

REGISTERED COMPANY NUMBER: 03324634 (England and Wales)
REGISTERED CHARITY NUMBER: 1064373

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2023
for
Bethshan Sheltered Housing Association

Morgan Griffiths LLP
Chartered Accountants
Statutory Auditor
Cross Chambers
9 High Street
Newtown
Powys
SY16 2NY

Bethshan Sheltered Housing Association

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for the Year Ended 31 March 2023**

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Bethshan Sheltered Housing Association

**Reference and Administrative Details
for the Year Ended 31 March 2023**

TRUSTEES	Rev A L Hewitt Rev J D Smith L Allen M R Allport Rev D H Curgenvén Rev S R Curgenvén E T Coomber H Y Wenban R W Tappin (resigned 23.11.22)
REGISTERED OFFICE	Heol Treowen Newtown Powys SY16 1JA
REGISTERED COMPANY NUMBER	03324634 (England and Wales)
REGISTERED CHARITY NUMBER	1064373
AUDITORS	Morgan Griffiths LLP Chartered Accountants Statutory Auditor Cross Chambers 9 High Street Newtown Powys SY16 2NY
SOLICITORS	Geldards LLP Number One Pride Place Pride Park Derby DE24 8QR
BANKERS	Bank of Scotland PLC - Cardiff Barclays Bank PLC - Newtown INVESTMENT ACCOUNTS Aldermore Bank, United Trust Bank, Cambridge & Counties Bank, Hampshire Trust Bank, Redwood Bank, Modulr Finance Ltd, Kingdom Bank SENIOR MANAGEMENT Mrs Rachel Griffiths (Home Manager) Mr Leslie Allen (Registered Individual) Mrs Deborah Cade (Finance Manager)

**Report of the Trustees
for the Year Ended 31 March 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

We primarily exist to meet the needs of the population of Newtown, Powys, and the surrounding areas. The objects of the charity remain 'the relief of poverty, sickness and old age' and Bethshan continues to fulfil these objects specifically by means of the provision of nursing home care for frail elderly persons as well as those living with more advanced forms of dementia. During the year we have been able to provide care for sixty-one individuals at the Home, including several for respite. We have seen a significant increase in the number of residents being admitted with Continuing Healthcare funding reflecting their more complex medical or mental health conditions, with an average of 8.8 individuals at any one time. Powys County Council were in contact back in August regarding our willingness to re-commence the Day Care provision on our premises, however, this has not been followed up.

Public benefit

The trustees have considered the Charity Commission's general guidance on public benefit and are satisfied that the services that we provide are accessible to all who need them regardless of their financial resources. Our concern has always been to ensure that good quality care is available to all, and this has been the motivation behind our continued engagement with Powys County Council. Places are offered based on medical condition and the same quality of service is provided to all residents regardless of their funding.

Volunteers

Since in-person church services re-started in the autumn various people have been assisting with musical accompaniment and helping residents to take part. The volunteer IT administrator has been very involved in the last few months in supervising the upgrade of the telephone system to VoIP and upgrading the Wi-Fi provision throughout the building. This has necessitated much additional wiring and other work to the offices to improve the IT and overall staff working conditions.

**Report of the Trustees
for the Year Ended 31 March 2023**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

This last year has been one of change as we emerged from the Covid pandemic. Our Home Manager for the last seven years, Sylvia Campbell, took her well-earned retirement in July and had a great send-off arranged by the staff. This was followed by our Responsible Individual, Roy Tappin, taking his retirement in November. Roy was Acting Manager following Sylvia's retirement until our new manager, Rachel Griffiths, started work in September. Les Allen, our Chair of Trustees, took over as RI on Roy's retirement. Rachel and Les started in at the deep end as we received unannounced inspections from the Health Board and CIW and a number of issues were highlighted, though several of these had already been identified by Rachel and were already in the process of being addressed. We have transitioned to electronic care planning from paper records using the Person Centred Care system. All unit staff utilise a handheld device to record regular observations, and this appears to be working well. This should result in more timely and accurate records as well as more standardised and comprehensive care plans. Rachel has worked hard to try and recruit new staff, but we are facing the same shortage of both qualified and healthcare staff as most similar establishments. This adds substantially to the staff costs of the organization. Improvements have been made to the housekeeping regimes which have also necessitated increasing the number of staff employed. Many staff have taken the option to wear the more comfortable scrub tunics and dementia-friendly name badges are also now being provided.

