due to the fee increases that Commissioners provided being less than the increases in cost that providers faced. During the year the recruitment problems of recent years largely eased and this enabled Bethphage to make further progress.

The outlook for the coming year remains extremely uncertain for the sector given the increases in Employer's National Insurance, National Minimum Wage (NMW) and consequent further increase in Pension contributions. Again, settlements imposed by Commissioners for the coming year fall short of the cost increases seen.

2. Strategy:

The primary objective for the coming year is to promote the principles and the six strategic goals of the four-year strategic plan 'Creating Sustainable Growth and Quality' which outlines the approaches we will follow over the four years of the plan to translate the mission, vision, core values, and strategic goals of the charity into positive outcomes.

The detailed delivery objectives for 2025/2026 are aimed at continuing to position Bethphage to deal in the most effective way with the financial challenges that the sector is facing. Those objectives are focussed under six strategic headings:

- **Acquisition and development of a property (Blossom Barns) suitable for multi service model delivery**
- **Maintain a strategic relationship with commissioners**
- **Exploration of one new model of service delivery**
- **Improve recruitment and retention of staff**
- **Continued development of the use of AT**
- **Continued development of Bethphage's quality systems to reflect CQC's Single Assessment Framework**

The availability of suitable high-quality accommodation remains a challenge and Bethphage continues to seek to invest further in suitable property as the opportunity arises and financial resources permit. A key part of this plan was to purchase a property suited to the provision of Day Services with sufficient land and buildings for the development of supported living homes and to enable Bethphage to develop and trial other models of support. In June 2024 Bethphage completed the purchase of a small farm property, now renamed Blossom Barns by the users of the service, with planning permission for the development of two residential properties. Work has commenced to create a detailed development plan for the property which, subject to consultation and planning consents, is expected to be completed over a five to ten year period

BETHPHAGE

STRATEGIC REPORT **FOR THE YEAR ENDED 31 MARCH 2025**

3. Business Performance:

During the year continuing investment in organisation wide IT systems together with the associated training costs have begun to bear fruit. After these investment costs, the results for 2025 show a consolidated surplus of £309,140 (2024: £580,003). The income from charitable activities was £11,233,379 (2024: £10,044,481), Investment income was £117,409 (2024: £70,707), and total reserves were £4,048,754 (2024: £3,739,614).

The underlying trading for the year was significantly affected positively by improved staff retention and operational efficiencies.

As at 31 March 2025, we were delivering 9,114 (2024: 7,608) hours per week of support to 172 (2024: 162) people in Shropshire, Telford, Walsall, and Birmingham, 98 (2024: 88) of whom live in our small care homes or their own home with us as the main support provider ('supported living') whilst the other 74 (2024: 74) attend our day opportunity services. The Shropshire Shared Lives scheme previous managed by Bethphage was taken back in house by Shropshire Council in February 2025.

To achieve the above service delivery Bethphage has over 250 FTE employees, all specially trained to provide the best quality care possible.

Costs for 2025-26 are increasing due to the Employer's National Insurance (NI) increases in the Government's last budget. The employer NI rate has gone up to 15% but the biggest cost increase comes from the NI threshold being reduced from £9,100 to £5,000. This effectively means a £615 increase in NI for anyone working more than 16 hours per week. This hits a sector like Social Care, which has a high number of part time staff, disproportionately hard. The NLW was also increased by 6.7% which has a knock on effect on all pay rates. These combined increases have increased our wage bill by just under 12% for frontline staff. Local Authority Settlements for 25-26 averaged 4% but Shropshire Council did not apply any increase to sleep in rates which gave us an effective increase of 3.5% on their contracts.

We continue to balance the competing priorities of:

- Competition with sustainability
- Price with quality
- Provider of choice with employer of choice.

4. Principal Risks and Uncertainties:

The principal risks and uncertainties faced by Bethphage are –

- Insufficient Government funding for Local Authorities leading to inadequate fee settlements.
- National Living Wage and other employee cost increases exceeding fee settlements from Local Authorities.
- Recruitment and retention of staff due to low pay we are able to offer in relation to sectors such as hospitality and retail.
- Effect on recruitment of restrictions placed on the availability of overseas staff by Government.
- The introduction of a Fair Pay Agreement without proper funding from Government.

In mitigation of these risks Bethphage continue to lobby Local Authorities, MP's, and Central Government for adequate funding of the Social Care sector. The Trustees have also conducted a review of the major risks to which the Charity is exposed. The risk register is part of an established system and it is reviewed and updated by the EMT at least quarterly and any changes reported to the Board. The Board receive an updated risk register in advance of each meeting and review it in more detail at least annually. Procedures are in place to ensure the health and safety of the people we support, staff and visitors. Where appropriate, systems or procedures have been established to manage the risks the Charity faces, including those presented by a pandemic or major disaster.

Cyber security continues to be an emerging risk as more systems are digitised. Bethphage has put in place robust defences and training for staff on cyber security awareness.

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STRATEGIC REPORT **FOR THE YEAR ENDED 31 MARCH 2025**

5. Governance and Stakeholder Engagement:

The Trustee Board meets quarterly and is responsible for the strategic direction, financial viability, compliance, risk management, and governance of Bethphage. Senior managers including the Chief Executive Officer (CEO) and EMT also attend for the majority of most meetings, but do not have voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the CEO along with the EMT comprising Heads of Operations, Finance and Human Resources (HR) and the Service Development and Quality Managers all of whom attend Board meetings.

The Trustees have adopted the Charity Commission Governance Code and used it to review their performance.

We recognise the importance of strategic and operational partnerships in the communities in which we operate. We have played an active role in relevant local provider forums across Shropshire, Telford, and the West Midlands and in contributing to national initiatives.

The people who use our services are our most important stakeholder and this is reflected in a range of initiatives across the organisation including:

- Positive Behaviour Support
- Person Centred Approaches
- Surveys of the people who use our services, families, staff and managers
- Annual quality audits to review the services we provide and ensure they continue to deliver good outcomes for the people we support
- Management visits and reviews to check and monitor service delivery on a monthly basis
- Investment in staff development to support staff through areas of difficulty and to develop them into the best support workers they can be.

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. We endeavour to carry out exit interviews for all staff leaving the organisation and have adopted a procedure of upward feedback for senior management and the Trustees.

In accordance with the Charity's equal opportunities policy, the Charity has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

6. Environmental and Social Impact:

Bethphage is conscious of its impact on the environment and in particular its energy consumption in the process of delivering services. Work is ongoing to examine the organisation's carbon footprint and to develop strategies to reduce Bethphage's environmental impact. The reduction in face to face meetings and the installation of solar panels on the roof of the head office building, together with waste reduction and recycling, are tangible outcomes from the first phase of this work. As Bethphage has more than 250 staff we must complete the Energy Savings Opportunities Scheme assessment every four years, which will focus on our energy (heat and light) usage and also fuel for vehicles we own and mileage we pay our staff for business travel in their own vehicles. The ESO scheme submission filed in the second quarter of 24-25 and identified various potential savings to reduce our environmental impact, which we will explore once the report is received. Reducing energy use is gaining momentum, supported by awareness training and ensuring we support those who use our services to increase their environmental awareness, is part of how we support people today. Our Green plan sets out our strategy towards reducing our environmental impact and advises staff on ways they can support the organisation to achieve this.

We are committed to creating local employment opportunities. We use locally targeted job adverts on platforms like Indeed and Facebook. We collaborate with Job Centres, attend local job fairs, and create our own career drop in events. We have relationships with local schools and colleges, supporting young people with employment skills. This has also led to work placements at our day opportunities.

BETHPHAGE

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

As a local charity we have choice over our suppliers and operate a list of local preferred suppliers. Our Green Plan tells staff to buy locally, supporting the local economy by choosing suppliers as close as possible and encourage the people being supported to do the same.

We promote better health outcomes, healthy eating and active lifestyles for people we support. We run ongoing mental health awareness campaigns and provide staff with free, confidential counselling. We offer Mental Health First Aider training across various roles, with 14 qualified Mental Health First Aiders currently, including service managers

The development of Bethphage's strategic plan is undertaken with the consultation of the local community and the people who might use the services and their families. Regular feedback is encouraged and welcomed.

7. Outlook:

Bethphage recognises that enormous strain is been placed on our Commissioners' finances, and that they will continue to seek to make savings and improve efficiencies going forward. Bethphage's focus has been to improve the efficiency of its IT systems, and therefore lower the cost, of service delivery. The plan also involved working constructively with Commissioners to develop where appropriate, new models of service and Assistive Technology (AT) which may reduce overall costs and empower service users, but without sacrificing quality or safety.

As far as is currently possible, AT is being adopted across the organisation to enable the people we support to utilise technology, which increases their independence and reduces the need for face to face support. Bethphage has invested in an AT post which provides a support function for the managers and the people we support, carrying out assessments to identify suitable technology on a person centred basis.

Bethphage will continue to develop Blossom Barns and look to add to its portfolio of supported living properties as opportunities arise. This approach will decrease the reliance on Local Authority commissioning decisions and provide an additional revenue stream for Bethphage.

There is no doubt that the funding position for Social Care will remain challenging for a number of years which will cause difficulties for providers. This could also give rise to opportunities as some providers choose, or are forced, to exit local markets.

Recruitment will become an increasing challenge as Government policy reduces the pool of available labour. We will continue to invest in our employees to remain an employer of choice for existing employees and new joiners.

Strategic report, approved by order of the board of trustees, as the company directors, on 14 October 2025 and signed on the board's behalf by:



.....
D Lum - Trustee

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

The Trustees present their annual report together with the audited financial statements of Bethphage for the year 1 April 2024 to 31 March 2025. During the year two of our day service contracts were novated to a newly formed trading wholly owned subsidiary, Bethphage Property Limited. The day service provides structured activities, social engagement, and therapeutic support in a safe and inclusive environment. Profits generated by the subsidiary are donated to the Charity under Gift Aid to support group's wider charitable objectives.

The Annual Report serves the purposes of both a Trustees' report and a directors' report for the consolidated Bethphage group under company law. References to Bethphage include Bethphage Property Limited. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Introduction

The year was dominated by continuing financial pressure due to the fee increases that Commissioners provided being less than the increases in cost that providers faced. During the year the recruitment problems of recent years largely eased and this enabled Bethphage to make further progress.

The outlook for the coming year remains extremely uncertain for the sector given the increases in Employer's National Insurance, National Minimum Wage (NMW) and consequent further increase in Pension contributions. Again, settlements imposed by Commissioners for the coming year fall short of the cost increases seen.

The Board do recognise how vital our staff are in delivering our services. Again, this year has been exceptional and so have our staff. Their creative energy, optimism, ability to adapt to rapidly changing new and highly challenging situations, and their selflessness has been inspirational. As the Board has said for the previous four years, our hope is that our country ultimately recognises the importance and value that society places on social care services and that this is reflected in the rewards that dedicated and skilled staff in the sector receive. Bethphage will continue to strive to invest in the training of its staff, which is vital to ensuring the delivery of high quality services, and the development of individual's careers.

The Board would also like to thank the people we support, their families and our local authority partners for their support, cooperation and help during the year.

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**


OBJECTIVES AND ACTIVITIES

a. Policies and objectives


Our Vision is of inclusive communities where all people have the opportunity to live the life they choose.

Our Mission is to be an excellent provider of services for people with disabilities.

Our Values: We seek to deliver services based on four core values. These core values really shape how we work and make a positive difference to the quality of life for the people we support:



Personal Growth
We create a safe and healthy environment, where we provide positive feedback, support each other to reflect on actions and learn and grow from them.



Active involvement
We work together, actively engaging and involving others to solve problems and deliver positive solutions within Bethphage and across the wider community.



Honesty
We work together in an open and honest way; taking responsibility and remaining accountable for our actions.



Respect
We respect and value the diversity, individuality and views of everyone we come into contact with, fully considering each perspective before arriving at an agreed outcome.

"Support staff working with my son are brilliant"

"Staff understand and know my likes and dislikes"

"I am happy and feel safe around my staff"

"My relative's week is filled with activities"

"I can contact the Service Manager or Team Leader at any time"

"Staff are not quick to judge but always willing to listen and help"

"I take my medications regularly now – I didn't when I lived on my own"

"Good communication from the management team"

People Bethphage Supports and their Families: Survey - 2024

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

At our AGM in October 2024 the Board was delighted to re-appoint Donna Werner as Honorary President of Bethphage for another one-year term. Donna brings a wealth of experience to Bethphage and is a valuable sounding board for both the Board and Executive Management Team (EMT).

During the year Bethphage continued to implement its Strategic Plan for 2024 – 2028 entitled 'Creating Sustainable Growth and Quality'. A key part of this plan was to purchase a property suited to the provision of Day Services with sufficient land and buildings for the development of supported living homes and to enable Bethphage to develop and trial other models of support. In June 2024 Bethphage completed the purchase of a small farm property, now renamed Blossom Barns by the users of the service, with planning permission for the development of two residential properties. Work has commenced to create a detailed development plan for the property which, subject to consultation and planning consents, is expected to be completed over a five to ten year period.

The development of this plan is being undertaken with the consultation of the local community and the people who might use the services and their families. The first stage of the plan was to complete the move of a day service from a nearby rented farm and this was successfully completed on 1 November 2024. That service has continued to operate successfully and is focussing on other opportunities that can be offered to the people we support. This is an exciting development for Bethphage and will provide further opportunities to grow the range of services that we offer.

"I just wanted to say what a lovely service both of those houses are. You can really see the family feeling in both houses and the way the staff care for the 6 of them was really positive to see. To confirm that following the review of [Name] and the current support in place working extremely well. There are no plans from my perspective to look at moving her on, she is settled and being well cared for in her home with the correct equipment in place."

Social Worker: Feedback - 2024

Bethphage recognises that enormous strain has been placed on our Commissioners' finances in recent years, and that they will continue to seek to make savings and improve efficiencies going forward. Bethphage's focus under the previous strategic plan has been to improve the efficiency of its IT systems, and therefore lower the cost, of service delivery. The plan also involved working constructively with Commissioners to develop where appropriate, new models of service and Assistive Technology (AT) which may reduce overall costs and empower service users, but without sacrificing quality or safety.

As far as is currently possible, AT is being adopted across the organisation to enable the people we support to utilise technology, which increases their independence and reduces the need for face to face support. Bethphage has invested in an AT post which provides a support function for the managers and the people we support, carrying out assessments to identify suitable technology on a person centred basis.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

In setting objectives and planning for the activities of Bethphage, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies and activities for achieving objectives

Our primary activities are to support people with disabilities to achieve their potential through the direct provision of supported living services, registered care homes, community inclusion, and day opportunities. As at 31 March 2025, we were delivering 9,114 (2024: 7,608) hours per week of support to 172 (2024: 162) people in Shropshire, Telford, Walsall, and Birmingham, 98 (2024: 88) of whom live in our small care homes or their own home with us as the main support provider ('supported living') whilst the other 74 (2024: 74) attend our day opportunity services. The Shropshire Shared Lives scheme previously managed by Bethphage was taken back in house by Shropshire Council in February 2025.

Bethphage's 2024 - 2028 strategic plan entitled 'Creating Sustainable Growth and Quality' sets out the Charity's Key Strategies and Activities, and our Aims and Objectives detailed below.

c. Public Benefit

We are confident our objectives and activities are beneficial to the people we support as well as being of benefit to the public in general.

Our vision is of inclusive communities where all people have the opportunity to live the life they choose. We achieve this through our direct service delivery and through our support and contributions to the development of disability services in the UK.

We promote the integration of people with learning disabilities into universal community services such as having equal access to health care, education, employment, sport, and leisure activities.

Health care assistants from the Learning Disability Team complimented a service saying staff are friendly, people appear well supported and staff are positive towards people, respecting their wishes.

Commissioner Learning Disability Team: Residential care - 2024

d. Service Quality

A fundamental part of Bethphage's approach is to continually strive to improve the quality of the services which we deliver and to achieve better outcomes for the people we support (who are some of the most vulnerable in society). Although no statutory Care Quality Commission (CQC) inspections took place in the year, both of our Registered Homes and three other registered locations from where we operate community support provision are subject to CQC inspections. All of our registered locations are rated as 'Good' across all domains. Additionally, Bethphage has a long established internal quality audit system in place for all provision.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

Each service is assessed against a range of quality and performance measures by the Bethphage Quality Manager and areas of improvement identified and reported on to the area manager, service manager and staff, the EMT and the Board. During the year the quality audits have comprised face to face meetings with managers, visits to the properties of the people we support, desktop reviews of reporting and systems, and surveys of the people we support, their families, and staff. Added to this, regular reporting from the Positive Behaviour Support Team and close monitoring of compliments and investigation of complaints, concerns and suggestions, has provided Bethphage with additional layers of performance monitoring.

CQCs internal change to a new framework has been challenging, adding more pressure onto an already burdened sector. Internally we have invested time and energy with all of the registered managers and senior team to develop our understanding, knowledge and practical application when we are inspected. The CQCs replacement portal has also not gone well and has been heavily criticised across the sector as their anticipated launch has been poor at best, the CQC have acknowledged the issues and apologised to the sector and are working to remedy it. However, it has not been a good example for the Regulator to set to the sector.

"The [staff] team are doing a great job and are amazing in supporting [Name]. [Name] is happy and this is because of the way the team talk to her and they manage her anxieties well."

Social Worker: Supported Living - 2024

Ongoing relevant and focussed staff training and development is a key part of ensuring that we have the resources available to deliver high quality services and to recognise when change or improvement is required. The majority of training is online, but with essential training occurring face to face.

Our investment in Positive Behaviour Support (PBS) supports people with the ongoing management of behaviours of concern, for which medication would have been historically prescribed. The principles of STOMP ('Stopping over medication of people with a learning disability and autistic people') which was an NHS initiative that we embraced when it was launched, are utilised and the monitoring of medical reviews have been incorporated into Bethphage's organisation wide Care Management IT system, which provides much greater visibility on medication reviews and the use of psychotropic medication. The Quality Manager reports quarterly to the EMT and the Board and provides progress updates on how the use of medication affects the wellbeing of the people we support. The Board are pleased to report further progress in the year. Bethphage's Health Improvement Lead plays a vital role guiding staff on medication protocols, infection control, in addition to the normal responsibilities of supervising medication procedures, and improving the health and well-being of the people we support.

A Clinical Nurse Specialist complimented a team on their person centered approach towards a person using Bethphage support. She said "the staff team are professional and accommodating and that the communication is transparent. They act upon requests and are a credit to Bethphage."

Clinical Nurse Specialist: Compliments - 2025

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

e. Volunteers

Bethphage's greatest asset is its people. The Trustees, who are themselves volunteers, would like to thank the staff and volunteers for their continuous efforts to ensure that we deliver consistently high-quality, person-centred services in these very challenging times. In recent years, Bethphage has enjoyed the benefit of a steadily increasing number of volunteers, especially in the day opportunity services. Bethphage utilises the time and enthusiasm contributed by volunteers to add value and opportunity to the users of our services and not as a replacement for core funded staff. The Trustees wish to record their appreciation of Bethphage's volunteer supporters and the benefits they bring to the experiences of people using Bethphage services and to the success of the Charity. Bethphage Friends, a group established to increase engagement with our supporters and volunteers, continues to grow.

The Trustees would also like to thank our donors and grant funders for their generous contributions which enable Bethphage to provide enhancements to services and facilities for users of its services.

f. Sustainability

In keeping with many other organisations Bethphage is conscious of its impact on the environment and in particular its energy consumption in the process of delivering services. Work is ongoing to examine the organisation's carbon footprint and to develop strategies to reduce Bethphage's environmental impact. The reduction in face to face meetings and the installation of solar panels on the roof of the head office building, together with waste reduction and recycling, are tangible outcomes from the first phase of this work. As Bethphage has more than 250 staff we must complete the Energy Savings Opportunities Scheme assessment every four years, which will focus on our energy (heat and light) usage and also fuel for vehicles we own and mileage we pay our staff for business travel in their own vehicles. The ESO scheme submission filed in the second quarter of 24-25 and identified various potential savings to reduce our environmental impact, which we will explore once the report is received. Reducing energy use is gaining momentum, supported by awareness training and ensuring we support those who use our services to increase their environmental awareness, is part of how we support people today.

Achievements and performance

a. Achievements and Performance

In 2024/25, we retained our existing contracts, other than Shared Lives, consolidating and maintaining our current provision. Our three day opportunity locations, where we provide meaningful, person-centred day opportunities for adults with learning disabilities, continue to enable large numbers of people with a learning disability to access and benefit from Bethphage services and is consistent with our approach of enabling people to live the life they choose.

A fire officer visited a service and said he would like his relative to live in a place like this – he said the care and support being provided was really good.

Fire Officer: Supported living/residential care - 2024

b. Fundraising

Bethphage is registered with the Fundraising Regulator and complies with the Code of Fundraising Practice. Community fundraising generally takes place face to face with the public at events and Bethphage open days etc. through donations via the Bethphage and Just Giving websites, and from applications to trusts, foundations, and corporate partners. Third party organisations are not used to fundraise on behalf of Bethphage.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

Fundraising and the approach to be used requires approval of the EMT prior to commencing. The fundraising approach is monitored and funds are applied only to the purpose for which they were raised. Fundraising activities involving vulnerable people are restricted to small sums for subscriptions and similar items which represent fair value to them as individuals for the activity concerned.

c. Future Plans and Investment

The primary objective for the coming year is to promote the principles and the six strategic goals of the four-year strategic plan 'Creating Sustainable Growth and Quality' which outlines the approaches we will follow over the four years of the plan to translate the mission, vision, core values, and strategic goals of the charity into positive outcomes.

The detailed delivery objectives for 2025/2026 are aimed at continuing to position Bethphage to deal in the most effective way with the financial challenges that the sector is facing. Those objectives are focussed under six strategic headings:

- **Acquisition and development of a property (Blossom Barns) suitable for multi service model delivery**
- **Maintain a strategic relationship with commissioners**
- **Exploration of one new model of service delivery**
- **Improve recruitment and retention of staff**
- **Continued development of the use of AT**
- **Continued development of Bethphage's quality systems to reflect CQC's Single Assessment Framework**

The availability of suitable high-quality accommodation remains a challenge and Bethphage continues to seek to invest further in suitable property as the opportunity arises and financial resources permit.

She [Area Manager] has worked tirelessly with (PERSON'S NAME) to meet his fluctuating needs, and has advocated for him relentlessly. She is incredibly professional, patient, understanding and is a real credit to your organisation. She is very knowledgeable, always responsive and it's a pleasure to have such a good working relationship with her.

Social Worker: Supported living/residential care - 2024

Financial review

a. Overview

Costs for 2025-26 are increasing due to the Employer's National Insurance (NI) increases in the Government's last budget. The employer NI rate has gone up to 15% but the biggest cost increase comes from the NI threshold being reduced from £9,100 to £5,000. This effectively means a £615 increase in NI for anyone working more than 16 hours per week. This hits a sector like Social Care, which has a high number of part time staff, disproportionately hard. The NLW was also increased by 6.7% which has a knock on effect on all our pay rates. These combined increases have increased our wage bill by just under 12% for frontline staff. Local Authority Settlements for 25-26 averaged 4% but Shropshire Council did not apply any increase to sleep in rates which gave us an effective increase of 3.5% on their contracts.

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

We continue to balance the competing priorities of:

- Competition with sustainability
- Price with quality
- Provider of choice with employer of choice.

During the year continuing investment in organisation wide IT systems together with the associated training costs have begun to bear fruit. After these investment costs, the results for 2025 show a surplus of £309,140 (2024: £580,003).

The underlying trading for the year was very significantly affected by improved staff retention and operational efficiencies.

The Trustees are particularly thankful for the efforts of the senior management of Bethphage who provided continued efforts to enable the Charity to focus on responding to the financial pressures and recruitment challenges in the first half of the year.

b. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that Bethphage has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

c. Reserves Policy

The Trustees have considered the operational environment and the opportunities and threats to the organisation in terms of development, contractual variations, tendering processes, and competitor activity.

The Trustees' Reserves Policy balances levels of risk, the liabilities of the Charity, and our ability to invest in new service development. At the year-end we held free reserves of £2,523,725 (2024: £2,213,267) applied for the purposes of day to day working capital, which is sufficient working capital for our needs taking into consideration the payment terms of our contracts and foreseeable risks.

Given the uncertainty, the Trustees consider that their prudent approach to the holding of free reserves to be appropriate for the scale of the risks encountered.

d. Principal funding sources

The vast majority of our funding during the year came from statutory sources with the following local authorities commissioning services: Birmingham City Council, Shropshire Council, Telford & Wrekin Council, and Walsall Council. Income comes in the form of block grants, individual contracts, and Direct Payments. A small amount of income comes from private funding. We recognise the pressures that these key stakeholders must operate under and strive to make the working relationships as cost effective and efficient as possible.

With the increasing limitations of local authority funding, we are also now considering other voluntary grants, fund raising opportunities, and the role of volunteers.

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

e. Investment Policy

Having regard to the requirement to maintain sufficient reserves and cash balances to cover potential variations in cash flow, surplus cash balances are placed on deposit with our bankers. As part of the 2024 – 2028 Strategic Plan, the Trustees have invested in a property suitable for the development of a multi service site and the Trustees intend to invest further in the ownership of residential property relevant to the charity's activities, as financial resources permit. Bethphage's investment in property combines the purpose of achieving a return on our reserves whilst investing in high quality, well maintained properties which cater for the needs of the people that we support. A key principle of our investment in residential property is that the tenants should be able to choose who provides their support services, irrespective of who ultimately owns the property. The need to ensure adequate working capital for operations and growth together with the desire to generate returns from positive cash balances, whilst minimising risk to capital, is kept under review.

Structure, governance and management

a. Constitution

Bethphage is a charitable company limited by guarantee, incorporated on 26 September 1994, and registered as a charity on 4 May 1995. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

b. Recruitment and appointment of Trustees

New Trustees are recruited through open processes (e.g. advertisements) or by invitation. Applicants are required to meet the people we support, staff and Trustees and demonstrate how their motivation, skills, and experience match the culture, needs and practice of the charity. Under the requirements of the Memorandum and Articles of Association one third of the members of the Board (Trustees) retire and may offer themselves for re-election at each AGM.

In appointing Trustees Bethphage maintains a mix of skills on the Board, including financial, legal, human resources, strategic, marketing and health and social care management. As we continue to grow or diversify, the Board will review, at least bi-annually, its skills mix and seek additional Trustees when it identifies gaps. We are continue to seek to recruit an additional Trustee with a legal or accountancy background. Whilst appointment on merit is our primary concern, we are also keen to ensure we are representative of the communities in which we operate. Our gender balance is satisfactory, and whilst under representative of younger people and people from black, Asian and minority ethnic communities, it is largely representative of users of services, but not our current workforce.

c. Induction and training of Trustees

New Trustees are provided with a tour of our services, in order to understand more fully the operations of the organisation. They are also invited and encouraged to attend a series of short introductory sessions with the Chair, other Trustees and senior managers to familiarise themselves with the Charity and the context within which we operate.

In addition, various Charity Commission publications including the Commission's guide 'the Essential Trustee' are distributed to all new Trustees. Trustees also receive training from external charity specialists. The Board also receives regular presentations and training by Bethphage managers and other experts in the sector, for example: Positive Behaviour Services, Safeguarding, Data Security.

d. Pay policy for senior staff

The pay of the EMT is reviewed annually and normally increased in accordance with average earnings.

