
Registered number: 03685650

Broadening Choices for Older People

Trustees' Report and Financial Statements

For the Year Ended 31 March 2023

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Broadening Choices for Older People
(A Company Limited by Guarantee)

Charity Information

Trustees	D Sizer (Chair of Board) H Gore (Chief Executive) (appointed 27 June 2022) J Bennett N Bradbury T Pattni E Davies (appointed 23 November 2022) J Lindon-Lewis (appointed 23 November 2022) P Mandleberg (appointed 24 May 2023) G Hall (appointed 6 September 2023)
Registered number	03685650
Registered office	7-8 Imperial Court 12 Sovereign Road Kings Norton Birmingham B30 3FH
Independent auditors	Dains Audit Limited 15 Colmore Row Birmingham B3 2BH
Bankers and Investment managers	Barclays Bank plc 6th Floor 1 Snowhill Birmingham B4 6GH Royal Bank of Scotland plc 57 Calthorpe Road Edgbaston Birmingham B15 1TT Quilter Cheviot Limited Senator House 85 Queen Victoria Street London EC4V 4AB
Website	www.bcop.org.uk
Charity number	1074954
Regulator of social housing registration number	L4218

Broadening Choices for Older People
(A Company Limited by Guarantee)

Contents

	Page
Group Strategic Report	1 - 24
Trustees' Report	25 - 26
Trustees' Responsibilities Statement	27
Independent Auditors' Report	28 - 31
Consolidated Statement of Comprehensive Income	32
Consolidated Statement of Financial Position	33
Charity Statement of Financial Position	34
Consolidated Statement of Changes in Reserves	35
Charity Statement of Changes in Reserves	36
Consolidated Statement of Cash Flows	37 - 38
Consolidated Analysis of Net Debt	39
Notes to the Financial Statements	40 - 70

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report
For the Year Ended 31 March 2023**

Company status and principal activity

Broadening Choices for Older People (BCOP) is a company limited by guarantee, a Registered Provider of Social Housing and a registered charity. BCOP was founded in 1946 to meet the needs of older people in the immediate post-war period.

The charity is administered in accordance with the Memorandum and Articles of Association dated 16th March 2022. The main objects of the charitable company are to provide and manage accommodation, care and support services for older people in necessitous circumstances, and to make donations in line with our charitable objects. We operate nursing homes and we also own and manage accommodation for older people, including supported/sheltered housing and properties for independent living.

BCOP is a corporate trustee of The Rhodes Almshouses which is a grant-giving, linked registered charity (1074954). As it is a special trust, the results and assets and liabilities of The Rhodes Almshouses are incorporated within BCOP's own accounts.

The Group comprises two other smaller charities and BCOP Services Limited - a company incorporated in England and Wales which has been dormant since incorporation.

The charities are:

- 1) Emma Ball and Rolason Almshouses registered charity (246857), an almshouse charity providing six almshouse residences; and
- 2) The Pargeter and Wand Trust, a grant-giving registered charity (No 210725), which pays annuities for qualifying applicants within the Trust's objectives.

Purpose

BCOP provides housing and nursing homes for older people, including those living with dementia or requiring End of Life care, to ensure that individuals have choices in later life. Our range of services engage with those aged over 60 (or 55 at specific housing schemes, or individuals with a form of disability). We provide a home to those who are fully independent through to residents with complex healthcare needs who require the support of fully trained nursing and care teams.

Our care and support is focussed on strengths, abilities, and aspirations rather than ailments disabilities, so that it is tailored to meet the needs of individuals, enabling them to make positive choices on an everyday basis. We believe that feeling safe, happy, and well cared for can make the difference not just to the older person but also to their families and friends.

The Board has taken into account the Charity Commission's guidance on public benefit when reviewing BCOP's aims, objectives and activities.