It was clear that after the pandemic our premises were showing signs of wear and tear as well as some facilities being not fit for purpose, so we began a plan of refurbishment which has seen many bedrooms refreshed and plans put in place to improve the environment and furnishings in the lounge/dining rooms. We have improved the office facilities for management and administrative staff as well as creating a dedicated training/meeting room. There has been a big overhaul of our communications with the upgrading of our telephone system to VoIP and increased provision of mobile handsets in the nursing corridors. The increased use of technology has required new equipment for the nursing staff and the Wi Fi coverage has been significantly improved across the whole building. A decision was made last year to invest in solar panels, and these were finally installed in December. Plans are in place to make more improvements in the 2023-24 financial year.

To improve the management of the Home we have subscribed to the QCS management system which provides up-to-date policies and procedures tailored to the care sector.

With the general lifting of restrictions, our activities staff organised a hugely successful garden party to celebrate the Queen's Platinum Jubilee and a second event at the beginning of September. Several residents have made trips out to local places and for lunch. We have been welcoming back our visitors as well as some furry companions which have proved very popular. There have been some very creative crafts, music and movement as well as the ever-popular gardening and cooking. Christmas was much more enjoyable in 2022 with carol singing and the Newtown Silver Band and plenty of decorations. Our Chaplain has also resumed his regular visits as well as church services with live music and these are very well attended by residents from both floors.

FINANCIAL REVIEW

Financial position

The statement of Financial Activities show a deficit for the year of £183,034 (2022: surplus £132,490), and reserves now stand at £2,024,729 (2022: £2,207,763).

Principal funding sources

Our primary source of income has historically been the fees for providing nursing home and Day Care services, however the Day Centre was closed at the beginning of the pandemic and the funding has not yet been agreed for this to re-commence. Incorporated into the annual fee increases was a weekly enhancement specially to offset the increase costs of working during the pandemic. The Welsh government made the commitment to fund payment of the Real Living Wage to all care staff in Wales, so this was reflected in the fee increase this year. We had to work with our local Assembly Member to secure an increase in the rate of Continuing Healthcare Funding and we did not receive an increase in the rate of Funded Nursing Care at all in 2022-23, unlike in England. The additional funding made available by the Welsh Government to mitigate the additional costs involved in providing care during the pandemic ceased which has impacted the total funds of the business.

Report of the Trustees
for the Year Ended 31 March 2023

FINANCIAL REVIEW

Investment policy and objectives

Under the Memorandum and Articles of Association the charity has the power to make any investment, which the trustees see fit.

The trustees take seriously their responsibility to ensure that funds are not put at risk, but also seek to achieve the highest interest possible where surplus funds are in hand. Funds have been spread across wider financial institutions in order to take advantage of Government guarantees

Reserves policy

Free reserves which equate to net current assets (excluding restricted funds) amount to £665,344 (2022: £900,062).

The level of reserves was set at 3 months operating costs several years ago - this currently equates to approximately £535,000, and we have been able to maintain sufficient funds to meet this policy.

FUTURE PLANS

Specific plans for the coming year include:

- Continuing with refurbishment of the bedrooms, lounges and public areas.
- Improving the garden and carpark.
- Continuing to work with the external catering company to improve the catering service.

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.

Organisational structure

The Bethshan Sheltered Housing Association is a charitable company which runs a 40-bed Care Home with nursing care including for those with dementia/Alzheimer's.