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

e. Decision making

The Trustee Board meets quarterly and is responsible for the strategic direction, financial viability, compliance, risk management, and governance of Bethphage. Senior managers including the Chief Executive Officer (CEO) and EMT also attend for the majority of most meetings, but do not have voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the CEO along with the EMT comprising Heads of Operations, Finance and Human Resources (HR) and the Service Development and Quality Managers all of whom attend Board meetings.

The Trustees have adopted the Charity Commission Governance Code and used it to review their performance. Irena Sobolewska and Derek Lum have served as Trustees since 2001 and 2002 respectively. Whilst the Board are very aware of the need to ensure that it does renew itself over time, and takes steps to do so, it is also cognisant of the need to ensure that appropriately skilled people are both available and willing to serve as Trustees. As each long serving Trustee retires by rotation, the Board considers whether it is in the interests of Bethphage to invite them to offer themselves for re-election to the Board. The Board would not hesitate to recommend to the members that a Trustee should not be reappointed if it believed that reappointment was not in the interests of Bethphage. The current composition of the Board provides a good blend of continuity, freshness, enthusiasm and energy.

f. Risk management

The Trustees have conducted a review of the major risks to which the Charity is exposed. The risk register is part of an established system and it is reviewed and updated by the EMT at least quarterly and any changes reported to the Board. The Board receive an updated risk register in advance of each meeting and review it in more detail at least annually. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure the health and safety of the people we support, staff and visitors. Where appropriate, systems or procedures have been established to manage the risks the Charity faces, including those presented by a pandemic or major disaster.

The major risks to the organisation at the end of the year are:

- Financial pressures on our Commissioners
- Additional cost increases to comply with National Minimum Wage regulations and the uncertainty regarding future funding by Commissioners
- The limitation of resources available to the local authorities who fund our work
- The challenge of maintaining a sufficiency of high-quality staff
- Recruitment, and subsequent training costs
- The risk of losing key personnel
- Economic pressure

g. Remuneration equality

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 came into force on 6 April 2017. These regulations require employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees. The requirement applies to Bethphage.

The figures must be calculated using a specific reference date each year, called the 'snapshot date'. The snapshot date is 5 April for businesses and charities and the data must be published within a year of the snapshot date. Bethphage published its first gender pay gap report on 4 April 2018 and its latest report on 21 February 2025.

The regulations require employers to calculate specified information and publish the information on the employer's website and on a designated government website at www.gov.uk/genderpaygap.

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

The Gender Pay Gap differs from equal pay:

Equal Pay – Bethphage pays the same rates to men and women who carry out the same jobs in accordance with the law.

The gender pay gap shows the differences in average pay for men and women. A number of factors influence this including seniority and the number of hours worked.

The Gender Pay Results for 5 April 2024: Based upon the snapshot date, Bethphage does not have a gender pay gap. Our female and male colleagues were paid the same on the snapshot date.

Plans for future periods

Partnerships, key alliances and regulatory bodies

Bethphage is a registered provider with the CQC. The CQC is the regulator for the social care sector and requires support providers to ensure that social care services are delivered against benchmarked standards in line with the Commissions' fundamental standards.

We recognise the importance of strategic and operational partnerships in the communities in which we operate. We have played an active role in relevant local provider forums across Shropshire, Telford, and the West Midlands and in contributing to national initiatives.

The people who use our services are our most important stakeholder and this is reflected in a range of initiatives across the organisation including:

- Positive Behaviour Support
- Person Centred Approaches
- Surveys of the people who use our services, families, staff and managers
- Annual quality audits to review the services we provide and ensure they continue to deliver good outcomes for the people we support
- Management visits and reviews to check and monitor service delivery on a monthly basis
- Investment in staff development to support staff through areas of difficulty and to develop them into the best support workers they can be.

During the year Bethphage continued to bring more focus to the development of its Social Values plan. The four main areas of focus are:

Jobs/local skills and employment

We are committed to creating local employment opportunities. We use locally targeted job adverts on platforms like Indeed and Facebook. We collaborate with Job Centres, attend local job fairs, and create our own career drop in events. We have relationships with local schools and colleges, supporting young people with employment skills. This has also led to work placements at our day opportunities.

Growth – support growth of responsible regional business

As a local charity we have choice over our suppliers and operate a list of local preferred suppliers. Our Green Plan tells staff to buy locally, supporting the local economy by choosing suppliers as close as possible and encourage the people being supported to do the same.

Social – Healthier, safer and more resilient communities

We promote better health outcomes, healthy eating and active lifestyles for people we support. We run ongoing mental health awareness campaigns and provide staff with free, confidential counselling. We offer Mental Health First Aider training across various roles, with 14 qualified Mental Health First Aiders currently, including service managers. Our PBS Team supports staff with ongoing guidance and post-incident debriefs. A dedicated wellbeing lead, part of our Health, Safety and Wellbeing Forum, drives initiatives like wellbeing walks. We also support Mind's Mental Health Commitments, aligning with six best-practice workplace standards.

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2025**

Environmental - Our Green plan sets out our strategy towards reducing our environmental impact and advises staff on ways they can support the organisation to achieve this.

Membership

We are fortunate to have two organisational members – Mosaic and the Council of Lutheran Churches. Mosaic, the founder member, has played a crucial role in our development. As a leading service provider in the field of disabilities in the USA, Mosaic has extensive experience and resources that we have been able to call upon.

Member representatives attend the AGM and sometimes contribute in between meetings as required. We value the engagement of our two members and thank them for another year of valued contribution.

The extent of the involvement and support of our two corporate members has enabled the Charity to attract and retain Trustees of a high calibre, professional expertise, and experience necessary to enable the organisation to develop and grow successfully and consistently.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. We endeavour to carry out exit interviews for all staff leaving the organisation and have adopted a procedure of upward feedback for senior management and the Trustees. We have implemented and regularly review a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Charity's equal opportunities policy, the Charity has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

BETHPHAGE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and 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 auditors are 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 auditors are aware of that information.

AUDITORS

The auditors, D.R.E. & CO (Audit) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, approved by order of the board of trustees, as the company directors, on 14 October 2025 and signed on the board's behalf by:



.....
D Lum - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BETHPHAGE

Opinion

We have audited the financial statements of Bethphage (the 'charitable company') and its subsidiaries ('the group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and notes to the consolidated financial statements, the Charity Balance Sheet, the Charity Cash Flow Statement, notes to the Charity 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 (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 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on 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 Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Strategic report and the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BETHPHAGE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Report of the Trustees.

We have nothing to report in respect of the following matters where 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the care and support sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charity SORP (FRS102), employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BETHPHAGE**

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

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

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

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

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.

D.R.E. & Co (Audit) Ltd

D.R.E. & CO (Audit) Limited
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

Date: 14 October 2025

BETHPHAGE**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 MARCH 2025

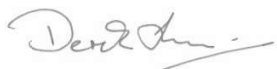
	Notes	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	2	13,567	14,559	28,126
Charitable activities				
Support services	4	11,233,379	-	11,233,379
Investment income	3	117,409	-	117,409
Other income		16,730	-	16,730
Total		<u>11,381,085</u>	<u>14,559</u>	<u>11,395,644</u>
EXPENDITURE ON				
Raising funds	5	-	15,877	15,877
Charitable activities				
Support services	6	11,070,627	-	11,070,627
Total		<u>11,070,627</u>	<u>15,877</u>	<u>11,086,504</u>
NET INCOME/(EXPENDITURE)		310,458	(1,318)	309,140
Cash on commencement of group		3,663,267	76,347	3,739,614
Net movement in funds		<u>3,973,725</u>	<u>75,029</u>	<u>4,048,754</u>
TOTAL FUNDS CARRIED FORWARD		<u>3,973,725</u>	<u>75,029</u>	<u>4,048,754</u>

The notes form part of these financial statements

BETHPHAGE**CONSOLIDATED BALANCE SHEET**
31 MARCH 2025

	Notes	Unrestricted funds £	Restricted fund £	Total funds £
FIXED ASSETS				
Tangible assets	11	2,384,547	-	2,384,547
CURRENT ASSETS				
Debtors	12	2,175,911	-	2,175,911
Cash at bank and in hand		<u>3,224,103</u>	<u>75,029</u>	<u>3,299,132</u>
		5,400,014	75,029	5,475,043
CREDITORS				
Amounts falling due within one year	13	(3,198,358)	-	(3,198,358)
NET CURRENT ASSETS		<u>2,201,656</u>	<u>75,029</u>	<u>2,276,685</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,586,203	75,029	4,661,232
PROVISIONS FOR LIABILITIES	14	(612,478)	-	(612,478)
NET ASSETS		<u>3,973,725</u>	<u>75,029</u>	<u>4,048,754</u>
FUNDS	15			
Unrestricted funds				3,973,725
Restricted funds				<u>75,029</u>
TOTAL FUNDS				<u>4,048,754</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 14 October 2025 and were signed on its behalf by:



.....
D Lum - Trustee

BETHPHAGE**CONSOLIDATED CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	£
Cash flows from operating activities		
Cash generated from operations	1	<u>1,371,920</u>
Net cash provided by operating activities		<u>1,371,920</u>
Cash flows from investing activities		
Purchase of tangible fixed assets		(1,248,811)
Sale of tangible fixed assets		16,730
Provision movement		<u>195,658</u>
Net cash (used in)/provided by investing activities		<u>(1,036,423)</u>
Cash flows from financing activities		
Cash on commencement of group		<u>2,963,635</u>
Net cash provided by financing activities		<u>2,963,635</u>

Change in cash and cash equivalents		
in the reporting period		3,299,132
Cash and cash equivalents at the		
beginning of the reporting period		-

Cash and cash equivalents at the end		
of the reporting period		<u>3,299,132</u>

The notes form part of these financial statements

BETHPHAGE

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	£
Net income for the reporting period (as per the Statement of Financial Activities)	309,140
Adjustments for:	
Depreciation charges	57,061
Profit on disposal of fixed assets	(16,730)
Increase in debtors	(2,175,909)
Increase in creditors	<u>3,198,358</u>
Net cash provided by operations	<u>1,371,920</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24 £	Cash flow £	At 31.3.25 £
Net cash			
Cash at bank and in hand	-	<u>3,299,132</u>	<u>3,299,132</u>
	-	<u>3,299,132</u>	<u>3,299,132</u>
Total	<u>-</u>	<u>3,299,132</u>	<u>3,299,132</u>

BETHPHAGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES

Charity Information

The charity is a company limited by guarantee. The registered office and members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The financial statements are for the group as well as for the individual entity. The financial statements are presented in Sterling (£), rounded to the nearest £1.

Basis of consolidation

The consolidated financial statements incorporate those of Bethphage and its subsidiary (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits) on a line-by-line basis. All financial statements are made up to 31 March 2025.

All intra-group transactions and balances on transactions between group companies are eliminated on consolidation.

Income

All income is recognised in the Statement of Financial Activities once the group and charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants is recognised when the group and charity has entitlement to the funds, and performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the group and 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.

Tangible fixed assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is shorter:

Freehold property	- 40 to 75 years straight line
Long leasehold	- straight line over the life of the lease
Fixtures and fittings	- 3 to 10 years straight line
Motor vehicles	- 3 to 10 years straight line

The notes form part of these financial statements

BETHPHAGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES - continued

Land has been depreciated within the freehold property asset category as it is impracticable to split the cost of land from freehold property.

Assets relating to contracts are depreciated over the length of the contracts where the asset belongs to the contract and cannot be sold or disposed of by Bethphage to realise any residual value.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted. Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The charity is exempt from corporation tax on its charitable activities

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The group and charity operates a defined benefits pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by paragraph 28.11 of FRS 102, the charity accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activities represents contributions payable to the scheme in respect of the accounting period.

Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The notes form part of these financial statements

BETHPHAGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES - continued

Financial instruments

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, 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 receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2. DONATIONS AND LEGACIES

Group

Donations

£
28,126

3. INVESTMENT INCOME

Group

Investment income

£
117,409

The notes form part of these financial statements

BETHPHAGE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025****4. INCOME FROM CHARITABLE ACTIVITIES****Group**

Activity	£
Support services	<u>11,233,379</u>

5. RAISING FUNDS**Group****Raising donations and legacies**

	£
Voluntary income	<u>15,877</u>

6. CHARITABLE ACTIVITIES COSTS**Group**

	Direct Costs £	Support costs (see note 7) £	Totals £
Support services	<u>9,974,224</u>	<u>1,096,403</u>	<u>11,070,627</u>

**7. SUPPORT COSTS
Group**

	Management £	Governance costs £	Totals £
Support services	<u>948,805</u>	<u>147,598</u>	<u>1,096,403</u>

**8. NET INCOME/(EXPENDITURE)
Group**

Net income/(expenditure) is stated after charging/(crediting):

	£
Auditors' remuneration	20,876
Depreciation - owned assets	54,126
Surplus on disposal of fixed assets	<u>(16,730)</u>

BETHPHAGE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025****9. TRUSTEES' REMUNERATION AND BENEFITS
Group**

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

**10. STAFF COSTS
Group**

	£
Wages and salaries	8,575,473
Social security costs	770,776
Other pension costs	<u>216,328</u>
	<u><u>9,562,577</u></u>

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

Administrative	65
Service delivery	<u>265</u>
	<u><u>330</u></u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

£60,001 - £70,000	<u>1</u>
	<u><u>1</u></u>

Total key management personnel remuneration was £391,765 (2024: £368,576).

**11. TANGIBLE FIXED ASSETS
Group**

	Freehold property £	Long leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2024	1,315,096	13,065	261,251	34,054	1,623,466
Additions	1,075,875	-	99,509	73,427	1,248,811
Disposals	<u>-</u>	<u>(7,735)</u>	<u>(6,174)</u>	<u>-</u>	<u>(13,909)</u>
At 31 March 2025	<u>2,390,971</u>	<u>5,330</u>	<u>354,586</u>	<u>107,481</u>	<u>2,858,368</u>
DEPRECIATION					
At 1 April 2024	148,116	13,065	240,052	32,371	433,604
Charge for year	33,344	-	10,769	10,013	54,126
Eliminated on disposal	<u>-</u>	<u>(7,735)</u>	<u>(6,174)</u>	<u>-</u>	<u>(13,909)</u>
At 31 March 2025	<u>181,460</u>	<u>5,330</u>	<u>244,647</u>	<u>42,384</u>	<u>473,821</u>
NET BOOK VALUE					
At 31 March 2025	<u>2,209,511</u>	<u>-</u>	<u>109,939</u>	<u>65,097</u>	<u>2,384,547</u>

The notes form part of these financial statements

BETHPHAGE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Group		
		£
Trade debtors		1,521,714
Other debtors		537,854
VAT		22,715
Prepayments and accrued income		<u>93,628</u>
		<u><u>2,175,911</u></u>
13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Group		
		£
Trade creditors		63,663
Social security and other taxes		360,037
Other creditors		2,691,153
Accrued expenses		<u>83,505</u>
		<u><u>3,198,358</u></u>
14. PROVISIONS FOR LIABILITIES		
Group		
		£
Provisions		<u><u>612,478</u></u>
15. MOVEMENT IN FUNDS		
Group		
	Net	At
	movement	31.3.25
	in funds	£
	£	£
Unrestricted funds		
General fund	2,523,725	2,523,725
Innovation and Development Fund	1,350,000	1,350,000
Infection Control and Rapid Testing Protection measures	<u>100,000</u>	<u>100,000</u>
	3,973,725	3,973,725
Restricted funds		
Restricted Fund	<u>75,029</u>	<u>75,029</u>
	4,048,754	4,048,754
TOTAL FUNDS	<u><u>4,048,754</u></u>	<u><u>4,048,754</u></u>

BETHPHAGE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025****15. MOVEMENT IN FUNDS – continued
Group**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	11,381,085	(11,070,627)	2,213,267	2,523,725
Innovation and Development Fund	-	-	1,350,000	1,350,000
Infection Control and Rapid Testing Protection measures	-	-	100,000	100,000
	<u>11,381,085</u>	<u>(11,070,627)</u>	<u>3,663,267</u>	<u>3,973,725</u>
Restricted funds				
Restricted Fund	14,559	(15,877)	76,347	75,029
	<u>14,559</u>	<u>(15,877)</u>	<u>76,347</u>	<u>75,029</u>
TOTAL FUNDS	<u>11,395,644</u>	<u>(11,086,504)</u>	<u>3,739,614</u>	<u>4,048,754</u>

Innovation and Development fund

The Innovation and Development fund is held to fund the investment in or development of the farm and suitable supported living accommodation; business development and sustainability projects, and increased costs of working due to Covid-19 impact. At the year end, development on the farm was still ongoing therefore funds will be recalculated on completion of the project.

Infection Control and Rapid Testing protection measures fund

The Infection Control and Rapid Testing protection measures fund is held to protect against any future impact of Covid-19 or other possible health emergency and any costs relating to purchasing tests and safeguarding against a future outbreak.

Restricted fund

The Restricted funds include funding received (net of expenditure) for specific projects and ongoing projects.

**16. RELATED PARTY DISCLOSURES
Group**

During the year, the trustees were reimbursed expenses totalling £1,202.

Bethphage acquired services totalling £21,246 from Shropshire Partners in Care. At the year end, there was a balance outstanding of £1,621. Shropshire Partners in Care is a related party as one of the Bethphage senior management team and a director of Bethphage Property Limited is a director of Shropshire Partners in Care.

BETHPHAGE**CHARITY BALANCE SHEET
31 MARCH 2025**

				31.3.25	31.3.24
	Notes	Unrestricted funds £	Restricted fund £	Total funds £	Total funds £
FIXED ASSETS					
Tangible assets	29	2,384,547	-	2,384,547	1,189,862
Investments	30	<u>2,423</u>	-	<u>2,423</u>	-
		2,386,970	-	2,386,970	1,189,862
CURRENT ASSETS					
Debtors	31	2,173,909	-	2,173,909	2,078,233
Cash at bank and in hand		<u>3,224,103</u>	<u>75,029</u>	<u>3,299,132</u>	<u>4,172,000</u>
		5,398,012	75,029	5,473,041	6,250,233
CREDITORS					
Amounts falling due within one year	32	<u>(3,196,358)</u>	-	<u>(3,196,358)</u>	(3,283,661)
NET CURRENT ASSETS		<u>2,201,654</u>	<u>75,029</u>	<u>2,276,683</u>	<u>2,966,572</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,588,624	75,029	4,663,653	4,156,434
PROVISIONS FOR LIABILITIES	34	<u>(612,478)</u>	-	<u>(612,478)</u>	(416,820)
NET ASSETS		<u>3,976,146</u>	<u>75,029</u>	<u>4,051,175</u>	<u>3,739,614</u>
FUNDS					
Unrestricted funds	35			3,976,146	3,663,267
Restricted funds				<u>75,029</u>	<u>76,347</u>
TOTAL FUNDS				<u>4,051,175</u>	<u>3,739,614</u>

As permitted by s408 Companies Act 2006, the charitable company has not presented its own statement of financial activities and related notes. The charitable company's surplus for the year was £311,561 (2024: £580,003).

The notes on pages 36 to 43 form part of these financial statements.

The financial statements were approved by the Board of Trustees and authorised for issue on 14 October 2025 and were signed on its behalf by:

.....
D Lum - Trustee

The notes form part of these financial statements

BETHPHAGE**CHARITY CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities			
Cash generated from operations	1	<u>165,978</u>	<u>483,403</u>
Net cash provided by operating activities		<u>165,978</u>	<u>483,403</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,248,811)	(309,001)
Purchase of fixed asset investments		(2,423)	-
Sale of tangible fixed assets		16,730	178
Provision movement		<u>195,658</u>	<u>97,518</u>
Net cash used in investing activities		<u>(1,038,846)</u>	<u>(211,305)</u>
Change in cash and cash equivalents in the reporting period			
		(872,868)	272,098
Cash and cash equivalents at the beginning of the reporting period		<u>4,172,000</u>	<u>3,899,902</u>
Cash and cash equivalents at the end of the reporting period		3,299,132	4,172,000

The notes form part of these financial statements

BETHPHAGE

NOTES TO THE CHARITY CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

Charity	31.3.25	31.3.24
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	311,561	580,003
Adjustments for:		
Depreciation charges	54,126	44,645
(Profit)/loss on disposal of fixed assets	(16,730)	2,802
Increase in debtors	(95,676)	(611,879)
(Decrease)/increase in creditors	<u>(87,303)</u>	<u>467,832</u>
Net cash provided by operations	<u>165,978</u>	<u>483,403</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

Charity	At 1.4.24	Cash flow	At 31.3.25
	£	£	£
Net cash			
Cash at bank and in hand	<u>4,172,000</u>	<u>(872,868)</u>	<u>3,299,132</u>
	<u>4,172,000</u>	<u>(872,868)</u>	<u>3,299,132</u>
Total	<u>4,172,000</u>	<u>(872,868)</u>	<u>3,299,132</u>

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025****17. ACCOUNTING POLICIES
Charity**

Notes 18-28 below represent disclosures for the Bethphage charity only and have been included for comparative purposes as there are no comparatives for the consolidated accounts.

**18. DONATIONS AND LEGACIES
Charity**

	31.3.25	31.3.24
	£	£
Donations	<u>37,234</u>	<u>65,571</u>

**19. INVESTMENT INCOME
Charity**

	31.3.25	31.3.24
	£	£
Investment income	<u>117,409</u>	<u>70,707</u>

**20. INCOME FROM CHARITABLE ACTIVITIES
Charity**

	31.3.25	31.3.24
Activity	£	£
Support services	<u>11,099,635</u>	<u>10,044,481</u>

**21. RAISING FUNDS
Charity**

Raising donations and legacies	31.3.25	31.3.24
	£	£
Expenditure on raising voluntary income	<u>15,877</u>	<u>7,120</u>

**22. CHARITABLE ACTIVITIES COSTS
Charity**

	Direct	Support	Totals
	Costs	costs (see	£
	£	note 23)	£
Support services	<u>9,854,812</u>	<u>1,088,758</u>	<u>10,943,570</u>

**23. SUPPORT COSTS
Charity**

	Management	Governance	Totals
	£	costs	£
	£	£	£
Support services	<u>945,581</u>	<u>143,177</u>	<u>1,088,758</u>

The notes form part of these financial statements

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025****24. NET INCOME/(EXPENDITURE)
Charity**

Net income/(expenditure) is stated after charging/(crediting):

	31.3.25	31.3.24
	£	£
Auditors' remuneration	18,876	15,281
Depreciation - owned assets	54,126	44,645
Surplus/(deficit) on disposal of fixed assets	<u>(16,730)</u>	<u>2,802</u>

**25. TRUSTEES' REMUNERATION AND BENEFITS
Charity**

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

**26. TRUSTEES' REMUNERATION AND BENEFITS
Charity****Trustees' expenses**

During the year, expenses totalling £1,202 (2024: £1,128) were reimbursed or paid directly to 3 trustees (2024: 3 trustees).

**27. STAFF COSTS
Charity**

	31.3.25	31.3.24
	£	£
Wages and salaries	8,487,209	7,648,238
Social security costs	763,732	633,974
Other pension costs	<u>211,781</u>	<u>198,883</u>
	<u>9,462,722</u>	<u>8,481,095</u>

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

	31.3.25	31.3.24
Administrative	65	66
Service delivery	<u>265</u>	<u>266</u>
	<u>330</u>	<u>332</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.25	31.3.24
£60,001 - £70,000	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

Total key management personnel remuneration was £391,765 (2024: £368,576).

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 MARCH 2025**28. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES****Charity**

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	19,095	46,476	65,571
Charitable activities			
Support services	10,044,481	-	10,044,481
Investment income	<u>70,707</u>	<u>-</u>	<u>70,707</u>
Total	<u>10,134,283</u>	<u>46,476</u>	<u>10,180,759</u>
EXPENDITURE ON			
Raising funds	-	7,120	7,120
	Unrestricted funds £	Restricted fund £	Total funds £
Charitable activities			
Support services	<u>9,593,636</u>	<u>-</u>	<u>9,593,636</u>
Total	<u>9,593,636</u>	<u>7,120</u>	<u>9,600,756</u>
NET INCOME	540,647	39,356	580,003
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>3,122,620</u>	<u>36,991</u>	<u>3,159,611</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>3,663,267</u></u>	<u><u>76,347</u></u>	<u><u>3,739,614</u></u>

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025****29. TANGIBLE FIXED ASSETS
Charity**

	Freehold property £	Long leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2024	1,315,096	13,065	261,251	34,054	1,623,466
Additions	1,075,875	-	99,509	73,427	1,248,811
Disposals	-	(7,735)	(6,174)	-	(13,909)
At 31 March 2025	<u>2,390,971</u>	<u>5,330</u>	<u>354,586</u>	<u>107,481</u>	<u>2,858,368</u>
DEPRECIATION					
At 1 April 2024	148,116	13,065	240,052	32,371	433,604
Charge for year	33,344	-	10,769	10,013	54,126
Eliminated on disposal	-	(7,735)	(6,174)	-	(13,909)
At 31 March 2025	<u>181,460</u>	<u>5,330</u>	<u>244,647</u>	<u>42,384</u>	<u>473,821</u>
NET BOOK VALUE					
At 31 March 2025	<u>2,209,511</u>	<u>-</u>	<u>109,939</u>	<u>65,097</u>	<u>2,384,547</u>
At 31 March 2024	<u>1,166,980</u>	<u>-</u>	<u>21,199</u>	<u>1,683</u>	<u>1,189,862</u>

**30. FIXED ASSET INVESTMENTS
Charity**

	Unlisted investments £
MARKET VALUE	
Additions	<u>2,423</u>
NET BOOK VALUE	
At 31 March 2025	<u>2,423</u>
At 31 March 2024	<u>-</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Bethphage Property Limited

Registered office: 8 Longbow Close, Harlescott Lane, Shrewsbury, Shropshire, England, SY1 3GZ

Nature of business: Care provider

Class of share:	% holding	
Ordinary	100	31.3.25
		£
Aggregate capital and reserves		2

Bethphage Property Limited was formerly known as Groco 603 Limited.