Legal and policy context

BCOP is governed by the Regulator of Social Housing's regulation and standards, Charity Commission rules, the Companies Act, the Care Quality Commission, and the regulatory frameworks for service commissioners.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Our vision, mission, values and strategic objectives

Our Vision and Mission:

Making a difference every day through everything we do to enrich older people's lives, by treating each person as the amazing individual they are, always helping them to feel cared for and respected.

Our core Values:

- **People at the heart of everything we do:** As a caring organisation, people – and their wellbeing – are at the heart of everything we do – be they residents, their families or our staff.
- **Working together to provide the best possible support:** As a team, we listen to and respect everyone. We work together with residents and their families as well as external supporting organisations.
- **Adapting to our residents' needs:** To deliver person-centred care, we must be flexible and open-minded about our current approach to delivering care – this could mean learning new skills, developing new approaches, or adapting existing practices to enhance the care of a particular resident.
- **Little things matter:** We're all different and our individuality makes our community special. We recognise and act on the little things, as these often make all the difference.

Our Strategic Priorities:

During 2022-2023, the Board continued to focus on its five year strategy. The strategic objectives are framed around Strong Social Purpose, Strong Social Business and Strong Performance in order to future-proof the organisation.

During the year we have identified changes in demand v's supply, as well as rising costs and an increase in needs/complexities in people using our services. New legislation has also added demands to the fabric of some of our buildings and we have had to respond to this.

Above all, we have to ensure our buildings and the way we run our services are as safe as they can reasonably be.

BCOP's core business is in providing care: this accounts for around 83% of our turnover and is our key strength in an increasingly challenging and competitive marketplace.

BCOP's principal activities and objectives to help improve later life include:

- Operating comfortable and friendly nursing homes and providing good quality care to residents. Our three nursing homes offer a wide spectrum of care including high dependency nursing, dementia care and end-of-life care provision. We also offer transitional or episodic forms of care to assist discharge from hospitals, provide respite for carers, or day care for individuals living in the community.
- Balancing social needs by combining funding from the public sector with contributions from individuals.
- Working in partnership with like-minded organisations to have a wider impact in the community.
- Responding to individual conditions, needs and frailty as opposed to chronological age, but ultimately seeing the person first, their abilities and desires, and not their condition, as the guiding principle in offering person-centred care.

Our ambitions are to:

- Help address the issues that older people face, namely health and care concerns, loneliness and financial insecurity by examining our service offerings and improving our ways of working in a financially sustainable way.
- Improve our dementia care offer, given the increasing incidence of dementia within the ageing population and as a consequence, increase our profile and market presence in the sector.
- Develop our End of Life care offer, gaining recognised status as an excellent provider, given the prevalence of need for this short term but important service.
- Maintain the pioneering spirit with which BCOP was first established in 1946.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Objectives and activities

During 2022-2023 the Board carried forward a Covid-19 Response and Recovery Plan, devised at the start of the pandemic, and updated regularly to monitor performance. The Plan was integrated into the organisational Operations Plan.

During the year, though the instances and outbreaks of Covid continued, the severity and frequency decreased and at the end of the financial year the UK Government withdrew requirements for testing whole homes, or anyone entering homes.

Covid became – towards the end of the year – like any other infection and no longer requires a separate strategy or approach, subject of course to any changing government guidelines.

Also announced was the withdrawal of free PPE, and Covid support grants that previously had helped cover staffing costs associated with Covid related absences and the demands of testing visitors. As well as having reduced financial support for these additional costs, we also lost income due to numbers of referrals remaining low.

Providing a home

In 2022-2023, BCOP provided a home to people across our schemes:

	No of units	No of people during year
Nursing homes	130	217
Housing	150	139
Total *	280	356

* Included in this, the group supports 2 shared ownership units and manages 10 independent housing units on behalf of others.

Registered Care

BCOP provides three nursing homes for those requiring nursing care, often with complex needs or dementia. Robert Harvey House in Handsworth Wood has 46 rooms but holds registration for up to 52 residents. Some of its rooms allow for double occupancy, which means we can extend our service to couples who wish to stay together. Anita Stone Court, based in Moseley, provides 33 beds and Neville Williams House in Selly Park is registered for 50 beds.