The day-to-day running of the Home including appointment of staff and all matters relating to the medical care of the residents is delegated to the Home Manager. The heads of the two nursing units and the ancillary staff report to the Home Manager.

The Responsible Individual is responsible for overseeing the management of the service and for providing assurance that the service is safe, well run and complies with the Regulations. The Responsible Individual is responsible for ensuring the service has a manager, sufficient resources and support. The Responsible Individual is not responsible for the day-to-day management of the service; this rests with the manager. The Responsible Individual also represents the Home in relationships with external bodies and oversees the implementation of decisions of the charity trustees.

The Finance Manager is responsible for the management and recordkeeping relating to the income and expenditure of the Home, the management of fixed assets and reserves as well as compliance with company and charity law for the organisation. The Home Manager, Responsible Individual and Finance Manager report to the Trustees at the regular management meetings which have taken place in person throughout the year.

Bethshan is a member of Care Forum Wales which represents the interests of the care industry at both county and national (Wales) level, as well as Powys Association of Voluntary Organisations (PAVO).

The charity has strong links with Hope Church (Newtown) - a separate charity - which had the vision for the Bethshan project and oversaw its construction. The Trustees of Bethshan are drawn principally from the leadership of the church along with other individuals with key skills or knowledge.

**Report of the Trustees
for the Year Ended 31 March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

No new trustees were appointed during the year. One trustee - Mr Roy Tappin (also the RI) retired in November 2022 and was not replaced on the board of trustees. Any new trustees appointed would receive copies of the key documents relating to the charity's work including the governing document, the latest annual report and accounts and guidance relating to their duties and responsibilities as a trustee. They would be required to sign a declaration affirming their suitability to function as a trustee; a copy of the "Fit and Proper Person" form for HMRC; and to read and sign the charity's Conflict of Interest declaration. Trustees are informed of appropriate training being offered and provided by Powys Association of Voluntary Organisations (PAVO).

Related parties

The charity has strong links with Hope Church (Newtown) - a separate charity - which had the vision for the Bethshan project and oversaw its construction. The trustees of Bethshan are drawn principally from the leadership of the church along with other individuals with key skills or knowledge.

**Report of the Trustees
for the Year Ended 31 March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

In common with similar organisations, Bethshan has faced the risks associated with the gradual easing of restrictions associated with Covid-19. The Home Manager continued to follow all guidelines to protect the residents and staff team. Whilst we were unable to avoid a number of individuals becoming infected with Coronavirus, no one became seriously ill. We have managed to achieve over 95% occupancy for the year. Financial support from the statutory agencies ceased during the year but we have continued to receive regular deliveries of PPE from the NHS.

The other major risks are as summarised in our risk register.

The approach to risks taken by the trustees of Bethshan broadly follows the Charity Commission suggested categorisation i.e., Governance; Operational; Financial; External; and Compliance.

The major risks faced by Bethshan are as follows:

Health & Safety

This covers a wide range of issues from the safe operation of equipment within the building, to the appropriate use of cleaning chemicals. We also employ the services of a specialist consultancy to assist with the management of Health and Safety risks. They undertake a full audit of our policies and procedures each year and make suggestions for improvement. Issues raised by staff or others are addressed as they arise.

Health of Residents

There are several risks associated with our primary activity - the care of our residents - for example, incorrect administration of medication, accidents, and abuse. We have a range of policies detailing the correct procedures to be used regarding most normal activities which staff are required to follow. These policies are reviewed annually and updated as necessary. When substantial changes have been made to policies staff are required to demonstrate that they have familiarised themselves with the changes. Staff receive training relating to manual handling, Safeguarding of Vulnerable Adults, food hygiene, fire safety and first aid as required by CIW and other issues are addressed through mentoring and supervision. Training has been delivered online this year via the Newcross Learning Partner for Life material. All appropriate equipment and PPE are provided where necessary.