The notes form part of these financial statements

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025****31. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

Charity	31.3.25 £	31.3.24 £
Trade debtors	1,521,714	1,028,197
Amounts owed by group undertakings	131,742	-
Other debtors	404,110	953,815
VAT	22,715	-
Prepayments and accrued income	<u>93,628</u>	<u>96,221</u>
	<u>2,173,909</u>	<u>2,078,233</u>

**32. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR
Charity**

Charity	31.3.25 £	31.3.24 £
Trade creditors	63,663	96,306
Social security and other taxes	360,037	278,201
Other creditors	2,691,153	2,738,999
Accrued expenses	<u>81,505</u>	<u>170,155</u>
	<u>3,196,358</u>	<u>3,283,661</u>

**33. LEASING AGREEMENTS
Charity**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.25 £	31.3.24 £
Within one year	<u>5,648</u>	<u>1,304</u>

**34. PROVISIONS FOR LIABILITIES
Charity**

Charity	31.3.25 £	31.3.24 £
Provisions	<u>612,478</u>	<u>416,820</u>

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025****35. MOVEMENT IN FUNDS
Charity**

	At 1.4.24 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds			
General Funds - all funds	2,213,267	312,879	2,526,146
Innovation and Development Fund	1,350,000	-	1,350,000
Infection Control and Rapid Testing protection measures	100,000	-	100,000
	3,663,267	312,879	3,976,146
Restricted funds			
Restricted Funds - all funds	76,347	(1,318)	75,029
TOTAL FUNDS	3,739,614	311,561	4,051,175

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds - all funds	11,256,449	(10,943,570)	312,879
Restricted funds			
Restricted Funds - all funds	14,559	(15,877)	(1,318)
TOTAL FUNDS	11,271,008	(10,959,447)	311,561

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025****35. MOVEMENT IN FUNDS - continued
Charity****Comparatives for movement in funds**

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General Funds - all funds	1,822,620	540,647	(150,000)	2,213,267
Innovation and Development Fund	1,200,000	-	150,000	1,350,000
Infection Control and Rapid Testing protection measures	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	3,122,620	540,647	-	3,663,267
Restricted funds				
Restricted Funds - all funds	<u>36,991</u>	<u>39,356</u>	<u>-</u>	<u>76,347</u>
TOTAL FUNDS	<u><u>3,159,611</u></u>	<u><u>580,003</u></u>	<u><u>-</u></u>	<u><u>3,739,614</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds - all funds	10,134,283	(9,593,636)	540,647
Restricted funds			
Restricted Funds - all funds	<u>46,476</u>	<u>(7,120)</u>	<u>39,356</u>
TOTAL FUNDS	<u><u>10,180,759</u></u>	<u><u>(9,600,756)</u></u>	<u><u>580,003</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General Funds - all funds	1,822,620	853,526	(150,000)	2,526,146
Innovation and Development Fund	1,200,000	-	150,000	1,350,000
Infection Control and Rapid Testing protection measures	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	3,122,620	853,526	-	3,976,146
Restricted funds				
Restricted Funds - all funds	<u>36,991</u>	<u>38,038</u>	<u>-</u>	<u>75,029</u>
TOTAL FUNDS	<u><u>3,159,611</u></u>	<u><u>891,564</u></u>	<u><u>-</u></u>	<u><u>4,051,175</u></u>

The notes form part of these financial statements

BETHPHAGE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2025

35. MOVEMENT IN FUNDS – continued Charity

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds - all funds	21,390,732	(20,537,206)	853,526
Restricted funds			
Restricted Funds - all funds	61,035	(22,997)	38,038
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>21,451,767</u>	<u>(20,560,203)</u>	<u>891,564</u>

Innovation and Development fund

The Innovation and Development fund is held to fund the investment in or development of the farm and suitable supported living accommodation; business development and sustainability projects, and increased costs of working due to Covid-19 impact. At the year end, development on the farm was still ongoing therefore funds will be recalculated on completion of the project.

Infection Control and Rapid Testing protection measures fund

The Infection Control and Rapid Testing protection measures fund is held to protect against any future impact of Covid-19 or other possible health emergency and any costs relating to purchasing tests and safeguarding against a future outbreak.

Restricted fund

The Restricted funds include funding received (net of expenditure) for specific projects and ongoing projects.

36. RELATED PARTY DISCLOSURES Charity

During the year, the trustees were reimbursed expenses totalling £1,202 (2024: £1,128).

Bethphage received donations totalling £nil (2024: £4,700) from Basil Houghton Memorial Trust. At the year end, there was a balance outstanding of £nil (2024: £nil). Basil Houghton Memorial Trust are a related party as one of the trustees of Bethphage is a trustee of Basil Houghton Memorial Trust.

Bethphage acquired services totalling £21,246 (2024: £19,075) from Shropshire Partners in Care. At the year end, there was a balance outstanding of £1,621 (2024: £4,364). Shropshire Partners in Care is a related party as one of the senior management team of Bethphage is a director of Shropshire Partners in Care.

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

BETHPHAGE

England & Wales - Charity number 1046225

Accounts

REGISTERED COMPANY NUMBER: 02971171 (England and Wales)
REGISTERED CHARITY NUMBER: 1046225

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
FOR
BETHPHAGE

D.R.E. & Co. (Audit) Limited
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

BETHPHAGE

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FOR THE YEAR ENDED 31 MARCH 2024**

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BETHPHAGE

REFERENCE AND ADMINISTRATIVE DETAILS **FOR THE YEAR ENDED 31 MARCH 2024**

TRUSTEES	Derek Lum, Chair Irena Zofia Sobolewska, Anthony Charles Aston (resigned 30.6.24) Adam Paul Bloor (appointed 22.8.24) Ruth Margaret Houghton Anna Hildegard Krauss (resigned 12.7.24)
COMPANY SECRETARY	Stuart Wheeler
REGISTERED OFFICE	8 Longbow Close Harlescott Lane Shrewsbury Shropshire SY1 3GZ
REGISTERED COMPANY NUMBER	02971171 (England and Wales)
REGISTERED CHARITY NUMBER	1046225
AUDITORS	D.R.E. & Co. (Audit) Limited 7 Lower Brook Street Oswestry Shropshire SY11 2HG
SOLICITORS	Trowers and Hamlin LLP 3 Bunhull Row, London, EC1Y 8YZ Aaron & Partners Lakeside House, Oxon Business Park Shrewsbury, SY3 5HJ
SOLICITORS	The Co-Operative Bank plc 1 Balloon Street, Manchester, M4 4BE CAF Bank Ltd 25 Kings Hill Avenue, West Malling, ME19 4JQ
EXECUTIVE MANAGEMENT TEAM	Stefanie Kay, Chief Executive Officer Alice Blakeman, Service Development Manager Helen Nickless, Head of Operations Clare Shaw, Quality Manager Chris Stephens, Head of Finance and IT Stuart Wheeler, Head of Human Resources
HONORARY PRESIDENT	Donna Werner
MEMBERS	Mosaic Council of Lutheran Churches

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

The Trustees present their annual report together with the audited financial statements of Bethphage for the year 1 April 2023 to 31 March 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (October 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Introduction

It is with great sadness that the Trustees report the death of Anthony Charles Aston on 30 June 2024, following a short illness. Tony has been a valued Bethphage Trustee for nearly nine years and brought enormous sales and marketing expertise to the board. His enthusiasm, humour, and support will be greatly missed across Bethphage. Our heartfelt condolences go out to his family, friends, and colleagues.

The year was dominated by continuing financial pressure due to the fee increases that Commissioners provided being less than the increases in cost that providers faced. However, as the year progressed the recruitment problems of recent years eased and enabled Bethphage to make further progress.

The outlook for the coming year remains uncertain for the sector given the change of Government, and the increases in National Minimum Wage (NMW) and consequent increase in Employer National Insurance and Pension contributions. Again, settlements imposed by Commissioners for the coming year fall short of the cost increases seen.

The Board do recognise how vital our staff are in delivering our services. Again, this year has been exceptional and so have our staff. Their creative energy, optimism, ability to adapt to rapidly changing new and highly challenging situations, and their selflessness at times of great personal risk has been inspirational. As the Board has said for the previous three years, our hope is that our country ultimately recognises the importance and value that society places on social care services and that this is reflected in the rewards that dedicated and skilled staff in the sector receive. Bethphage will continue to strive to invest in the training of its staff, which is vital to ensuring the delivery of high quality services, and the development of individual's careers.

The Board would also like to thank the people we support, their families and our local authority partners for their support, cooperation and help during the year.

"[Day Service] is a lifesaver, don't know what we'd do without it."

"He has progressed considerably during his time there and we are very appreciative of everyone's dedication and hard work."

"I wanted to take some time to thank you and your team for the support and guidance you've given (person's name) over the past couple of years.

Although the last couple of months had been difficult overall her time at the farm was a huge success. [Day Service] was responsible for helping her through some of her most challenging times.

You personally really understood her. You always had her needs at the forefront of your decision making helping to guide her.

We are extremely grateful for this, your help and support on her journey has been something really special."

Family Members' Compliments: Feedback - 2023

Objectives and activities

a. Policies and objectives


Our Vision is of inclusive communities where all people have the opportunity to live the life they choose.

Our Mission is to be an excellent provider of services for people with disabilities.

Our Values: We seek to deliver services based on four core values. These core values really shape how we work and make a positive difference to the quality of life for the people we support:



Personal Growth
We create a safe and healthy environment, where we provide positive feedback, support each other to reflect on actions and learn and grow from them.



Active involvement
We work together, actively engaging and involving others to solve problems and deliver positive solutions within Bethphage and across the wider community.



Honesty
We work together in an open and honest way; taking responsibility and remaining accountable for our actions.



Respect
We respect and value the diversity, individuality and views of everyone we come into contact with, fully considering each perspective before arriving at an agreed outcome.

BETHPHAGE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

At our AGM in October 2023 the Board was delighted to re-appoint Donna Werner as Honorary President of Bethphage for another one-year term. Donna brings a wealth of experience to Bethphage and is a valuable sounding board for both the Board and Executive Management Team (EMT).

During the year Bethphage continued to implement its Strategic Plan for 2020 – 2024 which, because of Covid-19 and the likely changing financial landscape, was separated into two parts:

- 2020 - 2022
- 2022 - 2024

The first part of the plan is entitled 'Building Resilience and delivering Best Value' and lays out the actions and investment plans designed to prepare Bethphage for the challenges ahead. The second part is entitled 'Creating Sustainable Growth and Quality' and focuses on the future growth opportunities that will emerge, whilst maintaining our focus on high quality provision. At the time of developing the plan we hoped that the second part would begin after 2022. However, in that plan the board recognised that it was likely that the start of the second part might actually be rather later, and very much dependent on economic climate improvement. This has proven to be the case.

During the latter part of the year Bethphage completed the Strategic Plan for 2024 – 2028 entitled 'Creating Sustainable Growth and Quality'. A key part of this plan is to purchase a property suited to the provision of Day Services with sufficient land and buildings for the development of supported living homes and to enable Bethphage to develop and trial other models of support. In June 2024 Bethphage completed the purchase of a small farm property, with planning permission for the development of two residential properties. Work has commenced to create a detailed development plan for the property which, subject to consultation and planning consents, is expected to be completed over a five to ten year period.

The development of this plan will be undertaken with the consultation of the local community and the people who might use the services and their families. This is an exciting development for Bethphage and will provide further opportunities to grow the range of services that we offer.

In response to being asked:

92% of people said they like their staff

In response to being asked "What do you like most about your staff", people commented that they are:

"funny", "kind", "listen to me", "the cleaning", "cooking", "driving", and "try to encourage my independence".

People we support: Supported living/residential care - 2023

Bethphage recognises that enormous strain has been placed on our Commissioners' finances by the pandemic and the war in Ukraine, and that they will be seeking to ensure they make savings and improve efficiencies going forward. Bethphage's focus under the previous strategic plan has been to improve the efficiency of its IT systems, and therefore lower the cost, of service delivery. The plan also involved working constructively with Commissioners to develop where appropriate, new models of service and Assistive Technology (AT) which may reduce overall costs, but without sacrificing quality or safety.

As far as is currently possible, AT is being adopted across the organisation to enable the people we support to utilise technology, which increases their independence and reduces the need for face to face support. Bethphage has invested in an AT post which provides a support function for the managers and the people we support, carrying out assessments to identify suitable technology on a person centred basis.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

In setting objectives and planning for the activities of Bethphage, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies and activities for achieving objectives

Our primary activities are to support people with disabilities to achieve their potential through the direct provision of supported living services, registered care homes, community inclusion, and day opportunities. As at 31st March 2024, we were delivering 7,608 (2023: 8,401) hours per week of support to 162 (2023: 165) people in Shropshire, Telford, Walsall, and Birmingham, 88 (2023: 97) of whom live in our small care homes or their own home with us as the main support provider ('supported living') whilst the other 74 (2023: 68) attend our day opportunity services. The Shropshire Shared Lives scheme managed by Bethphage has progressed well with standards continuing to improve as measured by our internal quality scores. 38 (2023: 55) people with learning disabilities, autism and mental health live permanently or in respite with 42 (2023: 44) households and 62 (2023: 64) Shared Lives carers. The scheme provides valuable respite breaks for families and permanent Shared Lives carers and enables people to live and be involved in their local communities.

Bethphage's 2024 - 2028 strategic plan entitled 'Creating Sustainable Growth and Quality' sets out the Charity's Key Strategies and Activities, and our Aims and Objectives detailed below.

c. Public Benefit

We are confident our objectives and activities are beneficial to the people we support as well as being of benefit to the public in general.

Our vision is of inclusive communities where all people have the opportunity to live the life they choose. We achieve this through our direct service delivery and through our support and contributions to the development of disability services in the UK.

We promote the integration of people with learning disabilities into universal community services such as having equal access to health care, education, employment, sport, and leisure activities.

My daughter is at [Service]. She came in an awful state from the [another provider's service] so was self-harming, [list of serious self-harm injuries] and was allowed to eat junk food, hence at a very serious weight. Since being in Bethphage she has stopped self-harming and lost a lot of weight with good food, and staff have got her healed. She has gained self-respect and is the happiest she has ever been. Want her to stay forever - thank you.

Parent: Residential care - 2023

d. Service Quality

A fundamental part of Bethphage's approach is to continually strive to improve the quality of the services which we deliver and to achieve better outcomes for the people we support (who are some of the most vulnerable in society). Although no statutory Care Quality Commission (CQC) inspections took place in the year, both of our Registered Homes, three other registered locations from where we operate community support provision, and our Shared Lives services are subject to CQC inspections. All of our registered locations are rated as 'Good' across all domains. Additionally, Bethphage has a long established internal quality audit system in place for all provision.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

Each service is assessed against a range of quality and performance measures by the Bethphage Quality Manager and areas of improvement identified and reported on to the area manager, service manager and staff, the EMT and the Board. During the year the quality audits have comprised face to face meetings with managers, visits to the properties of the people we support, desktop reviews of reporting and systems, and surveys of the people we support, their families, and staff. Added to this, regular reporting from the Positive Behaviour Support Team and close monitoring of compliments and investigation of complaints, concerns and suggestions, has provided Bethphage with additional layers of performance monitoring.

CQCs internal change to a new framework has been challenging, adding more pressure onto an already burdened sector. Internally we have invested time and energy with all of the registered managers and senior team to develop our understanding, knowledge and practical application when we are inspected. The CQCs replacement portal has also not gone well and has been heavily criticised across the sector as their anticipated launch has been poor at best, the CQC have acknowledged the issues and apologised to the sector and are working to remedy it. However, it has not been a good example for the Regulator to set to the sector.

"You both were very understanding of the situation and urgency, you acted professionally and responsively in accelerating the process under the circumstances whilst undertaking due diligence. When I asked for advice, you were both very forthcoming and informative, as a result a vulnerable women has been prevented from becoming homeless and has appropriate support in place. Thank you again for your support in these difficult circumstances, very positive experience with shared lives."

Social Worker: Shared Lives Compliments - 2023

Ongoing relevant and focussed staff training and development is a key part of ensuring that we have the resources available to deliver high quality services and to recognise when change or improvement is required. The majority of training is online, but with essential training occurring face to face.

Our investment in Positive Behaviour Support (PBS) supports people with the ongoing management of behaviours of concern, for which medication would have been historically prescribed. The principles of STOMP ('Stopping over medication of people with a learning disability and autistic people') which was an NHS initiative that we embraced when it was launched, but no longer exists, are still utilised and the monitoring of medical reviews have been incorporated into Bethphage's organisation wide Care Management IT system, which provides much greater visibility on medication reviews and the use of psychotropic medication. The Quality Manager reports quarterly to the EMT and the Board and provides progress updates on how the use of medication affects the wellbeing of the people we support. The Board are pleased to report further progress in the year. Bethphage's Health Improvement Lead plays a vital role guiding staff on medication protocols, infection control, in addition to the normal responsibilities of supervising medication procedures, and improving the health and well-being of the people we support.

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

[Manager] has "worked tirelessly with [person's name] to meet his fluctuating needs, and has advocated for him relentlessly. She is incredibly professional, patient, understanding and is a real credit to your organisation. She is very knowledgeable, always responsive and it's a pleasure to have such a good working relationship with her. "

Social Worker: Compliments - 2023

e. Volunteers

Bethphage's greatest asset is its people. The Trustees, who are themselves volunteers, would like to thank the staff and volunteers for their continuous efforts to ensure that we deliver consistently high-quality, person-centred services in these very challenging times. In recent years, Bethphage has enjoyed the benefit of a steadily increasing number of volunteers, especially in the day opportunity services. Bethphage utilises the time and enthusiasm contributed by volunteers to add value and opportunity to the users of our services and not as a replacement for core funded staff. The Trustees wish to record their appreciation of Bethphage's volunteer supporters and the benefits they bring to the experiences of people using Bethphage services and to the success of the Charity. Bethphage Friends, a group established to increase engagement with our supporters and volunteers, continues to grow.

The Trustees would also like to thank our donors and grant funders for their generous contributions which enable Bethphage to provide enhancements to services and facilities for users of its services.

f. Sustainability

In keeping with many other organisations Bethphage is conscious of its impact on the environment and in particular its energy consumption in the process of delivering services. Work has started to examine the organisation's carbon footprint and to develop strategies to reduce Bethphage's environmental impact. The reduction in face to face meetings and the installation of solar panels on the roof of the head office building, together with waste reduction and recycling, are tangible outcomes from the first phase of this work. As Bethphage has more than 250 staff we must complete the Energy Savings Opportunities Scheme assessment every four years, which will focus on our energy (heat and light) usage and also fuel for vehicles we own and mileage we pay our staff for business travel in their own vehicles. The ESO scheme submission is due in the second quarter of 24-25 and should identify potential savings to reduce our environmental impact, which we will explore once the report is received. Reducing energy use is gaining momentum, supported by awareness training and ensuring we support those who use our services to increase their environmental awareness, is part of how we support people today.

Achievements and performance

a. Achievements and Performance

In 2023/24, we retained our existing contracts, consolidating and maintaining our current provision. Our three day opportunity locations, where we provide meaningful, person-centred day opportunities for adults with learning disabilities, continue to enable large numbers of people with a learning disability to access and benefit from Bethphage services and is consistent with our approach of enabling people to live the life they choose.

I have an amazing Shared Lives Officer who provides support, advice whenever I require. If she is unable to provide this she will seek advice from the team or outside the team I am well informed through shared lives officer, events and workplace.

Shared Lives Carer: Feedback - 2023

b. Fundraising

Bethphage is registered with the Fundraising Regulator and complies with the Code of Fundraising Practice. Community fundraising generally takes place face to face with the public at events and Bethphage open days etc. through donations via the Bethphage and Just Giving websites, and from applications to trusts, foundations, and corporate partners. Third party organisations are not used to fundraise on behalf of Bethphage.

Fundraising and the approach to be used requires approval of the EMT prior to commencing. The fundraising approach is monitored and funds are applied only to the purpose for which they were raised. Fundraising activities involving vulnerable people are restricted to small sums for subscriptions and similar items which represent fair value to them as individuals for the activity concerned.

c. Future Plans and Investment

The primary objective for the coming year is to promote the principles and six strategic goals of the four-year strategic plan 'Creating Sustainable Growth and Quality' which outlines the approaches we will follow over the four years of the plan to translate the mission, vision, core values, and strategic goals of the charity into positive outcomes.

The detailed delivery objectives for 2024/2025 are aimed at continuing to position Bethphage to deal in the most effective way with the financial challenges that the sector is facing. Those objectives are focussed under six strategic headings:

- **Acquisition and development of a property suitable for multi service model delivery**
- **Maintain a strategic relationship with commissioners**
- **Exploration of one new model of service delivery**
- **Improve recruitment and retention of staff**
- **Continued development of the use of AT**
- **Continued development of Bethphage's quality systems to reflect CQC's Single Assessment Framework**

The availability of suitable high-quality accommodation remains a challenge and Bethphage continues to seek to invest further in suitable property as the opportunity arises and financial resources permit.

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

I would like to express my thanks to all the staff and management at Bethphage for their continued support and their ability to think outside the box when looking at how to provide the best support for the individual whom I am an advocate and friend of. By taking this approach they have been able to secure very good independent living accommodation and support for this individual going forward. This was all achieved in very challenging times. Their whole approach has been very refreshing and person centred around the individual concerned and they took their needs and wishes into consideration at all times.

People we support survey: Supported living/residential care - 2023

Financial review

a. Overview

Costs for 2024-25 are increasing due to the NLW increase of 9.8%, resulting in a minimum hourly rate of £11.44. Local Authority Settlements for 24-25 averaged 6% but Shropshire Council also introduced a minimum rate of £21 per hour which gave a larger increase on some contracts.

We continue to balance the competing priorities of:

- Competition with sustainability
- Price with quality
- Provider of choice with employer of choice.

During the year continuing investment in organisation wide IT systems together with the associated training costs have begun to bear fruit. After these investment costs, the results for 2024 show an improved surplus of £580,003 (2023: £22,256).

The underlying trading for the year was very significantly affected by improved staff retention and operational efficiencies.

The Trustees are particularly thankful for the efforts of the senior management of Bethphage who provided continued efforts to enable the Charity to focus on responding to the financial pressures and recruitment challenges in the first half of the year.

b. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that Bethphage has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

c. Reserves Policy

The Trustees have considered the operational environment and the opportunities and threats to the organisation in terms of development, contractual variations, tendering processes, and competitor activity. The Trustees' Reserves Policy balances levels of risk, the liabilities of the Charity, and our ability to invest in

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

new service development. At the year-end we held free reserves of £1,023,405 (2023: £894,134) applied for the purposes of day to day working capital, which is sufficient working capital for our needs taking into consideration the payment terms of our contracts and foreseeable risks.

Given the uncertainty, the Trustees consider that their prudent approach to the holding of free reserves to be appropriate for the scale of the risks encountered.

d. Principal funding sources

The vast majority of our funding during the year came from statutory sources with the following local authorities commissioning services: Birmingham City Council, Shropshire Council, Telford & Wrekin Council, and Walsall Council. Income comes in the form of block grants, individual contracts, and Direct Payments. A small amount of income comes from private funding. We recognise the pressures that these key stakeholders must operate under and strive to make the working relationships as cost effective and efficient as possible.

With the increasing limitations of local authority funding, we are also now considering other voluntary grants, fund raising opportunities, and the role of volunteers.

e. Investment Policy

Having regard to the requirement to maintain sufficient reserves and cash balances to cover potential variations in cash flow, surplus cash balances are placed on deposit with our bankers. As part of the Strategic Plan 2024 2028, the Trustees have invested in a property suitable for the development of a multi service site and the Trustees intend to invest further in the ownership of residential property relevant to the charity's activities, as financial resources permit. Bethphage's investment in property combines the purpose of achieving a return on our reserves whilst investing in high quality properties which cater for the needs of the people that we support. A key principle of our investment in residential property is that the tenants should be able to choose who provides their support services, irrespective of who ultimately owns the property. The need to ensure adequate working capital for operations and growth together with the desire to generate returns from positive cash balances, whilst minimising risk to capital, is kept under review.

Structure, governance and management

a. Constitution

Bethphage is a charitable company limited by guarantee, incorporated on 26 September 1994, and registered as a charity on 4 May 1995. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

b. Recruitment and appointment of Trustees

New Trustees are recruited through open processes (e.g. advertisements) or by invitation. Applicants are required to meet the people we support, staff and Trustees and demonstrate how their motivation, skills, and experience match the culture, needs and practice of the charity.

Under the requirements of the Memorandum and Articles of Association one third of the members of the Board (Trustees) retire and may offer themselves for re-election at each AGM.

In appointing Trustees Bethphage maintains a mix of skills on the Board, including financial, legal, human resources, strategic, marketing and health and social care management. As we continue to grow or diversify, the Board will review, at least bi-annually, its skills mix and seek additional Trustees when it identifies gaps. We are continue to seek to recruit an additional Trustee with a legal or accountancy background. Whilst appointment on merit is our primary concern, we are also keen to ensure we are representative of the communities in which we operate. Our gender balance is satisfactory, and whilst under representative of younger people and people from black, Asian and minority ethnic communities, it is largely representative of the workforce and users of services.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

c. Induction and training of Trustees

New Trustees are provided with a tour of our services, when safe to do so, in order to understand more fully the operations of the organisation. They are also invited and encouraged to attend a series of short introductory sessions with the Chair, other Trustees and senior managers to familiarise themselves with the Charity and the context within which we operate.

In addition, various Charity Commission publications including the Commission's guide 'the Essential Trustee' are distributed to all new Trustees. Trustees also receive training from external charity specialists.

The Board also receives regular presentations and training by Bethphage managers and other experts in the sector, for example: Positive Behaviour Services, Safeguarding, Data Security.

d. Pay policy for senior staff

The pay of the EMT is reviewed annually and normally increased in accordance with average earnings.

e. Decision making

The Trustee Board meets quarterly and is responsible for the strategic direction, financial viability, compliance, risk management, and governance of Bethphage. Senior managers including the Chief Executive Officer (CEO) and EMT also attend for the majority of most meetings, but do not have voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the CEO along with the EMT comprising Heads of Operations, Finance and Human Resources (HR) and the Service Development and Quality Managers all of whom attend Board meetings.

The Trustees have adopted the Charity Commission Governance Code and used it to review their performance. Irena Sobolewska and Derek Lum have served as Trustees since 2001 and 2002 respectively. Whilst the Board are very aware of the need to ensure that it does renew itself over time, and takes steps to do so, it is also cognisant of the need to ensure that appropriately skilled people are both available and willing to serve as Trustees. As each long serving Trustee retires by rotation, the Board considers whether it is in the interests of Bethphage to invite them to offer themselves for re-election to the Board. The Board would not hesitate to recommend to the members that a Trustee should not be reappointed if it believed that reappointment was not in the interests of Bethphage. The current composition of the Board provides a good blend of continuity, freshness, enthusiasm and energy.

f. Risk management

The Trustees have conducted a review of the major risks to which the Charity is exposed. The risk register is part of an established system and it is reviewed and updated by the EMT at least quarterly

and any changes reported to the Board. The Board receive an updated risk register in advance of each meeting and review it in more detail at least annually. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure the health and safety of the people we support, staff and visitors. Where appropriate, systems or procedures have been established to manage the risks the Charity faces, including those presented by a pandemic or major disaster.

The major risks to the organisation at the end of the year are:

- Financial pressures on our Commissioners
- Additional cost increases to comply with National Minimum Wage regulations and the uncertainty regarding future funding by Commissioners
- The limitation of resources available to the local authorities who fund our work
- The challenge of maintaining a sufficiency of high-quality staff
- Recruitment, and subsequent training costs
- The risk of losing key personnel

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

- Economic pressure.

g. Remuneration equality

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 came into force on 6th April 2017. These regulations require employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees. The requirement applies to Bethphage.

The figures must be calculated using a specific reference date each year, called the 'snapshot date'. The snapshot date is 5 April for businesses and charities and the data must be published within a year of the snapshot date. Bethphage published its first gender pay gap report on 4 April 2018 and its latest report on 18 December 2023.

The regulations require employers to calculate specified information and publish the information on the employer's website and on a designated government website at www.gov.uk/genderpaygap.

The Gender Pay Gap differs from equal pay:

Equal Pay – Bethphage pays the same rates to men and women who carry out the same jobs in accordance with the law.

The gender pay gap shows the differences in average pay for men and women. A number of factors influence this including seniority and the number of hours worked.

The Gender Pay Results for 5 April 2023: Based upon the snapshot date, Bethphage does not have a gender pay gap. Our female and male colleagues were paid the same on the snapshot date.

Plans for future periods

Partnerships, key alliances and regulatory bodies

Bethphage is a registered provider with the CQC. The CQC is the regulator for the social care sector and requires support providers to ensure that social care services are delivered against benchmarked standards in line with the commissions' fundamental standards.

We recognise the importance of strategic and operational partnerships in the communities in which we operate. We have played an active role in relevant local provider forums across Shropshire, Telford, and the West Midlands and in contributing to national initiatives.

The people who use our services are our most important stakeholder and this is reflected in a range of initiatives across the organisation including:

- Positive Behaviour Support
- Person Centred Approaches
- Surveys of the people who use our services, families, staff and managers
- Annual quality audits to review the services we provide and ensure they continue to deliver good outcomes for the people we support
- Management visits and reviews to check and monitor service delivery on a monthly basis
- Investment in staff development to support staff through areas of difficulty and to develop them into the best support workers they can be.

In the coming year Bethphage aims to continue to bring more focus to the development of its Social Values plan. We envisage four main areas of focus:

1. Jobs/local skills and employment
2. Growth – support growth of responsible regional business
3. Social – Healthier, safer and more resilient communities
4. Environmental impact

BETHPHAGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2024**

Membership

We are fortunate to have two organisational members – Mosaic and the Council of Lutheran Churches. Mosaic, the founder member, has played a crucial role in our development. As a leading service provider in the field of disabilities in the USA, Mosaic has extensive experience and resources that we have been able to call upon.

Member representatives attend the AGM and sometimes contribute in between meetings as required. We value the engagement of our two members and thank them for another year of valued contribution.

The extent of the involvement and support of our two corporate members has enabled the Charity to attract and retain Trustees of a high calibre, professional expertise, and experience necessary to enable the organisation to develop and grow successfully and consistently.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. We carry out exit interviews for all staff leaving the organisation and have adopted a procedure of upward feedback for senior management and the Trustees. We have implemented and regularly review a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Charity's equal opportunities policy, the Charity has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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.

BETHPHAGE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditors

The auditors, D.R.E. & Co. (Audit) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Derek Lum

Chair of Trustees

Date: 1 October 2024

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF BETHPHAGE

Opinion

We have audited the financial statements of Bethphage (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the 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 (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 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on 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 Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
BETHPHAGE**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF BETHPHAGE

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the care and support sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charity SORP (FRS102), employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
BETHPHAGE**

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

D.R.E. & Co. (Audit) Ltd.

D.R.E. & Co. (Audit) Limited
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

Date: 1 October 2024

BETHPHAGE**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	19,095	46,476	65,571	11,196
Charitable activities	4				
Support services		10,044,481	-	10,044,481	9,420,294
Investment income	3	70,707	-	70,707	25,302
Total		<u>10,134,283</u>	<u>46,476</u>	<u>10,180,759</u>	<u>9,456,792</u>
EXPENDITURE ON					
Raising funds	5	-	7,120	7,120	1,957
Charitable activities	6				
Support services		<u>9,593,636</u>	-	<u>9,593,636</u>	<u>9,432,579</u>
Total		<u>9,593,636</u>	<u>7,120</u>	<u>9,600,756</u>	<u>9,434,536</u>
NET INCOME		540,647	39,356	580,003	22,256
RECONCILIATION OF FUNDS					
Total funds brought forward		3,122,620	36,991	3,159,611	3,137,355
TOTAL FUNDS CARRIED FORWARD		<u><u>3,663,267</u></u>	<u><u>76,347</u></u>	<u><u>3,739,614</u></u>	<u><u>3,159,611</u></u>

The notes form part of these financial statements

BETHPHAGE**BALANCE SHEET**
31 MARCH 2024

	Notes	Unrestricted funds £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	12	1,189,862	-	1,189,862	928,486
CURRENT ASSETS					
Debtors	13	2,078,233	-	2,078,233	1,466,354
Cash at bank and in hand		4,095,653	76,347	4,172,000	3,899,902
		6,173,886	76,347	6,250,233	5,366,256
CREDITORS					
Amounts falling due within one year	14	(3,283,661)	-	(3,283,661)	(2,815,829)
NET CURRENT ASSETS		2,890,225	76,347	2,966,572	2,550,427
TOTAL ASSETS LESS CURRENT LIABILITIES		4,080,087	76,347	4,156,434	3,478,913
PROVISIONS FOR LIABILITIES	16	(416,820)	-	(416,820)	(319,302)
NET ASSETS		3,663,267	76,347	3,739,614	3,159,611
FUNDS	17				
Unrestricted funds				3,663,267	3,122,620
Restricted funds				76,347	36,991
TOTAL FUNDS				3,739,614	3,159,611

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

BETHPHAGE

BALANCE SHEET - continued
31 MARCH 2024

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 1 October 2024 and were signed on its behalf by:



.....
D Lum - Trustee

BETHPHAGE**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities			
Cash generated from operations	1	<u>483,403</u>	<u>(50,865)</u>
Net cash provided by/(used in) operating activities		<u>483,403</u>	<u>(50,865)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(309,001)	(250,000)
Sale of tangible fixed assets		178	50
Provision movement		<u>97,518</u>	<u>126,133</u>
Net cash used in investing activities		<u>(211,305)</u>	<u>(123,817)</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		<u>3,899,902</u>	<u>4,074,584</u>
Cash and cash equivalents at the end of the reporting period		<u>4,172,000</u>	<u>3,899,902</u>

The notes form part of these financial statements

BETHPHAGE

NOTES TO THE CASH FLOW STATEMENT **FOR THE YEAR ENDED 31 MARCH 2024**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.24	31.3.23
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	580,003	22,256
Adjustments for:		
Depreciation charges	44,645	56,034
Loss/(profit) on disposal of fixed assets	2,802	(50)
Increase in debtors	(611,879)	(403,806)
Increase in creditors	467,832	274,701
Net cash provided by/(used in) operations	<u>483,403</u>	<u>(50,865)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23	Cash flow	At 31.3.24
	£	£	£
Net cash			
Cash at bank and in hand	<u>3,899,902</u>	<u>272,098</u>	<u>4,172,000</u>
	<u>3,899,902</u>	<u>272,098</u>	<u>4,172,000</u>
Total	<u>3,899,902</u>	<u>272,098</u>	<u>4,172,000</u>

BETHPHAGE

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The financial statements are for the individual entity only.

The financial statements are presented in Sterling (£), rounded to the nearest £1.

Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants is recognised when the charity has entitlement to the funds, and performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

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 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.

Tangible fixed assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is shorter:

Freehold property	- 40 to 75 years straight line
Long leasehold	- straight line over the life of the lease
Fixtures and fittings	- 3 to 10 years straight line
Motor vehicles	- 3 to 10 years straight line

Land is not depreciated.

Assets relating to contracts are depreciated over the length of the contracts where the asset belongs to the contract and cannot be sold or disposed of by Bethphage to realise any residual value.

Taxation

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

BETHPHAGE

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2024**

1. ACCOUNTING POLICIES - continued

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Pension costs

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The charity operates a defined benefits pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by paragraph 28.11 of FRS 102, the charity accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activities represents contributions payable to the scheme in respect of the accounting period.

Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, 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 receipts discounted at a market rate of interest.

BETHPHAGE

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2024**

1. ACCOUNTING POLICIES - continued

Financial instruments

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2. DONATIONS AND LEGACIES

	31.3.24	31.3.23
	£	£
Donations	<u>65,571</u>	<u>11,196</u>

3. INVESTMENT INCOME

	31.3.24	31.3.23
	£	£
Investment income	<u>70,707</u>	<u>25,302</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		31.3.24	31.3.23
		£	£
Fund	Activity		
General funds	Support services	<u>10,044,481</u>	<u>9,420,294</u>

5. RAISING FUNDS

Raising donations and legacies

	31.3.24	31.3.23
	£	£
Expenditure on raising voluntary income	<u>7,120</u>	<u>1,957</u>

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024****6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 7) £	Totals £
Support services	<u>8,680,343</u>	<u>913,293</u>	<u>9,593,636</u>

7. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Support services	<u>880,299</u>	<u>32,994</u>	<u>913,293</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.24	31.3.23
	£	£
Auditors' remuneration	15,281	11,246
Depreciation - owned assets	44,645	56,034
(Deficit)/surplus on disposal of fixed assets	<u>2,802</u>	<u>(50)</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023

Trustees' expenses

During the year, expenses totalling £1,697 (2023: £588) were reimbursed or paid directly to 3 trustees (2023: 3 trustees).

10. STAFF COSTS

	31.3.24	31.3.23
	£	£
Wages and salaries	7,648,238	6,936,326
Social security costs	633,974	576,003
Other pension costs	<u>198,883</u>	<u>187,405</u>
	<u>8,481,095</u>	<u>7,699,734</u>

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

	31.3.24	31.3.23
Administrative	66	52
Service delivery	<u>266</u>	<u>279</u>
	<u>332</u>	<u>331</u>

No employee received emoluments in excess of £60,000.

Total key management personnel remuneration was £368,576 (2023: £357,309).

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024****11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	7,208	3,988	11,196
Charitable activities			
Support services	9,420,294	-	9,420,294
Investment income	<u>25,302</u>	<u>-</u>	<u>25,302</u>
Total	<u>9,452,804</u>	<u>3,988</u>	<u>9,456,792</u>
EXPENDITURE ON			
Raising funds	-	1,957	1,957
Charitable activities			
Support services	<u>9,433,822</u>	<u>(1,243)</u>	<u>9,432,579</u>
Total	<u>9,433,822</u>	<u>714</u>	<u>9,434,536</u>
NET INCOME	18,982	3,274	22,256
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>3,103,638</u>	<u>33,717</u>	<u>3,137,355</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>3,122,620</u></u>	<u><u>36,991</u></u>	<u><u>3,159,611</u></u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2023	1,007,895	13,065	269,946	66,043	1,356,949
Additions	307,201	-	1,800	-	309,001
Disposals	<u>-</u>	<u>-</u>	<u>(10,495)</u>	<u>(31,989)</u>	<u>(42,484)</u>
At 31 March 2024	<u>1,315,096</u>	<u>13,065</u>	<u>261,251</u>	<u>34,054</u>	<u>1,623,466</u>
DEPRECIATION					
At 1 April 2023	126,326	13,065	229,719	59,353	428,463
Charge for year	21,790	-	17,848	5,007	44,645
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(7,515)</u>	<u>(31,989)</u>	<u>(39,504)</u>
At 31 March 2024	<u>148,116</u>	<u>13,065</u>	<u>240,052</u>	<u>32,371</u>	<u>433,604</u>
NET BOOK VALUE					
At 31 March 2024	<u>1,166,980</u>	<u>-</u>	<u>21,199</u>	<u>1,683</u>	<u>1,189,862</u>
At 31 March 2023	<u>881,569</u>	<u>-</u>	<u>40,227</u>	<u>6,690</u>	<u>928,486</u>

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
		31.3.24	31.3.23	
		£	£	
Trade debtors		1,028,197	912,389	
Other debtors		953,815	439,298	
Prepayments and accrued income		96,221	114,667	
		<u>2,078,233</u>	<u>1,466,354</u>	
14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
		31.3.24	31.3.23	
		£	£	
Trade creditors		96,306	119,588	
Social security and other taxes		278,201	273,847	
Other creditors		2,738,999	2,185,990	
Accrued expenses		170,155	236,404	
		<u>3,283,661</u>	<u>2,815,829</u>	
15. LEASING AGREEMENTS				
Minimum lease payments under non-cancellable operating leases fall due as follows:				
		31.3.24	31.3.23	
		£	£	
Within one year		1,304	13,592	
Between one and five years		-	1,304	
		<u>1,304</u>	<u>14,896</u>	
16. PROVISIONS FOR LIABILITIES				
		31.3.24	31.3.23	
		£	£	
Provisions		<u>416,820</u>	<u>319,302</u>	
17. MOVEMENT IN FUNDS				
	At 1.4.23	Net	Transfers	At
	£	movement	between	31.3.24
		in funds	funds	£
		£	£	
Unrestricted funds				
General Funds - all funds	1,822,620	540,647	(150,000)	2,213,267
Innovation and Development Fund	1,200,000	-	150,000	1,350,000
Infection Control and Rapid Testing protection measures	100,000	-	-	100,000
	<u>3,122,620</u>	<u>540,647</u>	<u>-</u>	<u>3,663,267</u>
Restricted funds				
Restricted Funds - all funds	36,991	39,356	-	76,347
	<u>3,159,611</u>	<u>580,003</u>	<u>-</u>	<u>3,739,614</u>

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024****17. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds - all funds	10,134,283	(9,593,636)	540,647
Restricted funds			
Restricted Funds - all funds	46,476	(7,120)	39,356
TOTAL FUNDS	<u>10,180,759</u>	<u>(9,600,756)</u>	<u>580,003</u>

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General Funds - all funds	1,803,638	18,982	1,822,620
Innovation and Development Fund	1,200,000	-	1,200,000
Infection Control and Rapid Testing protection measures	100,000	-	100,000
	3,103,638	18,982	3,122,620
Restricted funds			
Restricted Funds - all funds	33,717	3,274	36,991
TOTAL FUNDS	<u>3,137,355</u>	<u>22,256</u>	<u>3,159,611</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds - all funds	9,452,804	(9,433,822)	18,982
Restricted funds			
Restricted Funds - all funds	3,988	(714)	3,274
TOTAL FUNDS	<u>9,456,792</u>	<u>(9,434,536)</u>	<u>22,256</u>

BETHPHAGE

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2024**

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General Funds - all funds	1,803,638	559,629	(150,000)	2,213,267
Innovation and Development Fund	1,200,000	-	150,000	1,350,000
Infection Control and Rapid Testing protection measures	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	3,103,638	559,629	-	3,663,267
Restricted funds				
Restricted Funds - all funds	<u>33,717</u>	<u>42,630</u>	<u>-</u>	<u>76,347</u>
TOTAL FUNDS	<u><u>3,137,355</u></u>	<u><u>602,259</u></u>	<u><u>-</u></u>	<u><u>3,739,614</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds - all funds	19,587,087	(19,027,458)	559,629
Restricted funds			
Restricted Funds - all funds	<u>50,464</u>	<u>(7,834)</u>	<u>42,630</u>
TOTAL FUNDS	<u><u>19,637,551</u></u>	<u><u>(19,035,292)</u></u>	<u><u>602,259</u></u>

Innovation and Development fund

The Innovation and Development fund is held to fund the investment in or development of the farm and suitable supported living accommodation; business development and sustainability projects, and increased costs of working due to Covid-19 impact.

Infection Control and Rapid Testing protection measures fund

The Infection Control and Rapid Testing protection measures fund is held to protect against any future impact of Covid-19 or other possible health emergency and any costs relating to purchasing tests and safeguarding against a future outbreak.

Restricted fund

The Restricted funds include funding received (net of expenditure) for specific projects and ongoing projects.

BETHPHAGE

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2024**

18. RELATED PARTY DISCLOSURES

During the year, the trustees were reimbursed expenses totalling £1,697 (2023: £588).

Bethphage received donations totalling £4,700 (2023: £350) from Basil Houghton Memorial Trust. At the year end, there was a balance outstanding of £nil (2023: £nil). Basil Houghton Memorial Trust are a related party as one of the trustees of Bethphage is a trustee of Basil Houghton Memorial Trust.

Bethphage received donations totalling £10,000 (2023: £nil) from the Council of Lutheran Churches. At the year end, there was a balance outstanding of £nil (2023: £nil). The Council of Lutheran Churches is a related party as it is a member of the charity.

Bethphage acquired services totalling £19,075 (2023: £15,576) from Shropshire Partners in Care. At the year end, there was a balance outstanding of £4,364 (2023: £2,816). Shropshire Partners in Care are a related party as one of the executive management team of Bethphage is a director of Shropshire Partners in Care.

BETHPHAGE

England & Wales - Charity number 1046225

Accounts

REGISTERED COMPANY NUMBER: 02971171 (England and Wales)
REGISTERED CHARITY NUMBER: 1046225

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
BETHPHAGE

D.R.E. & Co. (Audit) Limited
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

BETHPHAGE

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FOR THE YEAR ENDED 31 MARCH 2023

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BETHPHAGE

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2023

TRUSTEES	Derek Lum, Chair Irena Sobolewska, Vice Chair Anthony Charles Aston Ruth Houghton Anna Krauss
COMPANY SECRETARY	Stuart Wheeler
REGISTERED OFFICE	8 Longbow Close Harlescott Lane Shrewsbury Shropshire SY1 3GZ
REGISTERED COMPANY NUMBER	02971171 (England and Wales)
REGISTERED CHARITY NUMBER	1046225
AUDITORS	D.R.E. & Co. (Audit) Limited 7 Lower Brook Street Oswestry Shropshire SY11 2HG
SOLICITORS	Trowers and Hamlin LLP 3 Bunhull Row London EC1Y 8YZ
BANKERS	The Co-Operative Bank plc 1 Balloon Street Manchester M4 4BE CAF Bank Ltd 25 Kings Hill Avenue West Malling ME19 4JQ
SENIOR MANAGEMENT TEAM	Stefanie Kay, Chief Executive Officer Alice Blakeman, Service Development Manager Helen Nickless, Head of Operations Clare Shaw, Quality Manager Chris Stephens, Head of Finance and IT Stuart Wheeler, Head of Human Resources
HONORARY PRESIDENT	Donna Werner
MEMBERS	Mosaic Council of Lutheran Churches

BETHPHAGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of Bethphage for the year 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (October 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Introduction

The year was dominated by financial pressure due to the fee increases that Commissioners provided being less than the increases in cost that providers faced. The continuing spectre of Covid-19 remained, but thankfully its impact and that of other seasonal illnesses was far less than in the previous year.

The outlook for the coming year is extremely uncertain for the sector given the economic impact of the pandemic, Brexit changes, the war in Ukraine, the increases in National Minimum Wage (NMW) and consequent increase in Employer National Insurance and Pension contributions. Again, settlements imposed by Commissioners for the coming year fall short of the cost increases seen. This is compounded by the difficulty in recruitment as providers in the sector cannot compete for staff against sectors such as retail and hospitality where pay rates have increased and are funded by higher sales prices, or with local authority care roles which command higher rates of pay. Although there has been much talk of 'properly funding social care' by the Government, to date the burden of this appears to remain squarely with Local Authorities and their budgets have been squeezed still further this year by Central Government.

A House of Commons briefing paper 'Adult social care workforce in England' of 5 September 2022 highlights several issues that Social Care faces including:

High turnover: Skills for Care estimates the turnover rate of directly employed staff working in adult social care was 28.5% in 2020/21, equivalent to approximately 410,000 leavers over the year.

Low pay: care worker pay is among the lowest in the economy in general and is falling behind other sectors such as retail.

Most social care staff are employed by private sector providers who are responsible for setting their pay and conditions. However, public funding plays an important role. The Health and Social Care Committee suggested in July 2022 that 'increases in pay and improvements in terms and conditions will not be possible without an increase in social care funding.'

A second House of Commons briefing paper 'Adult Social Care Funding (England)' of 17 January, 2023 highlighted:

Workforce pressures. In 2021/22 there were an estimated 165,000 vacancies and the number of vacant posts increased by 52% between 2020/21 and 2021/22.

The root causes of staff shortages are undoubtedly the hollowing out from the labour market (in sectors other than Learning Disabilities) of people from the European Union because of Brexit, and people not returning to the workforce after Covid-19. The Government Scheme permitting the recruitment of Care Workers from overseas

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

has to a degree helped, but the fundamental issues remain unchanged and the additional costs in sponsoring staff are unsustainable, due to the costs of sponsorship and the pay rate, which is above the NMW.

At the end of the current year, Bethphage was poised to return unviable contracts as the uplifted rates from two of the local authorities we work with were too low to cover the costs of providing the services. However, a significant number of providers apparently also stated their intentions to hand back services, which resulted in a further eleventh hour increase to rates, allowing Bethphage to continue providing those services for a further year.

Although Bethphage is a charity, it is not possible to raise significant funds from the general public for services which should receive statutory funding. To continue to provide services at a loss would ultimately lead to the demise of the Charity. Therefore, the Trustees will not agree to do this and will hand back loss-making services. This is devastating for the people that we support and our staff, and does not provide a sustainable future model for the Charity.

The unrelenting pressure on cost in the sector, staff churn and the associated costs of training, over time will inevitably result in reducing the quality of services in the sector. To date, other than platitudes, and claims that the sector does not have highly skilled jobs, the Government has done little to support the sector despite numerous reports from various organisations, which outline the significant challenges the sector is facing: e.g. the Care Providers Association, VODG, National Care Forum, Home Farm Trust sector Pulse report.

However, the Board do recognise how vital our staff are in delivering our services. Again, this year has been exceptional and so have our staff. Their creative energy, optimism, ability to adapt to rapidly changing new and highly challenging situations, and their selflessness at times of great personal risk has been inspirational. As the Board has said for the previous two years, our hope is that our country ultimately recognises the importance and value that society places on social care services and that this is reflected in the rewards that dedicated and skilled staff in the sector receive. Bethphage will continue to strive to invest in the training of its staff, which is vital to ensuring the delivery of high quality services, and the development of individual's careers.

The Board would also like to thank the people we support, their families and our local authority partners for their support, cooperation and help during the year.

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

In response to being asked:

***What you think about the staff who support you,
people commented that staff are:***

***"nice", "caring", "friendly", "kind", "know my
routine", "great", "helpful", "listen to me",
"understand me" and "brilliant".***

People we support: Supported living/residential care - 2022

Objectives and activities

a. Policies and objectives

Our Vision is of inclusive communities where all people have the opportunity to live the life they choose.

Our Mission is to be an excellent provider of services for people with disabilities.

Our Values: We seek to deliver services based on four core values. These core values really shape how we work and make a positive difference to the quality of life for the people we support:

 <p>Personal Growth We create a safe and healthy environment, where we provide positive feedback, support each other to reflect on actions and learn and grow from them.</p>	 <p>Active involvement We work together, actively engaging and involving others to solve problems and deliver positive solutions within Bethphage and across the wider community.</p>
 <p>Honesty We work together in an open and honest way; taking responsibility and remaining accountable for our actions.</p>	 <p>Respect We respect and value the diversity, individuality and views of everyone we come into contact with, fully considering each perspective before arriving at an agreed outcome.</p>

At our AGM in October 2022 the Board was delighted to re-appoint Donna Werner as Honorary President of Bethphage for another one-year term. Donna brings a wealth of experience to Bethphage and is a valuable sounding board for both the Board and Executive Management Team (EMT).

During the year Bethphage continued to implemented its Strategic Plan for 2020 – 2024 which, because of Covid-19 and the likely changing financial landscape, was separated into two parts:

- 2020 - 2022
- 2022 - 2024

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The first part of the plan is entitled 'Building Resilience and delivering Best Value' and lays out the actions and investment plans designed to prepare Bethphage for the challenges ahead. The second part is entitled 'Creating Sustainable Growth and Quality' and focuses on the future growth opportunities that will emerge, whilst maintaining our focus on high quality provision. At the time of developing the plan we hoped that the second part would begin after 2022. However, in that plan the board recognised that it was likely that the start of the second part might actually be rather later, and very much dependent on economic climate improvement. This has proven to be the case.

In response to being asked:

What do you think about the staff who support you, people commented that staff are:

"Very good. Helpful, good communication and thoughtful. Cannot fault them."

"They are fantastic, very supportive, there if you need a chat."

"I think that they support me with everything that we do as a group and that they help me with independence."

"Make me laugh, make me happy."

"They are conscientious and well trained."

Families survey: People who use Day Opportunities - 2022

Bethphage recognises that enormous strain has been placed on our Commissioners' finances by the pandemic and the war in Ukraine, and that they will be seeking to ensure they make savings and improve efficiencies going forward. During the first part of the Strategic Plan Bethphage has looked in detail at how we can improve the efficiency, and therefore lower the cost, of service delivery. Our aim is also to work constructively with Commissioners to develop where appropriate, new models of service and Assistive Technology (AT) which may reduce overall costs, but without sacrificing quality or safety.

As far as is currently possible, AT is being adopted across the organisation to enable the people we support to utilise technology, which increases their independence and reduces the need for face to face support. In addition, Bethphage has invested in an AT post. The postholder provides a support function for the managers and the people we support, carrying out assessments to identify suitable technology on a person centred basis.

The changes in working practices necessitated by Covid-19 have continued to be employed where they yield cost savings or efficiency improvements. For example, face to face meetings are examined to ensure that real value is being obtained by the time and expense of travelling. In setting objectives and planning for activities, the Trustees have given due consideration to general guidance

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies and activities for achieving objectives

Our primary activities are to support people with disabilities to achieve their potential through the direct provision of supported living services, registered care homes, community inclusion, and day opportunities. As at 31st March 2023, we were delivering 8,401 (2022: 7,862) hours per week of support to 165 (2022: 155) people in Shropshire, Telford, Walsall, Wolverhampton and Birmingham, 97 of whom live in our small care homes or their own home with us as the main support provider ('supported living') whilst the other 68 attend our day opportunity services. The Shropshire Shared Lives scheme managed by Bethphage has progressed well with standards continuing to improve as measured by our internal quality scores. 55 people with learning disabilities, autism and mental health live permanently or in respite with 44 households and 64 Shared Lives carers. The scheme provides valuable respite breaks for families and permanent Shared Lives carers and enables people to live and be involved in their local communities.

Bethphage's 2020 - 2024 strategic plan sets out the Charity's Key Strategies and Activities, and our Aims and Objectives detailed below.

c. Public Benefit

We are confident our objectives and activities are beneficial to the people we support as well as being of benefit to the public in general.

Our vision is of inclusive communities where all people have the opportunity to live the life they choose. We achieve this through our direct service delivery and through our support and contributions to the development of disability services in the UK.

We promote the integration of people with learning disabilities into universal community services such as having equal access to health care, education, employment, sport, and leisure activities.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

In response to being asked:

What do you like most about your support?

"I like that they are there for me and help me to be a better person."

"Going out on trips and having lunch out."

"Going out and about and the companionship."

Families survey: People who use Day Opportunities - 2022

d. Service Quality

A fundamental part of Bethphage's approach is to continually strive to improve the quality of the services which we deliver and to achieve better outcomes for the people we support (who are some of the most vulnerable in society). As well as statutory Care Quality Commission (CQC) inspections of both of our Registered Homes, and four registered locations, from where we operate community and our Shared Lives services, Bethphage has a long established internal quality audit system in place for all services. Each service is assessed against a range of quality and performance measures by the Bethphage Quality Manager and areas of improvement identified and reported on to the area manager, service manager and staff, the EMT and the Board. During the year the quality system has returned to the normal processes used prior to the pandemic, which relied on face to face meetings with managers, visits to the properties of the people we support, desktop reviews of reporting and systems, surveys of the people we support, their families, and staff. Added to this, regular reporting from the Positive Behaviour Support Team and close monitoring of compliments and investigation of complaints, concerns and suggestions, has provided Bethphage with additional layers of performance monitoring.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

In relation to your work on quality – I can provide the following compliment received by the Commissioners:

'I would like to say that [Named] Shared Lives Officer has been absolutely wonderful in trying to accommodate the needs of [Service User]. Really responsive with emails and phone calls always very professional and client centred. She kept me in the loop with how she was progressing and really tried to engage the [Service User].'

Commissioning and Development Manager - 2022

In addition, Bethphage commissioned a local advocacy group to undertake additional engagement with the people we support through interactive group sessions to ascertain the view of the person receiving the service in a different format to ensure that the feedback we derive from our surveys marries up with the feedback from the advocacy service's findings. The findings are reported to the Board and EMT, evidencing culture and progress. Feedback from those we support and their families plays an integral role in getting beneath the surface of service delivery, ensuring internal views are accurate reflections.