Adequate complement of trained staff

There has been a general shortage of both nursing and care staff across the sector and we have been no exception. This has necessitated many staff, including the Home Manager, working considerable amounts of overtime to meet the needs of the residents, in addition to increasing use of agency staff. We have an excellent relationship with our staffing agency and most staff supplied are familiar faces who are well acquainted with our residents and ways of working.

Security

Security covers several areas of concern in addition to the obvious issue of physical security from intruders including risks to the security of information (e.g., personnel records, payroll information, other financial records, and resident's notes). We have a comprehensive IT Policy and cybercrime awareness has become increasingly high profile as cyber threats increase in frequency and sophistication. The use of Microsoft Office 365 with its cloud-based file storage, along with cloud-based accounts and other business software has proved invaluable during the last two years.

Financial

In addition to the physical security of records, financial risks also include fraud, including unauthorised access to the online banking system in addition to the viability of the business arising because of loss of income. Loss of income may occur for several reasons including reduction in statutory funding, shortage of clients, loss of reputation, or unforeseen expenditure not covered by insurance. This year, lower than normal occupancy has resulted from the restrictions placed on us by the pandemic but these have been largely offset by additional funding channelled through Welsh Government.

Monthly monitoring of income and expenditure against budget takes place to ensure that we have up-to-date awareness of the financial position of the organisation and reports are given to the trustees.

**Report of the Trustees
for the Year Ended 31 March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The risk of fraudulent use of business funds is addressed by comprehensive financial procedures which are reviewed annually to ensure they remain relevant to current conditions and communicated to appropriate staff members.

Reputation

Some of the possible risks to the reputation of Bethshan have already been alluded to and fall under the following broad headings: Health & Safety incident/accident, Employment Law issues, abuse/negligence, other failure to comply with Care Standards or other legislation. Depending on the nature of the incident, these could have a very damaging effect on the business and must be taken very seriously. We employ a firm of consultants to guide us regarding Health & Safety and in connection with employment legislation we employ another firm of consultants to guide us through HR matters and ensure that our policies and procedures reflect changes in the law. Our attention to these critical matters has enabled Bethshan to have excellent inspection reports since we opened in 2001.

Compliance

As mentioned above, we use the services of outside consultants to ensure compliance with Health and Safety and employment legislation.

External risks

We have attempted to identify any potential risks that are out of our control as far as their causes are concerned, weigh up their probability and make plans to reduce their negative effects. Such risks include:

Power failure - to minimise the risk of being without power for a protracted period we have a contract with a company who will provide a back-up generator.

Adverse weather - in addition to the possible loss of power, it can be a challenge to maintain staff coverage. A list is maintained of staff who live within walking distance of the home willing to be called at short notice which is updated each year. We have a committed team, and everyone pulls together to ensure that any staff shortage does not impact on the delivery of care to the residents.

Other major catastrophes - substantial damage to the fabric of the building due to gas or water leak or severe weather can be minimised by good regular maintenance and inspection. Our insurance covers us for more serious incidents and includes business interruption.

Covid-19 - the risks presented by the global pandemic have been documented elsewhere.

Procedure for risk management within Bethshan

Responsibility for risk management lies with the board of trustees but on a day-to-day basis this is delegated to the senior management. Because of the pandemic the main risks were not reviewed in detail this year as the focus was very much on managing the risks of Covid-19 infection. There have been monthly meetings of the full board of trustees, continuing to take place by video conferencing. Trustees have received monthly reports of the effects of the pandemic on the residents and staff and the Home Manager has informed the Chairman of any significant changes in between meetings including action being taken to manage risks.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Bethshan Sheltered Housing Association 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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

**Report of the Trustees
for the Year Ended 31 March 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records 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, Morgan Griffiths LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 19 October 2023 and signed on its behalf by:

L Allen - Trustee



Opinion

We have audited the financial statements of Bethshan Sheltered Housing Association (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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including relevant legislation such as the Companies Act 2006, taxation legislation, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting relevant correspondence.