Ongoing relevant and focussed staff training and development is a key part of ensuring that we have the resources available to deliver high quality services and to recognise when change or improvement is required. The majority of training remains online, but with essential training occurring face to face.

Our investment in Positive Behaviour Support (PBS) supports people with the ongoing management of behaviours of concern, for which medication would have been historically prescribed. The principles of STOMP (An initiative that we embraced when it was launched, but no longer exists) are still utilised and the monitoring of medical reviews have been incorporated into Bethphage's organisation wide Care Management IT system, which provides much greater visibility on medication reviews and the use of psychotropic medication. The Quality Manager reports quarterly to the EMT and the Board and provides progress updates on how the use of medication affects the wellbeing of the people we support. The Board are pleased to report further progress in the year. Bethphage's Health Improvement Lead plays a vital role guiding staff on medication protocols, infection control, in addition to the normal responsibilities of supervising medication procedures, and improving the health and well-being of the people we support.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

In relation to transition into a service:

Mum said: She was very happy, and commented that the setting was 'perfect', the staff are 'amazing', she has no concerns and thinks things have gone better than expected. Mum also said she felt the 'organisation are 'nailing it', communication is great, and that she is confident if any 'bumps in the road happen, it'll be solved'.

Parent in meeting with Bethphage Positive Behaviour Team - 2022

e. Volunteers

Bethphage's greatest asset is its people. The Trustees, who are themselves volunteers, would like to thank the staff and volunteers for their continuous efforts to ensure that we deliver consistently high-quality, person-centred services in these very challenging times. In recent years, Bethphage has enjoyed the benefit of a steadily increasing number of volunteers, especially in the day opportunity services. Bethphage utilises the time and enthusiasm contributed by volunteers to add value and opportunity to the beneficiaries of our services and not as a replacement for core funded staff. The Trustees wish to record their appreciation of Bethphage's volunteer supporters and the benefits they bring to the experiences of people using Bethphage services and to the success of the Charity. Bethphage Friends, a group established to increase engagement with our supporters and volunteers, continues to grow.

The Trustees would also like to thank our donors and grant funders for their generous contributions which enable Bethphage to provide enhancements to services and facilities for users of its services.

f. Sustainability

In keeping with many other organisations Bethphage is conscious of its impact on the environment and in particular its energy consumption in the process of delivering services. Work has started to examine the organisation's carbon footprint and to develop strategies to reduce Bethphage's environmental impact. The reduction in face to face meetings and the installation of solar panels on the roof of the head office building, together with waste reduction and recycling, are tangible outcomes from the first phase of this work.

Achievements and performance

a. Achievements and Performance

In 2022/23, we retained our existing contracts, consolidating and maintaining our current provision. Our three day opportunity locations, through which we provide meaningful, person-centred day opportunities for adults with learning disabilities, continue to enable large numbers of people with a learning disability to access and benefit from Bethphage services and is consistent with our approach of enabling people to live the life they choose.

The current number of CQC registered locations is six. None of the locations have been inspected by CQC during the 2022 - 2023 financial year. All six locations are each registered as 'Good' across all domains.

BETHPHAGE
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

"[Service] staff are working really hard and well with (person's name) and we appreciate all they do very much."

Clinical Lead Occupational Therapist - 2022

b. Fundraising

Bethphage is registered with the Fundraising Regulator and complies with the Code of Fundraising Practice. Community fundraising generally takes place face to face with the public at events and Bethphage open days etc, through donations via the Bethphage website, and from applications to trusts, foundations, and corporate partners. Third party organisations are not used to fundraise on behalf of Bethphage.

Fundraising and the approach to be used requires approval of the EMT prior to commencing. The fundraising approach is monitored and funds are applied only to the purpose for which they were raised. Fundraising activities involving vulnerable people are restricted to small sums for subscriptions and similar items which represent fair value to them as individuals for the activity concerned.

c. Future Plans and Investment

The primary objective for the coming year is to promote the principles and five strategic goals of the four-year strategic plan 'Building Resilience, Delivering Best Value', which outlines the approaches we will follow over the first period of the plan to translate the mission, vision and core values of the charity into positive outcomes.

The detailed delivery objectives for 2023/2024 are aimed at continuing to position Bethphage to deal in the most effective way with the financial challenges that the sector is facing. Those objectives are focussed under five strategic headings:

- **Maintain a strategic relationship with commissioners**
- **Efficiency improvement**
- **Improved management processes and communication**
- **Growth**
- **Improved service delivery**

The availability of suitable high-quality accommodation remains a challenge and Bethphage continues to seek to invest further in suitable property as the opportunity arises.

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

"Our son has been attending [Day Opportunity] for several years and we can't think of anything that could be done better! Communication is excellent. Individuals are extremely well supported and respect given to their individual likes/dislikes and needs. We feel our son is in very safe hands and his mood is noticeably happier after attending the farm. Well done to all the caring staff!"

"The service provided is excellent, I can't think of anything they could do better."

"Our relative is very happy and looks forward to each day that he can attend."

"[Day Opportunity] offers excellent care & support demonstrated by the fact that our relative was seriously mentally ill last year and he would not be recovering so well if he was not so well supported."

Families survey: People who use Day Opportunities - 2022

Financial review

a. Overview

The Low Pay Commission recommendation, in its report 'The National Living Wage beyond 2020', sets a target of a National Living Wage (NLW) at 66.7% of the median hourly earnings by 2024.

Costs for 2023-24 are increasing due to the NLW increase of 9.7%, resulting in a minimum hourly rate of £10.42. Local Authority Settlements for 23-24 ranged from 7-12%, with the bulk at the lower end of the range.

We continue to balance the competing priorities of:

- Competition with sustainability
- Price with quality
- Provider of choice with employer of choice.

During the year investment in organisation wide IT systems together with the associated training costs has continued. After these investment costs, the results for 2023 show a surplus of £22,256 (2022: £236,214).

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The underlying trading for the year was very significantly affected by increased costs of working for example, recruitment, staff training, staff IT training etc. and by reduced support hours provided – particularly in our Day Opportunities. The infection control protocols relaxed gradually through the year, in accordance with government advice responding to community covid reductions and overall risk reduction

The Trustees are particularly thankful for the efforts of the senior management of Bethphage who provided continued focus to enable the Charity to emerge from the Covid-19 pandemic during the year. In the coming year the Trustees expect financial pressure and recruitment problems to remain.

b. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that Bethphage has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

c. Reserves Policy

The Trustees have considered the operational environment and the opportunities and threats to the organisation in terms of development, contractual variations, tendering processes, and competitor activity. The Trustees' Reserves Policy balances levels of risk, the liabilities of the Charity, and our ability to invest in new service development. At the year-end we held free reserves of £1,822,620 (2022: £1,803,638) applied for the purposes of day to day working capital, which is sufficient working capital for our needs taking into consideration the payment terms of our contracts and foreseeable risks.

Given the uncertainty, the Trustees consider that their prudent approach to the holding of free reserves to be appropriate for the scale of the risks encountered.

d. Principal funding sources

The vast majority of our funding during the year came from statutory sources with the following local authorities commissioning services: Birmingham City Council, Shropshire Council, Telford & Wrekin Council, Walsall Council. Income comes in the form of block grants, individual contracts, and Direct Payments. A small amount of income comes from private funding. We recognise the pressures that these key stakeholders must operate under and strive to make the working relationships as cost effective and efficient as possible.

With the increasing limitations of local authority funding, we are also now considering other voluntary grants, fund raising opportunities, and the role of volunteers.

BETHPHAGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

e. Investment Policy

Having regard to the requirement to maintain sufficient reserves and cash balances to cover potential variations in cash flow, surplus cash balances are placed on deposit with our bankers. As part of the Strategic Plan 2020 2024, if conditions permit, the Trustees intend to invest further in the ownership of residential property relevant to the charity's activities. Bethphage's investment in property combines the purpose of achieving a return on our reserves with investing in and providing support and resources to reduce the costs of meeting our charitable objectives. A key principle of our investment in residential property is that the tenants should be able to choose who provides their support services, irrespective of who ultimately owns the property. The need to ensure adequate working capital for operations and growth together with the desire to generate returns from positive cash balances, whilst minimising risk to capital, is kept under review.

Structure, governance and management

a. Constitution

Bethphage is a charitable company limited by guarantee, incorporated on 26 September 1994, and registered as a charity on 4 May 1995. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

b. Recruitment and appointment of Trustees

New Trustees are recruited through open processes (e.g. advertisements) or by invitation. Applicants are required to meet the people we support, staff and Trustees and demonstrate how their motivation, skills, and experience match the culture, needs and practice of the charity. This process was modified during the pandemic with meetings with staff and Trustees occurring online and visits to meet people we support postponed until safe to do so.

Under the requirements of the Memorandum and Articles of Association one third of the members of the Board (Trustees) retire and may offer themselves for re-election at each AGM.

In appointing Trustees Bethphage maintains a mix of skills on the Board, including financial, legal, human resources, strategic, marketing and health and social care management. As we continue to grow or diversify, the Board will review, at least bi-annually, its skills mix and seek additional Trustees when it identifies gaps. We are currently seeking to recruit an additional Trustee with a legal or accountancy background. Whilst appointment on merit is our primary concern, we are also keen to ensure we are representative of the communities in which we operate. Our gender balance is satisfactory, and whilst under representative of younger people and people from black, Asian and minority ethnic communities, it is largely representative of the workforce and users of services.

c. Induction and training of Trustees

New Trustees are provided with a tour of our services, when safe to do so, in order to understand more fully the operations of the organisation. They are also invited and encouraged to attend a series of short introductory sessions with the Chair, other Trustees and senior managers to familiarise themselves with the Charity and the context within which we operate.

In addition, various Charity Commission publications including the Commission's guide 'the Essential Trustee' are distributed to all new Trustees. Trustees also receive the bi-monthly magazine 'Governance & Leadership' and Trustees are expected to devote time to attend briefings by our auditors and other charity specialists.

The Board also receives regular presentations and training by Bethphage managers and other experts in the sector, for example: Positive Behaviour Services, Safeguarding, Data Security.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

d. Pay policy for senior staff

The pay of the EMT is reviewed annually and normally increased in accordance with average earnings.

e. Decision making

The Trustee Board meets quarterly and is responsible for the strategic direction, financial viability, compliance, risk management, and governance of Bethphage. Senior managers including the Chief Executive Officer (CEO) and EMT also attend for the majority of most meetings, but do not have voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the CEO along with the EMT comprising Heads of Operations, Finance and Human Resources (HR) and the Service Development and Quality Managers all of whom attend Board meetings.

The Trustees have adopted the Charity Commission Governance Code and used it to review their performance. Irena Sobolewska and Derek Lum have served as Trustees since 2001 and 2002 respectively. Whilst the Board are very aware of the need to ensure that it does renew itself over time, and takes steps to do so, it is also cognisant of the need to ensure that appropriately skilled people are both available and willing to serve as Trustees. As each long serving Trustee retires by rotation, the Board considers whether it is in the interests of Bethphage to invite them to offer themselves for re-election to the Board. The Board would not hesitate to recommend to the members that a Trustee should not be reappointed if it believed that reappointment was not in the interests of Bethphage. The current composition of the Board provides a good blend of continuity, freshness, enthusiasm and energy.

f. Risk management

The Trustees have conducted a review of the major risks to which the Charity is exposed. The risk register is part of an established system and it is reviewed and updated by the EMT at least quarterly and any changes reported to the Board. The Board receive an updated risk register in advance of each meeting and review it in more detail at least annually. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure the health and safety of the people we support, staff and visitors. Where appropriate, systems or procedures have been established to manage the risks the Charity faces, including those presented by a pandemic or major disaster.

The major risks to the organisation at the end of the year are:

- Financial pressures on our Commissioners
- Additional cost increases to comply with National Minimum Wage regulations and inflation running at over 10% and the uncertainty regarding future funding by Commissioners
- The limitation of resources available to the local authorities who fund our work which have been exacerbated by the Covid-19 pandemic
- The challenge of maintaining a sufficiency of high-quality staff in the current economic climate
- Recruitment, and subsequent training costs
- The risk of losing key personnel
- Economic pressure.

g. Remuneration equality

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 came into force on 6th April 2017. These regulations require employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees. The requirement applies to Bethphage.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

The figures must be calculated using a specific reference date each year, called the 'snapshot date'. The snapshot date is 5 April for businesses and charities and the data must be published within a year of the snapshot date. Bethphage published its first gender pay gap report on 4th April 2018 and its latest report on the 28th of March 2023.

The regulations require employers to calculate specified information and publish the information on the employer's website and on a designated government website at www.gov.uk/genderpaygap.

The Gender Pay Gap differs from equal pay:

Equal Pay – Bethphage pays the same rates to men and women who carry out the same jobs in accordance with the law.

The gender pay gap shows the differences in average pay for men and women. A number of factors influence this including seniority and the number of hours worked.

The Gender Pay Results for 5 April 2022:

Based upon the snapshot date, Bethphage does not have a gender pay gap. Our female and male colleagues were paid the same on the snapshot date.

Plans for future periods

Partnerships, key alliances and regulatory bodies

Bethphage is a registered provider with the CQC. The CQC requirements place a high-level duty of care upon providers to ensure that services are delivered against benchmarked standards. We work within the appropriate regulations and legislation and align our internal quality processes, policies and procedures with them.

We recognise the importance of strategic and operational partnerships in the communities in which we operate. We have played an active role in relevant local provider forums across Shropshire, Telford, and the West Midlands and in contributing to national initiatives.

The people who use our services are our most important stakeholder and this is reflected in a range of initiatives across the organisation including:

- Positive Behaviour Support
- Person Centred Approaches
- Surveys of the people who use our services, families, staff and managers
- Annual quality audits to review the services we provide and ensure they continue to deliver good outcomes for the people we support
- Management visits and reviews to check and monitor service delivery on a monthly basis
- Investment in staff development to support staff through areas of difficulty and to develop them into the best support workers they can be.

In the coming year Bethphage aims to bring more focus to the development of its Social Values plan. We envisage four main areas of focus:

- 1) Jobs/local skills and employment
- 2) Growth – support growth of responsible regional business
- 3) Social – Healthier, safer and more resilient communities
- 4) Environmental impact

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Membership

We are fortunate to have two organisational members – Mosaic and the Council of Lutheran Churches. Mosaic, the founder member, has played a crucial role in our development. As a leading service provider in the field of disabilities in the USA, Mosaic has extensive experience and resources that we have been able to call upon.

Member representatives attend the AGM and sometimes contribute in between meetings as required. We value the engagement of our two members and thank them for another year of valued contribution.

The extent of the involvement and support of our two corporate members has enabled the Charity to attract and retain Trustees of a high calibre, professional expertise, and experience necessary to enable the organisation to develop and grow successfully and consistently.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. We carry out exit interviews for all staff leaving the organisation and have adopted a procedure of upward feedback for senior management and the Trustees. We have implemented and regularly review a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Charity's equal opportunities policy, the Charity has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

and detection of fraud and other irregularities.

Disclosure of information to auditors

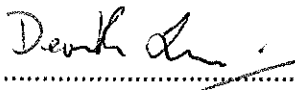
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and;
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditors

During the year D.R.E. & Co (Audit) Limited. were appointed as auditors. D.R.E. & Co (Audit) Limited, have indicated their willingness to continue in office. The Trustees will propose a motion reappointing the auditors at a meeting of the Members.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
Derek Lum
Chair of Trustees
Date: 10/10/23

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF BETHPHAGE

Opinion

We have audited the financial statements of Bethphage (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the 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 (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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on 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 Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
BETHPHAGE**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF BETHPHAGE

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the care and support sector;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charity SORP (FRS102), employment, environmental and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit. We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and

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

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;

- reading the minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims;

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
BETHPHAGE**

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

D.R.E. & Co. (Audit) Ltd

D.R.E. & Co. (Audit) Limited
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

Date: *28 November 2023*

BETHPHAGE**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted fund £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	7,208	3,988	11,196	291,012
Charitable activities	4				
Support services		9,420,344	-	9,420,344	8,806,966
Investment income	3	<u>25,302</u>	<u>-</u>	<u>25,302</u>	<u>5,246</u>
Total		<u>9,452,854</u>	<u>3,988</u>	<u>9,456,842</u>	<u>9,103,224</u>
EXPENDITURE ON					
Raising funds	5	-	1,957	1,957	5,396
Charitable activities	6				
Support services		<u>9,433,872</u>	<u>(1,243)</u>	<u>9,432,629</u>	<u>8,861,614</u>
Total		<u>9,433,872</u>	<u>714</u>	<u>9,434,586</u>	<u>8,867,010</u>
NET INCOME		18,982	3,274	22,256	236,214
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>3,103,638</u>	<u>33,717</u>	<u>3,137,355</u>	<u>2,901,141</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>3,122,620</u></u>	<u><u>36,991</u></u>	<u><u>3,159,611</u></u>	<u><u>3,137,355</u></u>

The notes form part of these financial statements

BETHPHAGE**BALANCE SHEET**
31 MARCH 2023

	Notes	Unrestricted funds £	Restricted fund £	31.3.23 Total funds £	31.3.22 Total funds £
FIXED ASSETS					
Tangible assets	12	928,486	-	928,486	734,520
CURRENT ASSETS					
Debtors	13	1,466,354	-	1,466,354	1,062,548
Cash at bank and in hand		3,862,911	36,991	3,899,902	4,074,584
		5,329,265	36,991	5,366,256	5,137,132
CREDITORS					
Amounts falling due within one year	14	(2,815,829)	-	(2,815,829)	(2,541,128)
NET CURRENT ASSETS					
		2,513,436	36,991	2,550,427	2,596,004
TOTAL ASSETS LESS CURRENT LIABILITIES					
		3,441,922	36,991	3,478,913	3,330,524
PROVISIONS FOR LIABILITIES					
	16	(319,302)	-	(319,302)	(193,169)
NET ASSETS					
		3,122,620	36,991	3,159,611	3,137,355
FUNDS					
Unrestricted funds	17			3,122,620	3,103,638
Restricted funds				36,991	33,717
TOTAL FUNDS					
				3,159,611	3,137,355

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

BETHPHAGE

BALANCE SHEET - continued
31 MARCH 2023

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 10/10/23 and were signed on its behalf by:



D Lum - Trustee

BETHPHAGE**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(50,815)</u>	<u>371,223</u>
Net cash (used in)/provided by operating activities		<u>(50,815)</u>	<u>371,223</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(250,000)</u>	<u>(35,693)</u>
Provision movement		<u>126,133</u>	<u>193,168</u>
Net cash (used in)/provided by investing activities		<u>(123,867)</u>	<u>157,475</u>
Change in cash and cash equivalents in the reporting period			
		<u>(174,682)</u>	<u>528,698</u>
Cash and cash equivalents at the beginning of the reporting period		<u>4,074,584</u>	<u>3,545,886</u>
Cash and cash equivalents at the end of the reporting period		<u>3,899,902</u>	<u>4,074,584</u>

The notes form part of these financial statements

BETHPHAGE

NOTES TO THE CASH FLOW STATEMENT **FOR THE YEAR ENDED 31 MARCH 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.23	31.3.22
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	22,256	236,214
Adjustments for:		
Depreciation charges	56,034	55,528
Increase in debtors	(403,806)	(351,733)
Increase in creditors	274,701	431,214
Net cash (used in)/provided by operations	<u>(50,815)</u>	<u>371,223</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	<u>4,074,584</u>	<u>(174,682)</u>	<u>3,899,902</u>
	<u>4,074,584</u>	<u>(174,682)</u>	<u>3,899,902</u>
Total	<u>4,074,584</u>	<u>(174,682)</u>	<u>3,899,902</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The financial statements are for the individual entity only.

The financial statements are presented in Sterling (£), rounded to the nearest £1.

Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants is recognised when the charity has entitlement to the funds, and performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

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 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.

Tangible fixed assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is shorter:

Freehold property	- 2% straight line
Long leasehold	- straight line over the life of the lease
Fixtures and fittings	- 3 to 10 years straight line
Motor vehicles	- 3 to 10 years straight line

Land is not depreciated.

Components of the freehold properties including bathrooms and kitchens have been depreciated from 1 April 2018 on a 10% straight line basis.

Assets relating to contracts are depreciated over the length of the contracts where the asset belongs to the contract and cannot be sold or disposed of by Bethphage to realise any residual value.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES - continued

Taxation

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

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Pension costs

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The charity operates a defined benefits pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by paragraph 28.11 of FRS 102, the charity accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activities represents contributions payable to the scheme in respect of the accounting period.

Financial instruments

The charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

BETHPHAGE

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES - continued

Financial instruments

Basic financial liabilities, including trade and other creditors, 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 receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2. DONATIONS AND LEGACIES

	31.3.23	31.3.22
	£	£
Donations	11,196	20,840
Other grant income	<u>-</u>	<u>270,172</u>
	<u>11,196</u>	<u>291,012</u>

3. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Investment income	<u>25,302</u>	<u>5,246</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.3.23	31.3.22
	£	£
Support services	<u>9,420,344</u>	<u>8,806,966</u>
Activity	Support services	

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023****5. RAISING FUNDS****Raising donations and legacies**

	31.3.23	31.3.22
	£	£
Expenditure on raising voluntary income	<u>1,957</u>	<u>5,396</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Support services	<u>8,442,668</u>	<u>989,961</u>	<u>9,432,629</u>

7. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Support services	<u>944,660</u>	<u>45,301</u>	<u>989,961</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.23	31.3.22
	£	£
Auditors' remuneration	11,246	9,008
Depreciation - owned assets	<u>56,034</u>	<u>55,527</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022

Trustees' expenses

During the year, expenses totalling £588 (2022: £1,182) were reimbursed or paid directly to 3 Trustees.

10. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	6,936,326	6,341,742
Social security costs	576,003	500,729
Other pension costs	<u>187,405</u>	<u>171,679</u>
	<u>7,699,734</u>	<u>7,014,150</u>

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023****10. STAFF COSTS - continued**

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

	31.3.23	31.3.22
Administrative	52	52
Service delivery	279	262
	<u>331</u>	<u>314</u>

No employee received emoluments in excess of £60,000.

Total key management personnel remuneration was £357,309 (2022: £345,435).

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	279,207	11,805	291,012
Charitable activities			
Support services	8,804,991	1,975	8,806,966
Investment income	<u>5,246</u>	-	<u>5,246</u>
Total	<u>9,089,444</u>	<u>13,780</u>	<u>9,103,224</u>
EXPENDITURE ON			
Raising funds	-	5,396	5,396
Charitable activities			
Support services	<u>8,835,033</u>	<u>26,581</u>	<u>8,861,614</u>
Total	<u>8,835,033</u>	<u>31,977</u>	<u>8,867,010</u>
NET INCOME/(EXPENDITURE)	254,411	(18,197)	236,214
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>2,849,227</u>	<u>51,914</u>	<u>2,901,141</u>
TOTAL FUNDS CARRIED FORWARD	<u>3,103,638</u>	<u>33,717</u>	<u>3,137,355</u>

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023****12. TANGIBLE FIXED ASSETS**

	Freehold property £	Long leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2022	757,895	13,065	269,946	66,043	1,106,949
Additions	250,000	-	-	-	250,000
At 31 March 2023	1,007,895	13,065	269,946	66,043	1,356,949
DEPRECIATION					
At 1 April 2022	107,480	13,065	201,081	50,803	372,429
Charge for year	18,846	-	28,638	8,550	56,034
At 31 March 2023	126,326	13,065	229,719	59,353	428,463
NET BOOK VALUE					
At 31 March 2023	881,569	-	40,227	6,690	928,486
At 31 March 2022	650,415	-	68,865	15,240	734,520

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade debtors	912,389	667,209
Other debtors	439,298	301,346
Prepayments and accrued income	114,667	93,993
	1,466,354	1,062,548

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade creditors	119,588	211,093
Social security and other taxes	273,847	279,566
Other creditors	2,185,990	1,853,031
Accrued expenses	236,404	197,438
	2,815,829	2,541,128

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.23	31.3.22
	£	£
Within one year	13,592	15,516
Between one and five years	1,304	14,895
	14,896	30,411

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023****16. PROVISIONS FOR LIABILITIES**

	31.3.23	31.3.22
	£	£
Provisions	<u>319,302</u>	<u>193,169</u>

17. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General Funds - all funds	1,803,638	18,982	1,822,620
Innovation and Development Fund	1,200,000	-	1,200,000
Infection Control and Rapid Testing protection measures	<u>100,000</u>	<u>-</u>	<u>100,000</u>
	3,103,638	18,982	3,122,620
Restricted funds			
Restricted Funds - all funds	<u>33,717</u>	<u>3,274</u>	<u>36,991</u>
TOTAL FUNDS	<u>3,137,355</u>	<u>22,256</u>	<u>3,159,611</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds - all funds	9,452,854	(9,433,872)	18,982
Restricted funds			
Restricted Funds - all funds	<u>3,988</u>	<u>(714)</u>	<u>3,274</u>
TOTAL FUNDS	<u>9,456,842</u>	<u>(9,434,586)</u>	<u>22,256</u>

BETHPHAGE**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023****17. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General Funds - all funds	2,249,227	254,411	(700,000)	1,803,638
Innovation and Development Fund	500,000	-	700,000	1,200,000
Infection Control and Rapid Testing protection measures	100,000	-	-	100,000
	<u>2,849,227</u>	<u>254,411</u>	<u>-</u>	<u>3,103,638</u>
Restricted funds				
Restricted Funds - all funds	51,914	(18,197)	-	33,717
	<u>51,914</u>	<u>(18,197)</u>	<u>-</u>	<u>33,717</u>
TOTAL FUNDS	<u>2,901,141</u>	<u>236,214</u>	<u>-</u>	<u>3,137,355</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds - all funds	9,089,444	(8,835,033)	254,411
Restricted funds			
Restricted Funds - all funds	13,780	(31,977)	(18,197)
	<u>13,780</u>	<u>(31,977)</u>	<u>(18,197)</u>
TOTAL FUNDS	<u>9,103,224</u>	<u>(8,867,010)</u>	<u>236,214</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General Funds - all funds	2,249,227	273,393	(700,000)	1,822,620
Innovation and Development Fund	500,000	-	700,000	1,200,000
Infection Control and Rapid Testing protection measures	100,000	-	-	100,000
	<u>2,849,227</u>	<u>273,393</u>	<u>-</u>	<u>3,122,620</u>
Restricted funds				
Restricted Funds - all funds	51,914	(14,923)	-	36,991
	<u>51,914</u>	<u>(14,923)</u>	<u>-</u>	<u>36,991</u>
TOTAL FUNDS	<u>2,901,141</u>	<u>258,470</u>	<u>-</u>	<u>3,159,611</u>

BETHPHAGE

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2023**

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds - all funds	18,542,298	(18,268,905)	273,393
Restricted funds			
Restricted Funds - all funds	17,768	(32,691)	(14,923)
	<u>18,560,066</u>	<u>(18,301,596)</u>	<u>258,470</u>

Innovation and Development fund

The Innovation and Development fund is held to fund the purchase of a third home for the people of the Charity; business development and sustainability projects, and increased costs of working due to Covid-19 impact. There has been no movement on the designated fund during the year as the designated fund is intended to be carried forward whilst a search for a suitable property continues.

Infection Control and Rapid Testing protection measures fund

The Infection Control and Rapid Testing protection measures fund is held to protect against any future impact of Covid-19 and any costs relating to purchasing tests and safeguarding against a future outbreak.

Restricted fund

The Restricted funds include funding received (net of expenditure) for specific projects and ongoing projects.

18. RELATED PARTY DISCLOSURES

During the year, the trustees were reimbursed expenses of £588 (2022: £1,182) respectively.

Bethphage received donations totalling £350 (2022: £nil) from Basil Houghton Memorial Trust. At the year end, there was a balance outstanding of £nil (2022: £nil). Basil Houghton Memorial Trust are a related party as one of the trustees of Bethphage is a trustee of Basil Houghton Memorial Trust.

Bethphage acquired services totalling £15,576 (2022: £7,469) from Shropshire Partners in Care. At the year end, there was a balance outstanding of £2,816 (2022: £1,534). Shropshire Partners are a related party as one of the senior management team of Bethphage is a director of Shropshire Partners in Care.

BETHPHAGE

England & Wales - Charity number 1046225

Accounts

BETHPHAGE

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**



BETHPHAGE
(A Company Limited by Guarantee)

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BETHPHAGE
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees	Derek Lum, Chair Irena Sobolewska, Vice Chair Anthony Charles Aston Ruth Houghton Anna Krauss (appointed 10 May 2021)
Company registered number	02971171
Charity registered number	1046225
Registered office	8 Longbow Close Harlescott Lane Shrewsbury Shropshire SY1 3GZ
Company secretary	Stuart Wheeler
Chief executive officer	Stefanie Kay
Independent auditors	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
Bankers	The Co-Operative Bank plc 1 Balloon Street Manchester M4 4BE CAF Bank Ltd 25 Kings Hill Avenue West Malling ME19 4JQ
Solicitors	Trowers and Hamlin LLP 3 Bunhull Row London EC1Y 8YZ

BETHPHAGE
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Senior management team	Stefanie Kay, Chief Executive Officer Alice Blakeman, Service Development Manager Helen Nickless, Head of Operations Martin Dean, Finance Manager Clare Shaw, Quality Manager Chris Stephens, Head of Finance and IT Stuart Wheeler, Head of Human Resources
Honorary President	Donna Werner
Members	Mosaic Council of Lutheran Churches

BETHPHAGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of Bethphage for the year 1 April 2021 to 31 March 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (October 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Introduction

The year was dominated by the continuing Covid-19 restrictions and guidance, and minimising any adverse impact of these on the lives of the people we support. As restrictions have been removed our priority remains the safety and well being of people we support and staff.

The outlook for the coming year is a lot more positive, in respect of Covid-19, but the economic impact of the pandemic and Brexit changes are looming large for the sector. Although there has been much talk of 'properly funding social care' by the Government, to date the burden of this appears to remain squarely with Local Authorities.

The Board know how vital our staff are in delivering our services. But, again this year has been exceptional and so have our staff. Their creative energy, optimism, ability to adapt to rapidly changing new and highly challenging situations, and their selflessness at a time of great personal risk has been inspirational. As the Board said last year, our hope is that our country ultimately recognises the importance and value that society places on social care services and that this is reflected in the rewards that dedicated staff in the sector receive.

The Board would also like to thank the people we support, their families and our local authority partners for their support, co operation and help during the year. Their co operation and assistance has made the difficult adjustments that have had to be made far easier to implement.

The Board hope that as the country emerges from the Covid-19 outbreak that we can redouble our efforts to apply the things we have learned to provide even better services and outcomes in the future.

During Covid 19 survey responses:

Out of 5, with 5 being excellent and 1 being poor, please can you tell us how you think we have performed, given the circumstances?

Survey responses:

80% excellent

12% very good

8% average

Families survey: People in supported living/residential care - 2021

BETHPHAGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities

a. Policies and objectives

Our Vision is of inclusive communities where all people have the opportunity to live the life they choose.

Our Mission is to be an excellent provider of services for people with disabilities.

Our Values: We seek to deliver services based on four core values. These core values really shape how we work and make a positive difference to the quality of life for the people we support:



In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

At our AGM in October 2021 the Board were delighted to re-appoint Donna Werner as Honorary President of Bethphage for another one year term. Donna brings a wealth of experience to Bethphage and is a valuable sounding board for both the Board and Executive Management Team (EMT).

During the year Bethphage continued to implemented its Strategic Plan for 2020 – 2024 which, because of Covid-19 and the likely changing financial landscape, was separated into two parts:

- 2020 - 2022
- 2022 - 2024

The first part of the plan is entitled 'Building Resilience and delivering Best Value' and lays out the actions and investment plans designed to prepare Bethphage for the challenges ahead. The second part is entitled 'Creating Sustainable Growth and Quality' and focuses on the future growth opportunities that will emerge, whilst maintaining our focus on high quality provision. At the time of developing the plan we hoped that the second part would begin after 2022. However, the board recognised in that plan that it was likely that the start of the second part might actually be rather later, and very much dependent on economic climate improvement.

BETHPHAGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

***In response to being asked:
What you think about the staff who support you,
people commented that staff are "nice", "ace",
"friendly", "kind", "brilliant", "talk to me
nicely", "helpful", "make sure I am healthy" and
"they do a good job".***

Families survey: People in supported living/residential care - 2021

Bethphage recognises that enormous strain has been placed on our Commissioners' finances by the pandemic, and that they will be seeking to ensure they make savings and improve efficiencies going forward. During the first part of the Strategic Plan Bethphage is looking in detail at how we can improve the efficiency, and therefore the cost, of service delivery. Our aim is also to work constructively with Commissioners to develop where appropriate, new models of service which can reduce overall costs, but without sacrificing quality or safety. The changes in working practices in the last two years are being examined to determine how they might be employed, in whole or in part, in the future to improve efficiency and reduce costs. For example, in future, once common face to face meetings are being examined to ensure that real value is being obtained by the time and expense of travelling. Two projects aimed at examining the benefits of further use of Assistive Technology are on-going during the year, and this is likely to be an area of continuing interest in the future.

b. Strategies and activities for achieving objectives

Our primary activities are to support people with disabilities to achieve their potential through the direct provision of supported living services, registered care homes, community inclusion, and day opportunities. As at 31st March 2022, we were delivering 7,862 hours per week of support to 155 people in Shropshire, Telford, Walsall, Wolverhampton and Birmingham, 93 of whom live in our small care homes or their own home with us as the main support provider ("supported living") whilst the other 62 attend our day opportunity services. The Shropshire Shared Lives scheme managed by Bethphage has progressed well with standards continuing to improve as measured by our internal quality scores and by the 2022 CQC inspection rating of 'Good' in all domains. 58 people with learning disabilities, autism and mental health live with 53 permanent or respite Shared Lives carers. The scheme provides valuable respite breaks for families and permanent Shared Lives carers and enables people to live and be involved in their local communities.

Bethphage's 2020 - 2024 strategic plan sets out the Charity's Key Strategies and Activities, and our Aims and Objectives of:

- Maintaining a strategic relationship with Commissioners
- Efficiency Improvement
- Improved Management Processes and Information
- Growth
- Improved Service Delivery

BETHPHAGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

c. Public Benefit

We are confident our objectives and activities are beneficial to the people we support as well as being of benefit to the public in general.

Our vision is of inclusive communities where all people have the opportunity to live the life they choose. We achieve this through our direct service delivery and through our support and contributions to the development of disability services in the UK.

We also promote the integration of people with learning disabilities into universal community services such as having equal access to health care, education, employment, sport, and leisure activities.

"We are full of admiration at how staff have coped with a difficult year and have evolved the service to suit the challenging circumstances"

Day Services Family Feedback - 2021

d. Service Quality

A fundamental part of Bethphage's approach is to continually strive to improve the quality of the services which we deliver and to achieve better outcomes for the people we support (who are some of the most vulnerable in society). As well as statutory Care Quality Commission (CQC) inspections of both of our Registered Homes, and four other registered locations, from where we operate community and our Shared Lives services, Bethphage has a long established internal quality audit system in place for all services. Each service is assessed against a range of quality and performance measures by the Quality Manager and areas of improvement identified and reported on to the area manager, service manager and staff, the Executive Management Team (EMT) and the Board. During the year the quality system has relied on online interviews with managers, desktop reviews of reporting and systems, surveys of the people we support, their families, and staff. Added to this, regular reporting from the Positive Behaviour Support Team and close monitoring of compliments and investigation of complaints, concerns and suggestions, has provided the Charity with additional layers of performance monitoring.

"People told us they were treated with dignity and respect and carers understood the importance of privacy. One carer told us the person who lived with them went to their room when they wanted some privacy but liked to spend most of their time with the family."

CQC Inspection - 2022

BETHPHAGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

In addition, Bethphage operates an independent annual review of quality for each individual service, (with the involvement and consent of the people who use our services), to ensure that the voice of the people we support is heard at the highest levels of the Charity. The annual audit is a thorough and comprehensive review of the service provided at each location, the findings of which are reported to the Charity's Board and EMT, evidencing culture and progress. Feedback from those we support and their families plays an integral role in getting beneath the surface of service delivery, ensuring internal views are accurate reflections.

Ongoing relevant and focussed staff training and development is a key part of ensuring that we have the resources available to deliver high quality services and to recognise when change or improvement is required. The majority of training remains online, but with essential training occurring face to face.

In 2018 Bethphage signed up to the STOMP initiative and continues to implement its principles. STOMP means stopping the over medication of people with a learning disability, autism or both with psychotropic medicines. STOMP was a national project involving many different organisations that are helping to stop the over use of these medicines. The STOMP initiative was aimed at helping people to stay well and have a good quality of life and ensuring that regular reviews of medication were undertaken for everyone supported. Our investment in Positive Behaviour Support (PBS) supports people with the ongoing management of behaviours of concern, for which medication would have been historically prescribed. The principles of STOMP and the monitoring of medical reviews have been incorporated into Bethphage's recently implemented organisation wide Care Management IT system, which provides much greater visibility on medication reviews and the use of psychotropic medication. The Quality Manager reports quarterly to the EMT and the Board and provides progress updates on how the outcomes of the STOMP initiative principles is affecting the wellbeing of the people we support. The Board are pleased to report further progress in the year, despite the challenges that restrictions have presented to the people we support. Bethphage's Health Improvement Lead has played a vital role throughout the Covid-19 pandemic, implementing Covid-19 protocols and advising staff, in addition to the normal responsibilities of supervising medication procedures, and improving the health and well-being of the people we support.

People who used the service told us how happy they were living with their carers. One person told us, "I have a great life, I'm very happy and very busy."

CQC Inspection - 2022

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

e. Volunteers

Bethphage's greatest asset is its people and the Trustees, who are all volunteers, would like to thank the staff and volunteers for their continuous efforts to ensure that we deliver consistently high-quality, person-centred services in these very challenging times. In recent years, Bethphage has enjoyed the benefit of a steadily increasing number of volunteers, especially in the day opportunity services. Bethphage uses the time and enthusiasm contributed by volunteers to add value and opportunity to the beneficiaries of our services and not as a replacement for core funded staff. The Trustees wish to record their appreciation of Bethphage's volunteer supporters and the benefits they bring to the experiences of people using Bethphage services and to the success of the Charity. Bethphage Friends, a group established to increase engagement with our supporters and volunteers continues to grow.

f. Sustainability

In keeping with many other organisations Bethphage is conscious of its impact on the environment and in particular its energy consumption in the process of delivering services. Work has started to examine the organisation's carbon footprint and to develop strategies to reduce Bethphage's environmental impact. The reduction in face to face meetings and the installation of solar panels on the roof of the head office building, together with waste reduction and recycling, are tangible outcomes from the first phase of this work.

Achievements and performance

a. Achievements and Performance

In 2021/22, we retained our existing contracts, consolidating and maintaining our current provision. Our three, day opportunity locations, through which we provide meaningful, person centred day opportunities for adults with learning disabilities prior to the lockdown, continue to enable large numbers of people with a learning disability to access and benefit from Bethphage services consistent with our approach of enabling people to live the life they choose. For periods of the year, the people we support could not access the buildings and therefore staff made regular contact with users of these services and their families, providing help to collect shopping and prescriptions and give any support they could over the phone or via digital communication. During these periods social media was used to host events, deliver support, maintain contact, share information and help people stay positive and upbeat.

The current number of Care Quality Commission (CQC) registered locations is six. One location was inspected by CQC during the 2021-2022 financial year and rated Good, maintaining the total of 6 locations, all registered Good across all domains.

"We are very impressed with the service provided. Communication is excellent and staff have tried really hard during this difficult time. The whole environment is successful in building confidence and making individuals feel valued".

Day Services Family Feedback - 2021

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

b. Fundraising

Bethphage is registered with the Fundraising Regulator and complies with the Code of Fundraising Practice. Community fundraising generally takes place face to face with the public at events and Bethphage open days etc, through donations via the Bethphage website, and from applications to trusts, foundations, and corporate partners. Third party organisations are not used to fundraise on behalf of Bethphage.

Fundraising and the approach to be used requires approval of the management of the Charity prior to commencing. The fundraising approach is monitored and funds are applied only to the purpose for which they were raised. Fundraising activities involving vulnerable people are restricted to small sums for subscriptions and similar items which represent fair value to them as individuals for the activity concerned

c. Future Plans and Investment

The primary objective for the coming year is to promote the principles and five strategic goals of the four-year strategic plan "Building Resilience, Delivering Best Value", which outlines the approaches we will follow over the first two years of the plan to translate the mission, vision and core values of the charity into positive outcomes.

The detailed delivery objectives for 2021/2022 are aimed at positioning Bethphage to deal most effectively with the challenges that the sector will face as we emerge from the Covid-19 pandemic. Those objectives are focussed under five strategic headings:

- **Maintain a strategic relationship with commissioners**
- **Efficiency improvement**
- **Improved management processes and communication**
- **Growth**
- **Improved service delivery**

The availability of suitable high-quality accommodation remains a challenge and Bethphage will seek to invest further in suitable property as the opportunity arises.

***In response to being asked:
What you like most about your support people
commented that "I am treated like an adult", "I
get help", "I feel at home", "Being part of a
family and having my own space", "Seeing my
friends", "She's great", "Lovely", "Good to talk
to – always there", "My support allows me to be
independent and do the things I enjoy", "Like
the meals", "Feel, safe and secure."***

Shared Lives Service 2021 Survey - 2021

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Financial review

a. Overview

The Low Pay Commission recommendation, in its report 'The National Living Wage beyond 2020', sets a target of a National Living Wage (NLW) at 66.7% of the median hourly earnings by 2024, which would give a rate of £10.50/hr based on current forecasts. This, combined with the ongoing limitations of available public funding continue to necessitate careful stewardship of our charitable resources. Costs for 2022-23 are also increasing due to the introduction of the Health & Social Care Levy, increasing National Insurance rates by 1.25%. In 2022/23 the NLW increase is 6.62% but none of our commissioners were able to match this increase with fee uplifts ranging from 2.3% to 6.6%, with an overall average increase of 4.95%. However, for the work our frontline staff do in supporting vulnerable adults with significant health and social care needs we believe it is important we pay as much as we can, subject to the limitations imposed by inadequate uplift settlements. Therefore, our intention is to increase pay for all support workers by an average of 5.1% in 2022-23.

We continue to balance the competing priorities of:

- Competition with sustainability
- Price with quality
- Provider of choice with employer of choice.

Following the Supreme Court decision on 'sleep in' payments in March 2021 commissioners have either remained silent on future payment arrangements or moved to a flat rate approach. Most providers appear to have adopted a flat rate approach and we will be moving to that approach, matching competitor rates, during 2022-23.

As reported last year the decision of the Supreme Court to reject the appeal concerning payments for sleep in duties resulted in the release of that substantial multiyear provision for a liability which the trustees believed was the responsibility of the Government, which significantly enhanced the 2021 surplus. During the year significant investment was made in the first stage of the Strategic Plan (Building Resilience, Delivering Best Value). These investments included significant upgrades to organisation wide IT systems together with the associated training costs. After these investment costs, the results for 2022 show a £236,214 surplus (2021: £760,650).

The underlying trading for the year was very significantly affected by increased costs of working for example PPE, IT equipment etc. and by reduced support hours provided – particularly in our Day Services. Although the Government contributed to Covid-19 Infection Control Management through one off grants, these did not cover the full costs to manage and track staff mandatory testing. In addition, significant staff shortages and increased costs occurred as staff members were forced to self isolate and the availability of temporary agency staff was scarce. The infection control protocols also prevented staff working across services, this making the utilisation of agency staff similarly challenging.

As well as thanking our staff throughout the organisation who rose to these challenges, we would also like to thank our Commissioners for their support during the year. Their approach in providing grants to support increased infection control measures and continuing existing payment schedules for services has ensured that the Charity has been able to focus on delivering support to extremely vulnerable people in what have been extremely challenging circumstances.

The Trustees are particularly thankful for the efforts of the senior management of Bethphage who provided continued focus to enable the Charity to deal with the Covid-19 pandemic during the year. In the coming year the Trustees expect that many of the increased costs of working will remain e.g. costs of testing, PPE, staff selfisolations etc. The focus of the first stage of the fouryear strategic plan is designed to ensure that the organisation is able to deal with these challenges.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

b. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that Bethphage has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

c. Reserves Policy

The Trustees have considered the operational environment and the opportunities and threats to the organisation in terms of development, contractual variations, tendering processes, and competitor activity. The Trustees' Reserves Policy balances levels of risk, the liabilities of the Charity, and our ability to invest in new service development. At the year end we held free reserves of £1,069,118 (2021: £1,494,873) applied for the purposes of day to day working capital, which is sufficient working capital for our needs taking into consideration the payment terms of our contracts and foreseeable risks.

Given the uncertainty, the Trustees consider that their prudent approach to the holding of free reserves to be appropriate for the scale of the risks encountered.

d. Principal funding sources

The vast majority of our funding during the year came from statutory sources with the following local authorities commissioning services: Birmingham City Council, Shropshire Council, Telford & Wrekin Council, Walsall Council, and Wolverhampton City Council. Income comes in the form of block grants, individual service contracts, supported living funds, and support purchased through Individual Budgets and Direct Payments. A small amount of income comes from private funding. We recognise the pressures that these key stakeholders must operate under and strive to make the working relationships as cost effective and efficient as possible.

With the increasing limitations of local authority funding, we are also now considering other voluntary grants, fund raising opportunities, and the role of volunteers. The increase in our day service operations prior to the pandemic has been severely curtailed during the year. We are grateful for the support of our Commissioners which enabled day services to fully resume when conditions permitted.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

e. Investment Policy

Having regard to the requirement to maintain sufficient reserves and cash balances to cover potential variations in cash flow, surplus cash balances are placed on deposit with our bankers. As part of the Strategic Plan 2020-2024 the Trustees intend to invest in the ownership of residential property relevant to the charity's activities. During the year Bethphage invested and completed works in a new Head Office facility to provide not only higher quality accessible office space, but also to provide facilities for meetings and training for both staff and people we support after the pandemic. The Head Office investment will substantially reduce annual expenditure on rental costs. Bethphage's investment in property combines the purpose of achieving a return on our reserves with investing in and providing support and resources to reduce the costs of meeting our charitable objectives. A key principle of our investment in residential property is that the tenants should be able to choose who provides their support services, irrespective of who ultimately owns the property. The need to ensure adequate working capital for operations and growth together with the desire to generate returns from positive cash balances, whilst minimising risk to capital, is kept under review.

"We saw carers effectively supported people to share their views during video calls with us and this discreet support meant people were able to share stories and experiences with us".

CQC Inspection - 2022

Structure, governance and management

a. Constitution

Bethphage is a charitable company limited by guarantee, incorporated on 26 September 1994, and registered as a charity on 4 May 1995. In the event of the company being wound up, Members are required to contribute an amount not exceeding £1.

b. Recruitment and appointment of Trustees

New Trustees are recruited through open processes (e.g. advertisements) or by invitation. Applicants are required to meet the people we support, staff and Trustees and demonstrate how their motivation, skills, and experience match the culture, needs and practice of the charity. This process was modified during the pandemic with meetings with staff and Trustees occurring online and visits to meet people we support postponed until safe to do so.

Under the requirements of the Memorandum and Articles of Association one third of the members of the Board (Trustees) retire and may offer themselves for reelection at each AGM.

In appointing Trustees Bethphage maintains a mix of skills on the Board, including financial, legal, human resources, strategic, marketing and health and social care management. As we continue to grow or diversify, the Board will review, at least annually, its skills mix and seek additional Trustees when it identifies gaps. We are currently seeking to recruit an additional Trustee with a legal or accountancy background. Whilst appointment on merit is our primary concern, we are also keen to ensure we are representative of the communities in which we operate. Our gender balance is satisfactory, and whilst under representative of younger people and people from black, Asian and minority ethnic communities, it is largely representative of the workforce and users of services

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

c. Induction and training of Trustees

New Trustees are provided with a tour of our services, when safe to do so, in order to understand more fully the operations of the organisation. They are also invited and encouraged to attend a series of short introductory sessions with the Chair, other Trustees and senior managers to familiarise themselves with the Charity and the context within which we operate.

In addition, various Charity Commission publications including the Commission's guide "the Essential Trustee" are distributed to all new Trustees. Trustees also receive the bimonthly magazine "Governance & Leadership" and Trustees are expected to devote time to attend briefings by our auditors and other charity specialists.

The Board also receives regular presentations by Bethphage managers and other experts in the sector.

d. Pay policy for senior staff

The pay of the EMT is reviewed annually and normally increased in accordance with average earnings. The 2019/20 extensive pay review exercise conducted by external consultants to ensure that pay at all levels of the organisation was in line with current market expectations for the job content, responsibilities, and geographic location of the place of work, was updated in 2021/22.

e. Decision making

The Trustee Board meets quarterly and is responsible for the strategic direction, financial viability, compliance, risk management, and governance of Bethphage. Senior managers including the Chief Executive Officer (CEO) and EMT also attend for the majority of most meetings, but do not have voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the CEO along with the EMT comprising Heads of Operations, Finance and Human Resources (HR) and the Finance, Service Development, and Quality Managers, all of whom attend Board meetings.

The Trustees have adopted the Charity Commission Governance Code and used it to review their performance. Irena Sobolewska and Derek Lum have served as Trustees since 2001 and 2002 respectively. Whilst the Board are very aware of the need to ensure that it does renew itself over time, and takes steps to do so, it is also cognisant of the need to ensure that appropriately skilled people are both available and willing to serve as Trustees. As each long serving Trustee retires by rotation, the Board considers whether it is in the interests of Bethphage to invite them to offer themselves for reelection to the Board. The Board would not hesitate to recommend to the Members that a Trustee should not be reappointed if it believed that was not in the interests of Bethphage. The current composition of the Board provides a good blend of continuity, freshness, enthusiasm and energy.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

f. Risk management

The Trustees have conducted a review of the major risks to which the Charity is exposed. The risk register is part of an established system and it is reviewed and updated by the EMT at least quarterly and any changes reported to the Board. The Board receive an updated risk register in advance of each meeting and review it in more detail at least annually. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure the health and safety of the people we support, staff and visitors. Where appropriate, systems or procedures have been established to manage the risks the Charity faces, including those presented by a pandemic or major disaster.

The major risks to the organisation at the end of the year are:

- Covid-19 pandemic risks to both people who use our services and staff
- Financial pressures on our Commissioners
- Additional cost increases to comply with National Minimum Wage regulations, employer's pension contributions, employer's national insurance increases, future sleep in payments, and the uncertainty regarding future funding by Commissioners
- The limitation of resources available to the local authorities who fund our work which have been exacerbated by the Covid-19 pandemic
- The challenge of maintaining a sufficiency of high quality staff in the current economic climate
- The risk of losing key personnel
- Economic pressure.

g. Remuneration equality

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 came into force on 6th April 2017. These regulations require employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees. The requirement applies to Bethphage.

The figures must be calculated using a specific reference date each year, called the 'snapshot date'. The snapshot date is 5 April for businesses and charities and the data must be published within a year of the snapshot date. Bethphage published its first gender pay gap report on 4th April 2018 and its latest report on the 2nd of February 2022.

The regulations require employers to calculate specified information and publish the information on the employer's website and on a designated government website at www.gov.uk/genderpaygap.

The Gender Pay Gap differs from equal pay:

Equal Pay – Bethphage pays the same rates to men and women who carry out the same jobs in accordance with the law.

The gender pay gap shows the differences in average pay for men and women. A number of factors influence this including seniority and the number of hours worked.

The Gender Pay Results for 5 April 2021:

Based upon the snapshot date, Bethphage does not have a gender pay gap. Our female and male colleagues were paid the same on the snapshot date.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods

Partnerships, key alliances and regulatory bodies

Bethphage is a registered provider with the CQC. The CQC requirements place a high-level duty of care upon providers to ensure that services are delivered against benchmarked standards. We work within the appropriate regulations and legislation and align our internal quality processes, policies and procedures with them.

We recognise the importance of strategic and operational partnerships in the communities in which we operate. We have played an active role in relevant local provider forums across Shropshire, Telford, and the West Midlands and in contributing to national initiatives.

The people who use our services are our most important stakeholder and this is reflected in a range of initiatives across the organisation including:

- User led Quality Assurance through the Q Team Checkers (now independently managed by a local advocacy organisation)
- Positive Behaviour Support
- Person Centred Approaches
- Surveys of the people who use our services, families, staff and managers
- Annual quality audits to check and ensure the services we provide continue to deliver good outcomes for the people we support
- Management visits and reviews to check and monitor service delivery on a monthly basis
- Investment in staff development to support staff through areas of difficulty and to develop them into the best support workers they can be
- Presentations at the AGM of Directors and Members, and at our Annual Staff Conference.

During the past year some of the 'in person' elements of these processes have been significantly reduced or eliminated and, where possible, replaced by telephone and online meetings. As it has become safer to resume some in person visits, they have been reinstated.

In the coming year Bethphage aims to bring more focus to the development of its Social Values plan. We envisage four main areas of focus:

- Jobs/local skills and employment
- Growth – support growth of responsible regional business
- Social – Healthier, safer and more resilient communities
- Environmental impact

Membership

We are fortunate to have two organisational Members – Mosaic and the Council of Lutheran Churches. Mosaic, the founder member, has played a crucial role in our development. As a leading service provider in the field of disabilities in the USA, Mosaic has extensive experience and resources that we have been able to call upon.

Members attend the AGM and sometimes contribute in between meetings as required. We value the engagement of our two Members and thank them for another year of valued contribution.

The extent of the involvement and support of our two corporate Members has enabled the Charity to attract and retain Trustees of a high calibre, professional expertise and experience necessary to enable the organisation to develop and grow successfully and consistently.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. We carry out exit interviews for all staff leaving the organisation and have adopted a procedure of upward feedback for senior management and the Trustees. We have implemented and regularly review a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Charity's equal opportunities policy, the Charity has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

BETHPHAGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Auditors

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Members.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Derek Lum
Chair of Trustees
Date: 9 September 2022

BETHPHAGE
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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF BETHPHAGE

Opinion

We have audited the financial statements of Bethphage (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

BETHPHAGE
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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF BETHPHAGE (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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.

BETHPHAGE
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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF BETHPHAGE (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Charitable Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the Charity Company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We also reviewed board minutes to identify any recorded instances of irregularity or non compliance that might have a material impact on the financial statements.

We assessed the susceptibility of the Charitable Company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was susceptibility to fraud. Based on our understanding our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

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. This description forms part of our Auditors' Report.