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

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

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- reviewing correspondence with HMRC.

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

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

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

**Report of the Independent Auditors to the Members of
Bethshan Sheltered Housing Association**

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.



Thomas Landers BA FCA (Senior Statutory Auditor)
for and on behalf of Morgan Griffiths LLP
Chartered Accountants
Statutory Auditor
Cross Chambers
9 High Street
Newtown
Powys
SY16 2NY

19 October 2023

Bethshan Sheltered Housing Association

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2023**

		Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	16,014	-	16,014	5,127
Charitable activities	5				
Nursing Home Care		1,942,067	80,509	2,022,576	1,938,183
Other trading activities	3	566	-	566	-
Investment income	4	4,939	-	4,939	2,562
Total		<u>1,963,586</u>	<u>80,509</u>	<u>2,044,095</u>	<u>1,945,872</u>
EXPENDITURE ON					
Raising funds	6	392	-	392	132
Charitable activities	7				
Nursing Home Care		<u>2,146,228</u>	<u>80,509</u>	<u>2,226,737</u>	<u>1,813,250</u>
Total		<u>2,146,620</u>	<u>80,509</u>	<u>2,227,129</u>	<u>1,813,382</u>
NET INCOME/(EXPENDITURE)		(183,034)	-	(183,034)	132,490
RECONCILIATION OF FUNDS					
Total funds brought forward		2,207,763	-	2,207,763	2,075,273
TOTAL FUNDS CARRIED FORWARD		<u><u>2,024,729</u></u>	<u><u>-</u></u>	<u><u>2,024,729</u></u>	<u><u>2,207,763</u></u>

The notes form part of these financial statements

Bethshan Sheltered Housing Association (Registered number: 03324634)

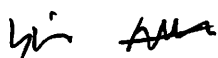
**Balance Sheet
31 March 2023**

		31.3.23 £	31.3.22 £
	Notes		
FIXED ASSETS			
Tangible assets	14	1,359,385	1,307,701
CURRENT ASSETS			
Stocks	15	232	-
Debtors	16	51,358	59,557
Cash at bank and in hand		694,926	870,285
		<u>746,516</u>	<u>929,842</u>
CREDITORS			
Amounts falling due within one year	17	(81,172)	(29,780)
		<u>665,344</u>	<u>900,062</u>
NET CURRENT ASSETS			
		<u>2,024,729</u>	<u>2,207,763</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>2,024,729</u>	<u>2,207,763</u>
NET ASSETS			
FUNDS	19		
Unrestricted funds		<u>2,024,729</u>	<u>2,207,763</u>
TOTAL FUNDS		<u>2,024,729</u>	<u>2,207,763</u>

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 19 October 2023 and were signed on its behalf by:

L Allen - Trustee



The notes form part of these financial statements

Bethshan Sheltered Housing Association

**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	(55,416)	205,970
Net cash (used in)/provided by operating activities		(55,416)	205,970
Cash flows from investing activities			
Purchase of tangible fixed assets		(124,882)	(73,688)
Interest received		4,939	2,562
Net cash used in investing activities		(119,943)	(71,126)
Change in cash and cash equivalents in the reporting period		(175,359)	134,844
Cash and cash equivalents at the beginning of the reporting period		870,285	735,441
Cash and cash equivalents at the end of the reporting period		694,926	870,285

The notes form part of these financial statements

Bethshan Sheltered Housing Association

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2023**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.23 £	31.3.22 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(183,034)	132,490
Adjustments for:		
Depreciation charges	73,199	65,438
Interest received	(4,939)	(2,562)
(Increase)/decrease in stocks	(232)	144
Decrease in debtors	8,198	13,367
Increase/(decrease) in creditors	51,392	(2,907)
Net cash (used in)/provided by operations	<u>(55,416)</u>	<u>205,970</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	870,285	(175,359)	694,926
	<u>870,285</u>	<u>(175,359)</u>	<u>694,926</u>
Total	<u>870,285</u>	<u>(175,359)</u>	<u>694,926</u>

The notes form part of these financial statements

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.