BETHPHAGE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF BETHPHAGE (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

WR Partners

WR Partners

Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

23rd September 2022

WR Partners are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

BETHPHAGE
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	279,207	11,805	291,012	358,110
Charitable activities	5	8,804,991	1,975	8,806,966	8,674,206
Investments	6	5,246	-	5,246	4,562
Total income		9,089,444	13,780	9,103,224	9,036,878
Expenditure on:					
Raising funds	7	-	5,396	5,396	11,763
Charitable activities	8	8,835,033	26,581	8,861,614	8,264,465
Total expenditure		8,835,033	31,977	8,867,010	8,276,228
Net movement in funds		254,411	(18,197)	236,214	760,650
Reconciliation of funds:					
Total funds brought forward		2,849,227	51,914	2,901,141	2,140,491
Net movement in funds		254,411	(18,197)	236,214	760,650
Total funds carried forward		3,103,638	33,717	3,137,355	2,901,141

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 26 to 41 form part of these financial statements.

BETHPHAGE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02971171

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	734,520	754,354
		<u>734,520</u>	<u>754,354</u>
Current assets			
Debtors	14	1,062,548	710,815
Cash at bank and in hand		4,074,584	3,545,886
		<u>5,137,132</u>	<u>4,256,701</u>
Creditors: amounts falling due within one year	15	(2,541,128)	(2,109,914)
Net current assets		2,596,004	2,146,787
Provisions for liabilities	16	(193,169)	-
Total net assets		3,137,355	2,901,141
Charity funds			
Restricted funds	17	33,717	51,914
Unrestricted funds	17	3,103,638	2,849,227
Total funds		3,137,355	2,901,141

BETHPHAGE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02971171

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Derek Lum

Chair of Trustees

Date: 9 September 2022

The notes on pages 26 to 41 form part of these financial statements.

BETHPHAGE
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	19	559,145	1,460,592
		<hr/>	<hr/>
Cash flows from investing activities			
Dividends, interests and rents from investments		5,246	4,562
Purchase of tangible fixed assets		(35,693)	(35,175)
		<hr/>	<hr/>
Net cash used in investing activities		(30,447)	(30,613)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		528,698	1,429,979
Cash and cash equivalents at the beginning of the year		3,545,886	2,115,907
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	20	4,074,584	3,545,886
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 26 to 41 form part of these financial statements

BETHPHAGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The Charity is a company limited by guarantee, incorporated in England. The address of its registered office is included within the reference and administrative details.

The members of the company are the Council of Lutheran Churches and Mosaic. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Bethphage meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements as explained in the Trustees' Report. The Trustees have also assessed the potential impact on the future operations of the Charity with regard to the Covid-19 outbreak. The Charity is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

2.3 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.

The Charity's activity is supporting people with disabilities.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

BETHPHAGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Income (continued)

The volunteers' time is not recognised in the accounts. Refer to the Trustees Report for more information of their general contribution.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and in those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

2.6 Interest receivable

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

2.7 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

BETHPHAGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 2% straight-line
Long-term leasehold property	- Straight-line over the life of the lease
Motor vehicles	- 3 years straight-line
Fixtures and fittings	- 3 to 10 years straight-line

Land is not depreciated.

Components of the freehold properties including bathrooms and kitchens have been depreciated from 1 April 2018 on a 10% straight line basis.

Assets relating to contracts are depreciated over the length of the contracts where the asset belongs to the contract and cannot be sold or disposed of by Bethphage to realise any residual value.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 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.

BETHPHAGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

The Charity also contributes to the Shropshire LGPS pension scheme for qualifying employees. This is treated as a defined contribution scheme as the assets and liabilities of the scheme remain with Shropshire Council and Bethphage are only liable for the contributions. The employer contributions are set by Shropshire LGPS.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

BETHPHAGE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	9,035	10,405	19,440	18,821
Grants	-	1,400	1,400	-
Other grant income	270,172	-	270,172	339,289
Total 2022	279,207	11,805	291,012	358,110
<i>Total 2021</i>	<i>310,095</i>	<i>48,015</i>	<i>358,110</i>	

5. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Support Services	8,804,991	1,975	8,806,966	8,287,893
Sleep in provision	-	-	-	386,313
Total 2022	8,804,991	1,975	8,806,966	8,674,206
<i>Total 2021</i>	<i>8,674,206</i>	<i>-</i>	<i>8,674,206</i>	

BETHPHAGE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment income	5,246	5,246	4,562
Total 2022	<u>5,246</u>	<u>5,246</u>	<u>4,562</u>
<i>Total 2021</i>	<u>4,562</u>	<u>4,562</u>	

7. Expenditure on raising funds

Costs of raising voluntary income

	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Expenditure on raising voluntary income	5,396	5,396	11,763
Total 2022	<u>5,396</u>	<u>5,396</u>	<u>11,763</u>
<i>Total 2021</i>	<u>11,763</u>	<u>11,763</u>	

BETHPHAGE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Support Services	8,835,033	26,581	8,861,614	8,264,465
Total 2022	8,835,033	26,581	8,861,614	8,264,465
<i>Total 2021</i>	8,264,465	-	8,264,465	

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Support Services	8,061,231	800,383	8,861,614	8,264,465
Total 2022	8,061,231	800,383	8,861,614	8,264,465
<i>Total 2021</i>	7,477,826	786,639	8,264,465	

BETHPHAGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Support Services 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	7,570,684	7,570,684	7,039,087
Service user and Accommodation costs	163,007	163,007	330,283
Administration and Other Staff costs	327,540	327,540	108,456
Total 2022	<u>8,061,231</u>	<u>8,061,231</u>	<u>7,477,826</u>
<i>Total 2021</i>	<u>7,477,826</u>	<u>7,477,826</u>	

Analysis of support costs

	Support Services 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	335,398	335,398	348,310
Other Support costs	443,836	443,836	419,699
Governance costs	21,149	21,149	18,630
Total 2022	<u>800,383</u>	<u>800,383</u>	<u>786,639</u>
<i>Total 2021</i>	<u>786,639</u>	<u>786,639</u>	

10. Auditors' remuneration

	2022 £	<i>2021 £</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	7,200	7,315
Fees payable to the Charity's auditor in respect of: Preparation of the Charity's annual accounts	<u>2,000</u>	<u>1,260</u>

BETHPHAGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Staff costs

	2022	<i>2021</i>
	£	£
Wages and salaries	7,233,511	6,745,024
Social security costs	500,892	470,197
Contribution to defined contribution pension schemes	171,679	172,176
	7,906,082	7,387,397

During the year, £NIL has been paid out in redundancies (2021: £22,000).

The average number of persons employed by the Charity during the year was as follows:

	2022	<i>2021</i>
	No.	No.
	314	320

No employee received remuneration amounting to more than £60,000 in either year.

During the year key management personnel received total remuneration and benefits of £345,435 (2021: £333,352).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totalling £1,182 were reimbursed or paid directly to 3 Trustees (2021 - £NIL)

BETHPHAGE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 April 2021	757,895	13,065	64,043	236,253	1,071,256
Additions	-	-	2,000	33,693	35,693
At 31 March 2022	<u>757,895</u>	<u>13,065</u>	<u>66,043</u>	<u>269,946</u>	<u>1,106,949</u>
Depreciation					
At 1 April 2021	91,967	13,065	42,712	169,158	316,902
Charge for the year	15,513	-	8,091	31,923	55,527
At 31 March 2022	<u>107,480</u>	<u>13,065</u>	<u>50,803</u>	<u>201,081</u>	<u>372,429</u>
Net book value					
At 31 March 2022	<u>650,415</u>	-	<u>15,240</u>	<u>68,865</u>	<u>734,520</u>
At 31 March 2021	<u>665,928</u>	-	<u>21,331</u>	<u>67,095</u>	<u>754,354</u>

14. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	667,209	449,259
Other debtors	301,346	167,881
Prepayments and accrued income	93,993	93,675
	<u>1,062,548</u>	<u>710,815</u>

BETHPHAGE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. Creditors: Amounts falling due within one year

	2022	<i>2021</i>
	£	£
Trade creditors	211,093	<i>109,834</i>
Other taxation and social security	279,566	<i>220,293</i>
Other creditors	1,853,031	<i>1,408,917</i>
Accruals	197,438	<i>370,870</i>
	2,541,128	<i>2,109,914</i>
	2,541,128	<i>2,109,914</i>

Included within accruals and deferred income are the following deferred income balances which relate to contracts where, due to changes in the service needs, we have set aside funds for future use.

	2022	<i>2021</i>
	£	£
Deferred income at 1 April 2021	175,520	<i>463,864</i>
Resources deferred during the year	293,811	<i>175,520</i>
Amounts released from previous periods	(175,520)	<i>(463,864)</i>
	293,811	<i>175,520</i>
	293,811	<i>175,520</i>

16. Provisions

	Clawback Provision £
Movement in the year	193,169
	193,169
	193,169

The provision relates to underspends on various contracts. It is considered probable that these will be reclaimed by funders.

BETHPHAGE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Innovation and Development Fund	500,000	-	-	700,000	1,200,000
Infection Control and Rapid Testing protection measures	100,000	-	-	-	100,000
	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>700,000</u>	<u>1,300,000</u>
General funds					
General Funds - all funds	2,249,227	9,089,275	(8,834,864)	(700,000)	1,803,638
Total Unrestricted funds	<u>2,849,227</u>	<u>9,089,275</u>	<u>(8,834,864)</u>	<u>-</u>	<u>3,103,638</u>
Restricted funds					
Restricted Funds - all funds	51,914	13,780	(31,977)	-	33,717
Total of funds	<u><u>2,901,141</u></u>	<u><u>9,103,055</u></u>	<u><u>(8,866,841)</u></u>	<u><u>-</u></u>	<u><u>3,137,355</u></u>

The Innovation and Development fund is held to fund the purchase of a third home for the people of the Charity; business development and sustainability projects, and increased costs of working due to Covid-19 impact. There has been no movement on the designated fund during the year as the designated fund is intended to be carried forward whilst a search for a suitable property continues.

The Restricted funds include funding received (net of expenditure) for specific projects and ongoing projects such as Club Generation funds.

BETHPHAGE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£
Unrestricted funds					
Designated funds					
Innovation and Development Fund	500,000	-	-	-	500,000
Infection Control and Rapid Testing protection measures	-	-	-	100,000	100,000
	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>600,000</u>
General funds					
General Funds - all funds	1,625,967	8,988,863	(8,264,465)	(101,138)	2,249,227
	<u>1,625,967</u>	<u>8,988,863</u>	<u>(8,264,465)</u>	<u>(101,138)</u>	<u>2,249,227</u>
Total Unrestricted funds	<u>2,125,967</u>	<u>8,988,863</u>	<u>(8,264,465)</u>	<u>(1,138)</u>	<u>2,849,227</u>
Restricted funds					
Restricted Funds - all funds	14,524	48,015	(11,763)	1,138	51,914
	<u>14,524</u>	<u>48,015</u>	<u>(11,763)</u>	<u>1,138</u>	<u>51,914</u>
Total of funds	<u><u>2,140,491</u></u>	<u><u>9,036,878</u></u>	<u><u>(8,276,228)</u></u>	<u><u>-</u></u>	<u><u>2,901,141</u></u>

BETHPHAGE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	734,520	-	734,520
Current assets	5,103,415	33,717	5,137,132
Creditors due within one year	(2,734,297)	-	(2,734,297)
Total	3,103,638	33,717	3,137,355

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	754,354	-	754,354
Current assets	4,204,787	51,914	4,256,701
Creditors due within one year	(2,109,914)	-	(2,109,914)
Total	2,849,227	51,914	2,901,141

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	236,214	760,650
Adjustments for:		
Depreciation charges	55,527	52,996
Dividends, interests and rents from investments	(5,246)	(4,562)
Decrease/(increase) in debtors	(351,733)	444,898
Increase in creditors	624,383	156,610
Fixed asset impairment	-	50,000
Net cash provided by operating activities	559,145	1,460,592

BETHPHAGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

20. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	4,074,584	3,545,886
Total cash and cash equivalents	4,074,584	3,545,886

21. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	3,545,886	528,698	4,074,584
	3,545,886	528,698	4,074,584

22. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity and in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £171,679 (2021: £172,063). Contributions totalling £42,889 (2021: £63,988) were payable to the fund at the balance sheet date.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

23. Operating lease commitments

At 31 March 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	<i>2021</i>
	£	£
Not later than 1 year	15,516	<i>15,516</i>
Later than 1 year and not later than 5 years	22,653	<i>30,411</i>
	38,169	<i>45,927</i>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2022	<i>2021</i>
	£	£
Operating lease rentals	15,516	<i>15,516</i>
	-	<i>-</i>

24. Related party transactions

During the year Bethphage acquired services totalling £7,469 (2021: 5,951) from Shropshire Partners in Care. At the year end, there was a balance outstanding of £1,534 (2021: 400).

All these transactions have been conducted at an arms length basis, under normal commercial terms.

BETHPHAGE

England & Wales - Charity number 1046225

Accounts

BETHPHAGE

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**



BETHPHAGE
(A Company Limited by Guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees	Derek Lum, Chair Irena Sobolewska, Vice Chair Anthony Charles Aston Ruth Houghton Anna Krauss (appointed 10 May 2021) Laura Vernon (resigned 10 September 2020)
Company registered number	02971171
Charity registered number	1046225
Registered office	8 Longbow Close Harlescott Lane Shrewsbury Shropshire SY1 3GZ
Company secretary	Stuart Wheeler
Chief executive officer	Stefanie Kay
Independent auditors	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
Bankers	The Co-Operative Bank plc 1 Balloon Street Manchester M4 4BE CAF Bank Ltd 25 Kings Hill Avenue West Malling ME19 4JQ
Solicitors	Trowers and Hamlin LLP 3 Bunhull Row London EC1Y 8YZ
Senior management team	Stefanie Kay, Chief Executive Officer Alice Blakeman, Service Development Manager Helen Burton, Head of Operations Martin Dean, Finance Manager Clare Shaw, Quality Manager Chris Stephens, Head of Finance Stuart Wheeler, Head of Human Resources

BETHPHAGE
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Honorary President	Donna Werner
Members	Mosaic Council of Lutheran Churches

BETHPHAGE
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of Bethphage for the year 1 April 2020 to 31 March 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (October 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Introduction

As the board reported last year, Bethphage and much of the world have continued to deal with the unprecedented changes and restrictions that Covid-19 necessitated for nations, businesses, charities and citizens alike. Bethphage implemented its business continuity plan and has worked tirelessly throughout the year to protect the people we support and staff alike. Although we can now see restrictions beginning to ease, our priority remains the safety and well-being of people we support and staff. During the year we believe that our core values, and particularly safety, remained at the heart of our decision-making processes and day to day operations, and were the one 'constant' in often rapidly changing circumstances.

The outlook for the coming year is a lot more positive as we expect the effect of vaccines to permit a return to some form of normality. We have tried to learn lessons and make improvements throughout the pandemic and will continue to do so. But we will also take time to reflect on whether there are other wider lessons that we can learn.

Sadly, Bethphage did not escape the ravages of Covid-19. During the year two service users sadly died in hospital after contracting the virus in hospital settings. Although we had several staff who contracted Covid-19 during the year, widespread transmission throughout the organisation did not occur. We believe that the infection control procedures and personal protective equipment, together with the rigorous attention to safety by our staff, had a major impact on safety.

The Board know how vital our staff are in delivering our services. But this year has been exceptional, and so have our staff. Their creative energy, optimism, ability to adapt to rapidly changing new and highly challenging situations, and their selflessness at a time of great personal risk has been inspirational. As the Board said last year, our hope is that our country ultimately recognises the importance and value that society places on social care services and that this is reflected in the rewards that dedicated staff in the sector receive.

The Board would also like to thank the people we support, their families and our local authority partners for their support, co-operation and help during the year. Their co-operation and assistance has made the difficult adjustments that have had to be made far easier to implement. Although there were early temporary modifications by the Government of the Mental Health Act and Mental Capacity Act legislation, and the Deprivation of Liberty Safeguards, none of these modifications were required or used by Bethphage in its provision of services.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

The Board hope that as the country emerges from the Covid- 19 outbreak that we can redouble our efforts to apply the things we have learned to provide even better services and outcomes in the future.

The lockdown and wider Covid-19 restrictions have presented numerous challenges to Bethphage and prevented the people we support from doing many of the things that they would most wish to do. Our day services have been severely curtailed during the year, with staff focussing on contacting the people who use these services regularly and organising online events, garden visits, well-being activity packs, and regular communication. Our staff who provide supported living and small care home services have adapted daily routines and created new and stimulating activities for people to participate in at their homes or in their gardens and, as the lockdown has eased, full advantage has been taken of any new opportunities available.

*During the Covid-19 lock-downs our creative
staff worked hard to create meaningful
activities:*

*Virtual social gatherings
Egg and Spoon races
Making Easter bonnets
Planting seeds and gardening
Preparing frozen vegetables
Tai chi
Zumba
Outdoor games
Treasure hunts
Creating time capsules*

Workplace Postings – 2020/21

Objectives and activities

a. Policies and objectives

Our Vision is of inclusive communities where all people have the opportunity to live the life they choose.

Our Mission is to be an excellent provider of services for people with disabilities and we seek to deliver services based on four core values:

- **Personal Growth:** We create a safe and healthy environment, where we provide positive feedback, support each other to reflect on actions and learn and grow from them
- **Respect:** We respect and value the diversity, individuality and views of everyone we come into contact with; fully considering each perspective before arriving at an agreed outcome
- **Honesty:** We work together in an open and honest way; taking responsibility and remaining accountable for our actions
- **Active Involvement:** We work together, actively engaging and involving the people we support in everyday actions.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

At our AGM in October 2020 the Board were delighted to appoint Donna Werner as Honorary President of Bethphage for another one-year term. Donna brings a wealth of experience to Bethphage and is a valuable sounding board for both the Board and Executive Management Team (EMT).

During the year Bethphage developed its new Strategic Plan for 2020 – 2024 which, because of Covid-19 and the likely changing financial landscape, we have separated the plan into two parts:

- 2020 - 2022
- 2022 - 2024

The first part of the plan is entitled 'Building Resilience and delivering Best Value' and outlines our plans for swift action, to prepare Bethphage for the challenges ahead. The second part is entitled 'Creating Sustainable Growth and Quality' and focuses on the future growth opportunities that will emerge, whilst maintaining our focus on high quality provision.

***A family member thanked a member of staff
from day opportunities for their support
through lockdown saying "you are brilliant, I
can't thank you enough".***

Relative - 2020

Bethphage recognises that enormous strain has been placed on our Commissioners' finances by the pandemic, and that they will be seeking to ensure they make savings and improve efficiencies going forward. During the first part of the Strategic Plan Bethphage is looking in detail at how we can improve the efficiency, and therefore the cost, of service delivery. Our aim is also to work constructively with Commissioners to develop where appropriate, new models of service which can reduce overall costs, but without sacrificing quality or safety.

The changes in working practices in the last year will be examined to determine how they might be employed, in whole or in part, in the future to improve efficiency and reduce costs. For example, in future, once common face to face meetings will be examined to ensure that real value is being obtained by the time and expense of travelling.

Two projects aimed at examining the benefits of further use of Assistive Technology have commenced during the year, and this is likely to be an area of continuing interest in the future.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

BETHPHAGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

b. Strategies and activities for achieving objectives

Our primary activities are to support people with disabilities to achieve their potential through the direct provision of supported living services, registered care homes, community inclusion, and day opportunities. As at 31st March 2021, we were delivering c7,806 [20: 8,246] hours per week of support to 163 [20: 167] people in Shropshire, Telford, Walsall, Wolverhampton and Birmingham, 90 [20: 94] of whom live in our small care homes or their own home with us as the main support provider ("supported living") whilst the other 73 [20: 73] attend our day opportunity services. In March 2019 we successfully tendered for, and later transferred, the Shropshire Shared Lives scheme into Bethphage. 70 [20: 39+respite] people with learning disabilities, autism and mental health, live with 68 [20: 62] permanent or respite Shared Lives carers. The scheme provides valuable respite breaks for families and permanent Shared Lives carers and enables people to live and be involved in their local communities.

Bethphage's 2020 - 2024 strategic plan sets out the Charity's Key Strategies and Activities, and our Aims and Objectives of:

- Maintaining a strategic relationship with Commissioners
- Efficiency Improvement
- Improved Management Processes and Information
- Growth
- Improved Service Delivery

c. Public Benefit

We are confident our objectives and activities are beneficial to the people we support and of benefit to the public in general.

Our vision is of inclusive communities where all people have the opportunity to live the life they choose. We achieve this through our direct service delivery and through our support and contributions to the development of learning disability services in the UK.

We also promote the integration of people with learning disabilities into universal community services such as having equal access to health care, education, employment, sport, and leisure activities.

"We would like to thank all the support staff who have never missed taking M shopping right through the pandemic. We have been so very grateful for this wonderful support and cannot praise them enough for their kindness and patience. Very well done".

Parent - 2020

BETHPHAGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

d. Service Quality

A fundamental part of Bethphage's approach is to continually strive to improve the quality of the services which we deliver and achieve better outcomes for the people we support (who are some of the most vulnerable in society). As well as statutory CQC inspections of both of our Registered Homes and four registered locations, from where we operate community services, Bethphage has a long-established internal quality audit system in place for all services. Each service is assessed against a range of quality and performance measures by the Quality Manager and areas of improvement identified and reported on to the area manager, service manager and staff, the Executive Management Team (EMT) and the Board. During the year the quality system has relied on online interviews with managers, desktop reviews of reporting and systems, surveys of service users, their families, and staff. Added to this, regular reporting from the Positive Behaviour Support Team and close monitoring of compliments and investigation of complaints, concerns and suggestions, has provided the Charity with additional layers of performance monitoring.

SURVEY QUOTES ABOUT THEIR SUPPORT:

"Staff always be there for me. With my appointments, my health when I need the Doctor".

"nice people", "they care about my wellbeing", "help me out", "good staff", "nice and kind", "I like the staff", "supportive and friendly" and "nice and reliable".

"They are fantastic with my confidence – I am very happy with my support".

"I get on well with them. They help me live in my home. They are kind".

"Funny, understanding, want the best for me".

Survey of People We Support - 2020

In addition, Bethphage operates an independent annual review of quality for each individual service, (with the involvement and consent of the people who use our services), to ensure that the voice of the people we support is heard at the highest levels of the Charity. The annual audit is a thorough and comprehensive review of the service provided at each location, the findings of which are reported to the Charity's board and EMT, evidencing culture and progress. Feedback from those we support and their families plays an integral role in getting beneath the surface of service delivery, ensuring internal views are accurate reflections.

Ongoing relevant and focussed staff training and development is a key part of ensuring that we have the resources available to deliver high quality services and to recognise when change or improvement is required. The majority of training has been moved online, with only essential training occurring face to face, and only when permitted.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

In 2018 Bethphage signed up to the STOMP initiative and continues to implement its principles. STOMP means stopping over medication of people with a learning disability, autism or both with psychotropic medicines. STOMP is a national project involving many different organisations that are helping to stop the over use of these medicines. STOMP is about helping people to stay well and have a good quality of life and ensuring that regular reviews of medication are undertaken for everyone we support. Our investment in Positive Behaviour Support (PBS) supports people with the ongoing management of behaviours of concern, for which medication would have been historically prescribed. The Quality Manager reports quarterly to the EMT and the Board and provides progress updates on how this initiative is affecting the wellbeing of the people we support. The Board are pleased to report further progress in the year, despite the challenges that restrictions have presented to users of services.

*An independent advocate said that she is
"Very happy with the care and safety provided
in the service at these Covid-19 times".*

Independent Advocate - 2020

e. Volunteers

Bethphage's greatest asset is its people and the Trustees, who are all volunteers, would like to thank the staff and volunteers for their continuous efforts to ensure that we deliver consistently high-quality, person-centred services in these very challenging times. In recent years, Bethphage has enjoyed the benefit of a steadily increasing number of volunteers, especially in the day opportunity services. Bethphage uses the time and enthusiasm contributed by volunteers to add value and opportunity to the beneficiaries of our services and not as a replacement for core funded staff. The Trustees wish to record their appreciation of Bethphage's volunteer supporters and the benefits they bring to the experiences of people using Bethphage services and to the success of the Charity. Bethphage Friends, a group established to increase engagement with our supporters and volunteers continues to grow.

Achievements and performance

a. Achievements and Performance

In 2020/21, we retained our existing contracts, consolidating and maintaining our current provision. Tendering for the Transforming Care work was a strategic decision in 2018/19. Bethphage has shown itself well placed to deliver this type of complex provision, with the knowledge, skills, and expertise across the organisation and in particular within our PBS team. Whilst our tender was the winning bid, delays in the start-up, outside our area of control, pushed the start dates into 2019/20. The delay provided additional time to maximise efforts to ensure a smooth and effective transition.

Our three day services, through which we provide opportunities for meaningful, person-centred day opportunities for adults with learning disabilities, prior to the lockdown continued to enable large numbers of people with a learning disability to access and benefit from Bethphage services and is consistent with our approach of enabling people to live the life they choose. For much of the year, the people we support could not access the services and the staff made regular contact with users of these services and their families, providing help to collect shopping and prescriptions and give any support they could over the phone or via digital communication. In addition, social media was used to maintain contact, share information and help people stay positive and upbeat.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

The current number of Care Quality Commission (CQC) registered locations is six. None of our service locations were inspected by CQC during the 2020 - 2021 financial year, but between November 2018 and May 2019 the five we had at that time were inspected. All of our registered homes and locations (offices) have been inspected and judged "good" in all areas in these inspections.

"My son has been supported by yourselves for a number of years. He has developed so, so much because of all your hard work and perseverance. Thanks!!!"

Annual Family Survey - 2020

b. Transforming Care

Transforming Care is a national initiative developed in response to the Winterbourne View crisis in 2011. It resulted in Governmental pressure to move people out of ineffective and expensive institutions whilst providing people with the dignity, kindness, compassion, and opportunities to develop and grow with person centred support, thus reducing the focus on unnecessary and undignified physical interventions.

In 2018, Bethphage successfully tendered for an exciting opportunity to support people who had been placed in secure hospital accommodation out of county. The successful bid resulted in contracts to support two people in individual properties, giving them the opportunity to return to their previous home county, be closer to their families, and have an individual, person-centred support service. This has enabled them to develop and grow, with the support of a well-trained and effective staff team.

Bethphage's internal PBS team have been heavily involved in this work and their skills and knowledge have enhanced the support these two people receive and provided valuable training, support and reassurance to their support staff.

c. Fundraising

Bethphage is registered with the Fundraising Regulator and complies with the Code of Fundraising Practice. Community fundraising generally takes place face to face with the public at events and Bethphage open days etc, through donations via the Bethphage website, and from applications to trusts, foundations, and corporate partners. Third party organisations are not used to fundraise on behalf of Bethphage.

Fundraising and the approach to be used requires approval of the management of the Charity prior to commencing, the fundraising approach is monitored and funds are applied only to the purpose for which they were raised. Fundraising activities involving vulnerable people are restricted to small sums for subscriptions and similar items which represent fair value to them as individuals for the activity.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

d. Future Plans and Investment

The primary objective for the coming year is to promote the principles and five strategic goals of the four-year strategic plan “Building Resilience, Delivering Best Value”, which outlines the approaches we will follow over the first two years of the plan to translate the mission, vision and core values of the charity into positive outcomes.

The detailed delivery objectives for 2021/2022 are aimed at positioning Bethphage to deal most effectively with the challenges that the sector will face as we emerge from the Covid-19 pandemic. Those objectives are focussed under five strategic headings:

- **Maintain a strategic relationship with commissioners**
- **Efficiency improvement**
- **Improved management processes and communication**
- **Growth**
- **Improved service delivery**

The availability of suitable high-quality accommodation remains a challenge and Bethphage will seek to invest further in suitable property as the opportunity arises.

A member of the public commented on social media that “ I think you do an amazing, sometimes unrecognised role”.

Member of the public - 2020

BETHPHAGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

Financial review

a. Overview

The Low Pay Commission recommendation, in its report 'The National Living Wage beyond 2020', sets a target of a National Living Wage at 66.7% of the median hourly earnings. This, combined with the ongoing limitations of available public funding continue to necessitate careful stewardship of our charitable resources. Costs have also increased as a result of an increase in employer contributions towards employee pension schemes. In 2019/20, none of our commissioners were able to match the 4.9% increase in the national living wage and the same excess of cost pressure over increased funding is expected to continue. In 2021/22 the National Minimum Wage increase is 2.2%. However, for the work our frontline staff do in supporting vulnerable adults with significant health and social care needs, we believe it is insufficient to pay people with the responsibilities expected of them the NMW. Therefore, our intention is to increase pay for all support workers by a minimum of 3.2% in 2021-22.

We continue to balance the competing priorities of:

- Competition with sustainability
- Price with quality
- Provider of choice with employer of choice.

In February 2019, Unison was granted permission by the Supreme Court for an appeal against the Court of Appeal judgment in respect of payments for staff undertaking "sleep in" duties. That appeal was dismissed by the Supreme Court in a decision that was handed down on 19 March 2021. Although the decision removes any possible liability for historic backpay of wages, it presents providers and commissioners with the difficulty of how to pay for sleep in shifts going forward. Our largest commissioner has indicated that they do not wish to destabilise the care sector workforce and do not envisage making any changes in payment arrangements until April 2022. In the meantime, they intend consulting with providers on the best route forward.

Although the Trustees believed that any award of backpay created by the Supreme Court upholding the appeal was the responsibility of the Government, it determined in 2018 that a substantial provision should be created over multiple years in order to meet a liability which it estimated at the time could approach £1million. This decision was based on the risk that the charity would in the first instance be liable for any payments to staff and would only be able to make a claim to recover those amounts retrospectively. The dismissal of the appeal enables the release of that substantial multi-year provision and results in a surplus for the year of £760,650 (2020: £252,927, which was prior to the write off of £57,500 relating to unrecoverable VAT on the purchase of the Head Office building).

The underlying trading for the year was very significantly affected by increased costs of working for example PPE, IT equipment etc. and by support hours provided – particularly in our Day Services. In addition, significant staff shortages and increased costs occurred as staff members were forced to self-isolate and the availability of temporary agency staff was scarce. As well as thanking our staff throughout the organisation who rose to these challenges, we would also like to thank our Commissioners for their support during the year. Their approach in providing grants to support increased infection control measures and continuing existing payment schedules for services has ensured that the Charity has been able to focus on delivering support to extremely vulnerable people in what have been extremely challenging circumstances.

The Trustees are particularly thankful for the efforts of the senior management of Bethphage who prepared the Charity to deal with the Covid-19 pandemic during the year. In the coming year the Trustees expect that many of the increased costs of working will remain e.g. costs of testing, PPE, staff self-isolations etc. The focus of the first stage of the four-year strategic plan is designed to ensure that the organisation is able to deal with these challenges.

BETHPHAGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Financial review (continued)

b. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that Bethphage has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

c. Reserves Policy

The Trustees have considered the operational environment and the opportunities and threats to the organisation in terms of development, contractual variations, tendering processes, and competitor activity. The Trustees' Reserves Policy balances levels of risk, the liabilities of the Charity, and our ability to invest in new service development. At the year-end we held free reserves of £1,494,873 (2020: £803,792) applied for the purposes of day to day working capital, which is sufficient working capital for our needs taking into consideration the payment terms of our contracts and foreseeable risks.

Given the uncertainty, the Trustees consider that their prudent approach to the holding of free reserves to be appropriate for the scale of the risks encountered.

d. Principal funding sources

The vast majority of our funding during the year came from statutory sources with the following local authorities commissioning services: Birmingham City Council, Shropshire Council, Telford & Wrekin Council, Walsall Council, and Wolverhampton City Council. Income comes in the form of block grants, individual service contracts, supported living funds, and support purchased through Individual Budgets and Direct Payments. A small amount of income comes from private funding. We recognise the pressures that these key stakeholders must operate under and strive to make the working relationships as cost effective and efficient as possible.

With the increasing limitations of local authority funding, we are also now considering other voluntary grants, fund raising opportunities, and the role of volunteers. The increase in our day service operations prior to the pandemic has been severely curtailed during the year. We are grateful for the support of our Commissioners which will enable day services to fully resume once conditions permit.

BETHPHAGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Financial review (continued)

e. Investment Policy

Having regard to the requirement to maintain sufficient reserves and cash balances to cover potential variations in cash flow, surplus cash balances are placed on deposit with our bankers. As part of the Strategic Plan 2020-2024 the Trustees intend to invest in the ownership of residential property relevant to the charity's activities. During the year Bethphage invested and completed works in a new Head Office facility to provide not only higher quality accessible office space, but also to provide facilities for meetings and training for both staff and people we support after the pandemic. The Head Office investment will substantially reduce annual expenditure on rental costs. Bethphage's investment in property combines the purpose of achieving a return on our reserves with investing in and providing support and resources to reduce the costs of meeting our charitable objectives. A key principle of our investment in residential property is that the tenants should be able to choose who provides their support services, irrespective of who ultimately owns the property. The need to ensure adequate working capital for operations and growth together with the desire to generate returns from positive cash balances, whilst minimising risk to capital, is kept under review.

A social worker reported that: "A parent said that without Bethphage help and support throughout the lockdown they would not be able to have continued." The parent had been shielding and had no family locally who could help.

Social Services - 2020

Structure, governance and management

a. Constitution

Bethphage is a charitable company limited by guarantee, incorporated on 26 September 1994, and registered as a charity on 4 May 1995. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

BETHPHAGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

b. Recruitment and appointment of Trustees

New Trustees are recruited through open processes (e.g. advertisements) or by invitation. Applicants are required to meet the people we support, staff and Trustees and demonstrate how their motivation, skills, and experience match the culture, needs and practice of the charity. This process was modified during the pandemic with meetings with staff and Trustees occurring online and visits to meet service users postponed until it is safe to do so.

Under the requirements of the Memorandum and Articles of Association one third of the members of the Board (Trustees) retire and may offer themselves for re-election at each AGM.

In appointing Trustees Bethphage maintains a mix of skills on the Board, including financial, legal, human resources, strategic, marketing and health and social care management. As we continue to grow or diversify, the Board will review, at least annually, its skills mix and seek additional Trustees when it identifies gaps. We are currently seeking to recruit an additional Trustee with a legal or accountancy background. Whilst appointment on merit is our primary concern, we are also keen to ensure we are representative of the communities in which we operate. Our gender balance is satisfactory, and whilst under representative of younger people and people from black, Asian and minority ethnic communities it is largely representative of the workforce and service users.

c. Induction and training of Trustees

New Trustees are provided with a tour of our services, when safe to do so, in order to understand more fully the operations of the organisation. They are also invited and encouraged to attend a series of short introductory sessions with the Chair, other Trustees and senior managers to familiarise themselves with the Charity and the context within which we operate.

In addition, various Charity Commission publications including the Commission's guide "the Essential Trustee" are distributed to all new Trustees. Trustees also receive the bimonthly magazine "Governance & Leadership" and Trustees are expected to devote time to attend briefings by our auditors and other charity specialists.

The Board also receives regular presentations by Bethphage managers and other experts in the sector.

d. Pay policy for senior staff

The pay of the EMT is reviewed annually and normally increased in accordance with average earnings.

In 2019/20 an extensive pay review exercise was conducted by external consultants to ensure that pay at all levels of the organisation was in line with current market expectations for the job content, responsibilities, and geographic location of the place of work. A further review will be undertaken in 2021/22.

BETHPHAGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

e. Decision making

The Trustee Board meets quarterly and is responsible for the strategic direction, financial viability, compliance, risk management, and governance of Bethphage. Senior managers including the Chief Executive Officer (CEO) and EMT also attend for the majority of most meetings, but do not have voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the CEO along with the EMT comprising Heads of Operations, Finance and Human Resources (HR) and the Finance, Service Development and Quality Managers all of whom attend Board meetings.

The Trustees have adopted the Charity Commission Governance Code and used it to review their performance. Irena Sobolewska and Derek Lum have served as Trustees since 2001 and 2002 respectively. Whilst the Board are very aware of the need to ensure that it does renew itself over time, and takes steps to do so, it is also cognisant of the need to ensure that appropriately skilled people are both available and willing to serve as Trustees. As each long serving Trustee retires by rotation, the Board considers whether it is in the interests of Bethphage to invite them to offer themselves for re-election to the Board. The Board would not hesitate to recommend to the members that a Trustee should not be reappointed if it believed that reappointment was not in the interests of Bethphage. The current composition of the Board provides a good blend of continuity, freshness, enthusiasm and energy.

f. Risk management

The Trustees have conducted a review of the major risks to which the Charity is exposed. The risk register is part of an established system and it is reviewed and updated by the EMT at least quarterly and any changes reported to the Board. The Board receive an updated risk register in advance of each meeting and review it in more detail at least annually. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure the health and safety of the people we support, staff and visitors. Where appropriate, systems or procedures have been established to manage the risks the Charity faces, including those presented by a pandemic or major disaster.

The major risks to the organisation at the end of the year are:

- Covid-19 pandemic risks to both people who use our services and staff
- Financial pressures on our Commissioners
- Additional cost increases to comply with National Minimum Wage regulations, employer's pension contributions, future sleep-in payments, and the uncertainty regarding future funding by Commissioners
- The limitation of resources available to the local authorities who fund our work which will be exacerbated by the Covid-19 pandemic
- The challenge of maintaining a sufficiency of high-quality staff in the current economic climate, and during the Covid-19 pandemic
- The risk of losing key personnel
- Economic pressure.

BETHPHAGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

g. Remuneration equality

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 came into force on 6th April 2017. These regulations require employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees. The requirement applies to Bethphage.

The figures must be calculated using a specific reference date each year, called the 'snapshot date'. The snapshot date is 5 April for businesses and charities and the data must be published within a year of the snapshot date. Bethphage published its first gender pay gap report on 4th April 2018 and its latest report on 23rd March 2021.

The regulations require employers to calculate specified information and publish the information on the employer's website and on a designated government website at www.gov.uk/genderpaygap.

The Gender Pay Gap differs from equal pay:

Equal Pay – Bethphage pays the same rates to men and women who carry out the same jobs in accordance with the law.

The gender pay gap shows the differences in average pay for men and women. A number of factors influence this including seniority and the number of hours worked.

The Gender Pay Results for 5 April 2020:

Based upon the snapshot date, Bethphage does not have a gender pay gap. Our female and male colleagues were paid the same on the snapshot date.

BETHPHAGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods

Partnerships, key alliances and regulatory bodies

Bethphage is a registered provider with the CQC. The CQC requirements place a high-level duty of care upon providers to ensure that services are delivered against benchmarked standards. We work within the appropriate regulations and legislation and align our internal quality processes, policies and procedures with them.

We recognise the importance of strategic and operational partnerships in the communities in which we operate. We have played an active role in relevant local provider forums across Shropshire, Telford, and the West Midlands and in contributing to national initiatives.

The people who use our services are our most important stakeholder and this is reflected in a range of initiatives across the organisation including:

- User led Quality Assurance through the Q Team Checkers (now independently managed by a local advocacy organisation)
- Positive Behaviour Support
- Person Centred Approaches
- Surveys of the people who use our services, families, staff and managers
- Annual quality audits to check and ensure the services we provide continue to deliver good outcomes for the people we support
- Management visits and reviews to check and monitor service delivery on a monthly basis
- Investment in staff development to support staff through areas of difficulty and to develop them into the best support workers they can be
- Presentations at the AGM of Directors and members, and at our Annual Staff Conference.

During the past year the 'in person' elements of these processes have been significantly reduced or eliminated and, where possible, replaced by telephone and online meetings. As it becomes safe to resume in person visits, they will, where appropriate be re-instated.

Membership

We are fortunate to have two organisational members – Mosaic and the Council of Lutheran Churches. Mosaic, the founder member, has played a crucial role in our development. As a leading service provider in the field of disabilities in the USA, Mosaic has extensive experience and resources that we have been able to call upon.

Members attend the AGM and sometimes contribute in between meetings as required. We value the engagement of our two members and thank them for another year of valued contribution.

The extent of the involvement and support of our two corporate members has enabled the Charity to attract and retain Trustees of a high calibre, professional expertise and experience necessary to enable the organisation to develop and grow successfully and consistently.

BETHPHAGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. We carry out exit interviews for all staff leaving the organisation and have adopted a procedure of upward feedback for senior management and the Trustees. We have implemented and regularly review a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Charity's equal opportunities policy, the Charity has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes 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 . Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

BETHPHAGE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Auditors

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Members.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Derek Lum
Chair of Trustees
Date: 21 September 2021

BETHPHAGE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BETHPHAGE

Opinion

We have audited the financial statements of Bethphage (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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.

BETHPHAGE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BETHPHAGE (CONTINUED)

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 Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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.

BETHPHAGE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BETHPHAGE (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

- We reviewed the susceptibility of the Charity's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Charity's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the Charity and its environment and identify any instances of non-compliance.
- We also assessed the Charity's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and Charity awareness to carry out our work to the required standard.

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 Auditors' Report.

BETHPHAGE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BETHPHAGE (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



WR Partners

Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

22 September 2021

WR Partners are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

BETHPHAGE
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	4	310,095	48,015	358,110	24,297
Charitable activities	5	8,674,206	-	8,674,206	7,727,507
Investments	6	4,562	-	4,562	6,934
		<u>8,988,863</u>	<u>48,015</u>	<u>9,036,878</u>	<u>7,758,738</u>
Total income					
Expenditure on:					
Raising funds	7	-	11,763	11,763	6,309
Charitable activities	8	8,264,465	-	8,264,465	7,499,502
		<u>8,264,465</u>	<u>11,763</u>	<u>8,276,228</u>	<u>7,505,811</u>
Total expenditure					
		<u>724,398</u>	<u>36,252</u>	<u>760,650</u>	<u>252,927</u>
Net income					
Transfers between funds	16	(1,138)	1,138	-	-
		<u>723,260</u>	<u>37,390</u>	<u>760,650</u>	<u>252,927</u>
Net movement in funds before other recognised gains/(losses)					
Other recognised gains/(losses):					
Exceptional item fixed asset impairment		-	-	-	(57,500)
		<u>723,260</u>	<u>37,390</u>	<u>760,650</u>	<u>195,427</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward	16	2,125,967	14,524	2,140,491	1,945,064
Net movement in funds		723,260	37,390	760,650	195,427
		<u>2,849,227</u>	<u>51,914</u>	<u>2,901,141</u>	<u>2,140,491</u>
Total funds carried forward					

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 28 to 44 form part of these financial statements.

BETHPHAGE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02971171

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	754,354	822,175
		<hr/>	<hr/>
		754,354	822,175
Current assets			
Debtors	14	710,815	1,155,713
Cash at bank and in hand		3,545,886	2,115,907
		<hr/>	<hr/>
		4,256,701	3,271,620
Creditors: amounts falling due within one year	15	(2,109,914)	(1,953,304)
		<hr/>	<hr/>
Net current assets		2,146,787	1,318,316
		<hr/>	<hr/>
Total net assets		2,901,141	2,140,491
		<hr/> <hr/>	<hr/> <hr/>

BETHPHAGE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02971171

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Charity funds			
Restricted funds	16	51,914	14,524
Unrestricted funds	16	2,849,227	2,125,967
Total funds		2,901,141	2,140,491

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.


The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Derek Lum
Chair of Trustees
Date: 21 September 2021

The notes on pages 28 to 44 form part of these financial statements.

BETHPHAGE
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	18	1,460,592	150,574
		<hr/>	<hr/>
Cash flows from investing activities			
Dividends, interests and rents from investments		4,562	6,934
Purchase of tangible fixed assets		(35,175)	(307,285)
Proceeds from sale of investments		-	317
		<hr/>	<hr/>
Net cash used in investing activities		(30,613)	(300,034)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		1,429,979	(149,460)
Cash and cash equivalents at the beginning of the year		2,115,907	2,265,367
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	19	3,545,886	2,115,907
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 28 to 44 form part of these financial statements

BETHPHAGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

The Charity is a company limited by guarantee, incorporated in England. The address of its registered office is included within the reference and administrative details.

The members of the company are the Council of Lutheran Churches and Mosaic. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Bethphage meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements as explained in the Trustees' Report. The Trustees have also assessed the potential impact on the future operations of the Charity with regard to the Covid-19 outbreak. The Charity is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

BETHPHAGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.3 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.

The Charity's activity is supporting people with disabilities.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The volunteers' time is not recognised in the accounts. Refer to the Trustees Report for more information of their general contribution.

BETHPHAGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and in those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

2.6 Interest receivable

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

2.7 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

BETHPHAGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 2% straight-line
Long-term leasehold property	- Straight-line over the life of the lease
Motor vehicles	- 3 years straight-line
Fixtures and fittings	- 3 to 10 years straight-line

Land is not depreciated.

Components of the freehold properties including bathrooms and kitchens have been depreciated from 1 April 2018 on a 10% straight line basis.

Assets relating to contracts are depreciated over the length of the contracts where the asset belongs to the contract and cannot be sold or disposed of by Bethphage to realise any residual value.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 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.

BETHPHAGE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

The Charity also contributes to the Shropshire LGPS pension scheme for qualifying employees. This is treated as a defined contribution scheme as the assets and liabilities of the scheme remain with Shropshire Council and Bethphage are only liable for the contributions. The employer contributions are set by Shropshire LGPS.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

BETHPHAGE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

4. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	5,806	13,015	18,821	24,297
Other grant income	304,289	35,000	339,289	-
Total 2021	<u>310,095</u>	<u>48,015</u>	<u>358,110</u>	<u>24,297</u>
<i>Total 2020</i>	<u>18,381</u>	<u>5,916</u>	<u>24,297</u>	

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Support Services	8,287,893	8,287,893	7,727,507
Sleep in provision	386,313	386,313	-
Total 2021	<u>8,674,206</u>	<u>8,674,206</u>	<u>7,727,507</u>
<i>Total 2020</i>	<u>7,727,507</u>	<u>7,727,507</u>	

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6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Investment income	4,562	4,562	6,934
Total 2021	<u>4,562</u>	<u>4,562</u>	<u>6,934</u>
<i>Total 2020</i>	<u>6,934</u>	<u>6,934</u>	

7. Expenditure on raising funds

Costs of raising voluntary income

	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Expenditure on raising voluntary income	11,763	11,763	6,309
Total 2021	<u>11,763</u>	<u>11,763</u>	<u>6,309</u>
<i>Total 2020</i>	<u>6,309</u>	<u>6,309</u>	

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8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Support Services	8,264,465	8,264,465	7,499,502
Total 2021	<u>8,264,465</u>	<u>8,264,465</u>	<u>7,499,502</u>
<i>Total 2020</i>	<u>7,499,502</u>	<u>7,499,502</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Support Services	7,477,826	786,639	8,264,465	7,499,502
Total 2021	<u>7,477,826</u>	<u>786,639</u>	<u>8,264,465</u>	<u>7,499,502</u>
<i>Total 2020</i>	<u>6,688,885</u>	<u>810,617</u>	<u>7,499,502</u>	

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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Support Services 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	7,039,087	7,039,087	6,323,521
Service user and Accommodation costs	330,283	330,283	232,657
Administration and Other Staff costs	108,456	108,456	132,707
Total 2021	<u>7,477,826</u>	<u>7,477,826</u>	<u>6,688,885</u>
<i>Total 2020</i>	<u>6,688,885</u>	<u>6,688,885</u>	

Analysis of support costs

	Support Services 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	348,310	348,310	365,620
Other Support costs	419,699	419,699	418,309
Governance costs	18,630	18,630	26,688
Total 2021	<u>786,639</u>	<u>786,639</u>	<u>810,617</u>
<i>Total 2020</i>	<u>810,617</u>	<u>810,617</u>	

10. Auditors' remuneration

	2021 £	<i>2020 £</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	7,315	7,160
Fees payable to the Charity's auditor in respect of: Preparation of the Charity's annual accounts	<u>1,260</u>	<u>1,215</u>

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11. Staff costs

	2021 £	2020 £
Wages and salaries	6,745,024	6,108,564
Social security costs	470,197	409,526
Contribution to defined contribution pension schemes	172,176	171,051
	<u>7,387,397</u>	<u>6,689,141</u>

During the year, £22,000 has been paid out in redundancies (2020: £Nil).

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
	<u>320</u>	<u>308</u>

No employee received remuneration amounting to more than £60,000 in either year.

During the year key management personnel received total remuneration and benefits of £333,352 (2020: £288,579).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £1,462, made payable to 3 Trustees).

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13. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 April 2020	757,895	13,065	64,043	201,739	1,036,742
Additions	-	-	-	35,175	35,175
Disposals	-	-	-	(661)	(661)
At 31 March 2021	<u>757,895</u>	<u>13,065</u>	<u>64,043</u>	<u>236,253</u>	<u>1,071,256</u>
Depreciation					
At 1 April 2020	26,454	12,920	34,662	140,531	214,567
Charge for the year	15,513	145	8,050	29,288	52,996
On disposals	-	-	-	(661)	(661)
Impairment charge	50,000	-	-	-	50,000
At 31 March 2021	<u>91,967</u>	<u>13,065</u>	<u>42,712</u>	<u>169,158</u>	<u>316,902</u>
Net book value					
At 31 March 2021	<u>665,928</u>	<u>-</u>	<u>21,331</u>	<u>67,095</u>	<u>754,354</u>
At 31 March 2020	<u>731,441</u>	<u>145</u>	<u>29,381</u>	<u>61,208</u>	<u>822,175</u>

14. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	449,259	975,104
Other debtors	167,881	83,559
Prepayments and accrued income	93,675	97,050
	<u>710,815</u>	<u>1,155,713</u>

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15. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£	<i>£</i>
Trade creditors	109,834	<i>149,326</i>
Other taxation and social security	220,293	<i>203,220</i>
Other creditors	1,408,917	<i>1,076,017</i>
Accruals	195,350	<i>60,877</i>
Deferred income	175,520	<i>463,864</i>
	<u>2,109,914</u>	<i><u>1,953,304</u></i>

Included within accruals and deferred income are the following deferred income balances which relate to contracts where, due to changes in the service needs, we have set aside funds for future use.

	2021	<i>2020</i>
	£	<i>£</i>
Deferred income at 1 April 2020	463,864	<i>465,379</i>
Resources deferred during the year	175,520	<i>463,864</i>
Amounts released from previous periods	(463,864)	<i>(465,379)</i>
	<u>175,520</u>	<i><u>463,864</u></i>

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16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Innovation and Development Fund	500,000	-	-	-	500,000
Infection Control and Rapid Testing protection measures	-	-	-	100,000	100,000
	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>600,000</u>
General funds					
General Funds - all funds	1,625,967	8,988,863	(8,264,465)	(101,138)	2,249,227
	<u>1,625,967</u>	<u>8,988,863</u>	<u>(8,264,465)</u>	<u>(101,138)</u>	<u>2,249,227</u>
Total Unrestricted funds	<u>2,125,967</u>	<u>8,988,863</u>	<u>(8,264,465)</u>	<u>(1,138)</u>	<u>2,849,227</u>
Restricted funds					
Restricted Funds - all funds	14,524	48,015	(11,763)	1,138	51,914
	<u>14,524</u>	<u>48,015</u>	<u>(11,763)</u>	<u>1,138</u>	<u>51,914</u>
Total of funds	<u>2,140,491</u>	<u>9,036,878</u>	<u>(8,276,228)</u>	<u>-</u>	<u>2,901,141</u>

The Innovation and Development fund is held to fund the purchase of a third home for the people of the Charity; business development and sustainability projects, and increased costs of working due to Covid-19 impact. There has been no movement on the designated fund during the year as the designated fund is intended to be carried forward whilst a search for a suitable property continues.

The Restricted funds include funding received (net of expenditure) for specific projects and ongoing projects such as Club Generation funds.

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16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2019</i>	<i>Income</i>	<i>As restated Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2020</i>
	£	£	£	£	£
Unrestricted funds					
Designated funds					
Innovation and Development Fund	500,000	-	-	-	500,000
General funds					
General Funds - all funds	1,430,147	7,752,822	(7,499,502)	(57,500)	1,625,967
Total Unrestricted funds	1,930,147	7,752,822	(7,499,502)	(57,500)	2,125,967
Restricted funds					
Restricted Funds - all funds	14,917	5,916	(6,309)	-	14,524
Total of funds	1,945,064	7,758,738	(7,505,811)	(57,500)	2,140,491

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021
	£	£	£
Tangible fixed assets	754,354	-	754,354
Current assets	4,204,787	51,914	4,256,701
Creditors due within one year	(2,109,914)	-	(2,109,914)
Total	2,849,227	51,914	2,901,141

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17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	822,175	-	822,175
Current assets	3,257,096	14,524	3,271,620
Creditors due within one year	(1,953,305)	-	(1,953,305)
Total	<u>2,125,966</u>	<u>14,524</u>	<u>2,140,490</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	<u>760,650</u>	<u>252,927</u>
Adjustments for:		
Write off of irrecoverable VAT on property purchase	-	(57,500)
Depreciation charges	52,996	52,879
Dividends, interests and rents from investments	(4,562)	(6,934)
Decrease/(increase) in debtors	444,898	(133,762)
Increase in creditors	156,610	42,964
Fixed asset impairment	50,000	-
Net cash provided by operating activities	<u>1,460,592</u>	<u>150,574</u>

19. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	<u>3,545,886</u>	<u>2,115,907</u>
Total cash and cash equivalents	<u>3,545,886</u>	<u>2,115,907</u>

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20. Analysis of changes in net debt

	At 1 April 2020	Cash flows	At 31 March 2021
	£	£	£
Cash at bank and in hand	2,115,907	1,429,979	3,545,886
	<u>2,115,907</u>	<u>1,429,979</u>	<u>3,545,886</u>

21. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity and in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £172,063 (2020: £171,051). Contributions totalling £63,987 (2020: £60,407) were payable to the fund at the balance sheet date.

22. Operating lease commitments

At 31 March 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	15,516	15,516
Later than 1 year and not later than 5 years	30,411	45,927
	<u>45,927</u>	<u>61,443</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2021	2020
	£	£
Operating lease rentals	<u>15,516</u>	<u>9,346</u>

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23. Related party transactions

During the financial year Bethphage acquired services totalling £5,951 (2020: £15,138) from Shropshire Partners In Care. At the year end there was a balance of £400 (2020: £408) owing to Shropshire Partners In Care.

Laura Vernon (resigned as Trustee in September 2020) is an employee of Trowers & Hamlins. During the financial year Bethphage acquired services totalling £6,355 (2020: £8,150) from Trowers & Hamlins. At year end there was £700 (2020: £6,445) owing to Trowers & Hamlins.

All of these transactions have been conducted on an arm's length basis under normal commercial terms.