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.

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.

Governance costs

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Allocation and apportionment of costs

Support costs (excluding governance costs) have been apportioned to the activity - 'Nursing Home care' in full. Governance costs have been apportioned to activities based on the apportionment of salary costs.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost or valuation
Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 33% on cost and 15% on reducing balance

No depreciation is provided on freehold land.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Items donated for resale or distribution, are not included in the financial statements until they are sold or distributed. The trustee's believe that the costs involved in determining the value of stock held for distribution would outweigh the benefit to the users.

Taxation

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

Fund accounting

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

Bethshan Sheltered Housing Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

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.

2. DONATIONS AND LEGACIES

	31.3.23	31.3.22
	£	£
Donations	16,014	5,127
	<u>16,014</u>	<u>5,127</u>

3. OTHER TRADING ACTIVITIES

	31.3.23	31.3.22
	£	£
Trolley shop income	566	-
	<u>566</u>	<u>-</u>

4. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Deposit account interest	4,939	2,562
	<u>4,939</u>	<u>2,562</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		31.3.23	31.3.22
	Activity	£	£
Fees Receivable	Nursing Home Care	1,926,629	1,716,166
Grants	Nursing Home Care	95,947	222,017
		<u>2,022,576</u>	<u>1,938,183</u>

Grants received, included in the above, are as follows:

	31.3.23	31.3.22
	£	£
HMRC CJRS grant	-	1,260
Covid Hardship Funding - SSP	15,327	220,757
Welsh Assembly Government	80,509	-
	<u>95,836</u>	<u>222,017</u>

Bethshan Sheltered Housing Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

6. RAISING FUNDS

Other trading activities

	31.3.23	31.3.22
	£	£
Purchases	392	132
	<u> </u>	<u> </u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Nursing Home Care	2,204,495	22,242	2,226,737
	<u> </u>	<u> </u>	<u> </u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.23	31.3.22
	£	£
Staff costs	1,661,527	1,343,429
Rates and water	8,436	7,451
Insurance	16,734	19,144
Light and heat	38,268	44,329
Sundries	9,024	4,152
Catering services	188,171	162,369
Incontinence supplies	48,725	49,956
Clinical waste	10,638	10,600
Medical supplies	3,667	1,386
Recruitment /training	11,541	1,510
Activities	4,719	3,798
Repairs & renewals	23,003	17,391
Service contracts & Call outs	69,577	32,613
Laundry & cleaning	35,489	27,987
Care Management subscription	5,552	-
Depreciation	69,424	63,371
	<u> </u>	<u> </u>
	2,204,495	1,789,486
	<u> </u>	<u> </u>

9. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Nursing Home Care	14,625	7,617	22,242
	<u> </u>	<u> </u>	<u> </u>

Bethshan Sheltered Housing Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

9. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

Management

	31.3.23	31.3.22
	Nursing	Total
	Home Care	activities
	£	£
Telephone	1,932	1,449
Postage and stationery	3,981	2,621
Advertising	1,690	1,398
Subscriptions	1,107	2,136
Motor, travel & other expenses	588	311
Professional fees	1,045	3,558
Bank charges & interest	507	467
Depreciation of tangible assets	3,775	2,067
	<u>14,625</u>	<u>14,007</u>

Governance costs

	31.3.23	31.3.22
	Nursing	Total
	Home Care	activities
	£	£
Wages	4,617	6,757
Auditors' remuneration	3,000	3,000
	<u>7,617</u>	<u>9,757</u>

10. NET INCOME/(EXPENDITURE)

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

	31.3.23	31.3.22
	£	£
Auditors' remuneration	3,000	3,000
Depreciation - owned assets	<u>73,198</u>	<u>65,438</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

The remuneration paid to Mr. Roy Tappin amounted to £11,094 (2022 £6,757). In 2023 £4,617 (2022 £6,757) was included in governance wages. Mr Tappin ceased as a trustee on 23/11/2022.

Bethshan Sheltered Housing Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

11. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

Trustee expenses paid to one trustee in the year amounted to £33 (2022 nil).

12. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	1,536,116	1,243,379
Social security costs	104,636	85,319
Other pension costs	25,392	21,488
	<u>1,666,144</u>	<u>1,350,186</u>

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

	31.3.23	31.3.22
Home Management	3	3
Qualified	7	8
Care Assistants	27	25
Auxiliary	5	5
	<u>42</u>	<u>41</u>

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

	31.3.23	31.3.22
£60,001 - £70,000	<u>-</u>	<u>1</u>

The average number of employees has been calculated as full time equivalents.

The charity considers its key management personnel comprise the senior management listed on page 1. The total employment benefits including employer pension contributions of the key management personnel for their management roles for the year ended 31 March 2023 were £91,494 (2022 £81,068).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	5,127	-	5,127
Charitable activities			
Nursing Home Care	1,936,923	1,260	1,938,183
Investment income	2,562	-	2,562
Total	<u>1,944,612</u>	<u>1,260</u>	<u>1,945,872</u>
EXPENDITURE ON			
Raising funds	132	-	132

Bethshan Sheltered Housing Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Charitable activities			
Nursing Home Care	1,811,990	1,260	1,813,250
Total	<u>1,812,122</u>	<u>1,260</u>	<u>1,813,382</u>
 NET INCOME	 132,490	 -	 132,490
 RECONCILIATION OF FUNDS			
Total funds brought forward	2,075,273	-	2,075,273
 TOTAL FUNDS CARRIED FORWARD	 <u>2,207,763</u>	 <u>-</u>	 <u>2,207,763</u>

14. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2022	1,752,538	98,301	146,753	20,602	2,018,194
Additions	56,812	44,778	18,084	5,208	124,882
At 31 March 2023	<u>1,809,350</u>	<u>143,079</u>	<u>164,837</u>	<u>25,810</u>	<u>2,143,076</u>
 DEPRECIATION					
At 1 April 2022	563,331	47,441	81,448	18,273	710,493
Charge for year	37,446	16,764	15,213	3,775	73,198
At 31 March 2023	<u>600,777</u>	<u>64,205</u>	<u>96,661</u>	<u>22,048</u>	<u>783,691</u>
 NET BOOK VALUE					
At 31 March 2023	<u>1,208,573</u>	<u>78,874</u>	<u>68,176</u>	<u>3,762</u>	<u>1,359,385</u>
At 31 March 2022	<u>1,189,207</u>	<u>50,860</u>	<u>65,305</u>	<u>2,329</u>	<u>1,307,701</u>

Included in cost or valuation of land and buildings is freehold land of £200,000 (2022 - £200,000) which is not depreciated.

Bethshan Sheltered Housing Association

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

15. STOCKS

	31.3.23	31.3.22
	£	£
Stocks	232	-
	<u>232</u>	<u>-</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade debtors	46,456	17,756
Other debtors	4,902	41,801
	<u>51,358</u>	<u>59,557</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade creditors	60,531	26,780
Accruals and deferred income	20,641	3,000
	<u>81,172</u>	<u>29,780</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	31.3.23 Total funds	31.3.22 Total funds
	£	£	£	£
Fixed assets	1,359,385	-	1,359,385	1,307,701
Current assets	746,516	-	746,516	929,842
Current liabilities	(81,172)	-	(81,172)	(29,780)
	<u>2,024,729</u>	<u>-</u>	<u>2,024,729</u>	<u>2,207,763</u>

19. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	At 31.3.23
	£	£	£
Unrestricted funds			
General fund	2,207,763	(183,034)	2,024,729
TOTAL FUNDS	<u>2,207,763</u>	<u>(183,034)</u>	<u>2,024,729</u>

Bethshan Sheltered Housing Association

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

19. 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 fund	1,963,586	(2,146,620)	(183,034)
Restricted funds			
Welsh Govt social care worker grant	80,509	(80,509)	-
TOTAL FUNDS	<u>2,044,095</u>	<u>(2,227,129)</u>	<u>(183,034)</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	2,075,273	132,490	2,207,763
TOTAL FUNDS	<u>2,075,273</u>	<u>132,490</u>	<u>2,207,763</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,944,612	(1,812,122)	132,490
Restricted funds			
HMRC CJRS Grant	1,260	(1,260)	-
TOTAL FUNDS	<u>1,945,872</u>	<u>(1,813,382)</u>	<u>132,490</u>

20. EMPLOYEE BENEFIT OBLIGATIONS

During the year the charity made pension contributions amounting to £25,392 (2022 £21,488). There were no amounts outstanding at the year end.

21. RELATED PARTY DISCLOSURES

During this year Hope Church (Newtown) provided chaplaincy services amounting to £1,710 (2022 £668 due to COVID restriction). No amounts were outstanding at the year end (2022 nil). Hope Church (Newtown) has directors/trustees in common.

During the year Mr. M Cade was reimbursed for IT equipment purchased on behalf of the charity amounting to £1,287 (2022 nil). Mr. M Cade is the spouse of Mrs D Cade who is part of the senior management team.

Bethshan Sheltered Housing Association

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2023**

	31.3.23 £	31.3.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	16,014	5,127
Other trading activities		
Trolley shop income	566	-
Investment income		
Deposit account interest	4,939	2,562
Charitable activities		
Fees Receivable	1,926,629	1,716,166
Grants	95,947	222,017
	<u>2,022,576</u>	<u>1,938,183</u>
Total incoming resources	2,044,095	1,945,872
EXPENDITURE		
Other trading activities		
Purchases	392	132
Charitable activities		
Wages	1,531,499	1,236,622
Social security	104,636	85,319
Pensions	25,392	21,488
Rates and water	8,436	7,451
Insurance	16,734	19,144
Light and heat	38,268	44,329
Sundries	9,024	4,152
Catering services	188,171	162,369
Incontinence supplies	48,725	49,956
Clinical waste	10,638	10,600
Medical supplies	3,667	1,386
Recruitment /training	11,541	1,510
Activities	4,719	3,798
Repairs & renewals	23,003	17,391
Service contracts & Call outs	69,577	32,613
Laundry & cleaning	35,489	27,987
Care Management subscription	5,552	-
Depreciation of freehold property	37,447	37,271
Depreciation of plant and machinery	16,764	11,925
Depreciation of fixtures and fittings	15,213	14,175
	<u>2,204,495</u>	<u>1,789,486</u>
Support costs		

This page does not form part of the statutory financial statements

Bethshan Sheltered Housing Association

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2023**

	31.3.23 £	31.3.22 £
Support costs		
Management		
Telephone	1,932	1,449
Postage and stationery	3,981	2,621
Advertising	1,690	1,398
Subscriptions	1,107	2,136
Motor, travel & other expenses	588	311
Professional fees	1,045	3,558
Bank charges & interest	507	467
Depreciation of computer equipment	3,775	2,067
	<u>14,625</u>	<u>14,007</u>
 Governance costs		
Wages	4,617	6,757
Auditors' remuneration	3,000	3,000
	<u>7,617</u>	<u>9,757</u>
 Total resources expended	<u>2,227,129</u>	<u>1,813,382</u>
 Net (expenditure)/income	<u><u>(183,034)</u></u>	<u><u>132,490</u></u>

This page does not form part of the statutory financial statements