Quality

The 3 key principles that underpin auditing in the nursing homes are:

- A focus on residents with clear records for each person
- Clear policies and procedures that refer to national standards and best practice
- Continuous improvement

Following the Local Authority Audit in the last quarter, CQC completed a focused inspection virtually, based on the information provided by the Quality Team. We had positive feedback from both inspections with a silver score for all our Nursing Homes. Both Neville Williams House and Robert Harvey House have had more recent inspections and we are expecting at least silver ratings again. Anita Stone Court is due an inspection – these are usually at short notice and we don't yet have a date.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Objectives and activities (continued)

Quality (continued)

Systems and processes are in place for quality assurance. We follow good practice in reporting and gathering of information and continue to work with the new commissioning arrangements to expand provision and provide beds for palliative care. Staff also rose to the challenge by undertaking additional training in providing end-of-life care working with the local hospice. This year we aim to undertake further training and gain accreditation for Palliative care.

The teams have reviewed their Home Development Plans to ensure they consistently reflect on how we deliver our services to get the best outcomes for our residents. We have recently changed our reporting methods to provide seamless reporting and planning for continuous improvement. These new Service Improvement Plans (SIP's) – are in a transition phase but will be embedded through 2023.

Regular management support meetings take place to share and disseminate information, ensuring governance is being adhered to. In the autumn of 2023 we will focus on refining the SIPs to ensure they cover the following areas:

- Are the service's internal audit plans and schedules being met?
- Do the service audit plans focus on residents' involvement/co-production and satisfaction?
- Is the service meeting service user requirements and are the fundamental standards being met and outcomes evidenced?
- Where there are problems, are we identifying and addressing the root cause?
- Are audit reports of a good standard?
- Do we give sufficient compliments for good practice?
- Are we identifying opportunities for improvement?

Training and development of teams has progressed well this year. We secured a provider for RQF qualifications, with staff at each home enrolled. Other staff are progressing through apprenticeships or care certificates, according to their abilities and ambitions. 11 sessions of Safeguarding training were delivered during 2022-23, with a further 8 already scheduled in 2023-24. We also trained staff in each home to become trainers in Moving and Handling, ensuring our teams are always able to access appropriate training and guidance in the safe handling of residents. Safeguarding and basic care training (care certificate and RQFs/apprenticeships) remain our focus to ensure we have an appropriate mix of skills to provide quality care. We have not yet begun training for the Gold Standards Framework as we have focussed on the fundamentals first – though GSF accreditation is still our aim.

The Care Quality Commission have implemented their inspection regime via the Direct Monitoring Approach - care home inspections are conducted remotely by teams and information checking – with any concerns triggering a fuller, more detailed inspection. Our homes have not had any triggered, detailed inspections, and have maintained their Good rating with the support of the Director of Operations who has maintained quality assurance processes in the homes, especially when we have been without General Managers during periods of absence or recruitment.

CQC inspection reports can be accessed through our website or directly from the regulator's website.

The reduced capital expenditure in the two years 2020-22 inevitably resulted in an increase in spending on capital items in 2022-23 we addressed issues which had been postponed. Many items had become a significant problem (no voids suitable for letting) and the Property Services Manager identified urgent compliance work which had previously not been recognised. We spent £225,143 in 2022-23 on repairs and cyclical works/property upgrades to ensure we remained compliant and safe, and had properties suitable for let.

To continue to hold off void works would never give us stock from which to gain an income. Our nursing homes and housing units must continue to offer standards which are comparable to – or exceed – other local provision. We will be refocussing attention on schemes which struggle to break even, to see if such Investment will be viable in the long term.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Objectives and activities (continued)

Funding

The group continues to maintain a mixed portfolio between local authority, NHS, and private funding. Overall income dropped by 0.1% from previous years. Nursing homes' income (excluding government grants) assumed a marginal increased proportion of our turnover, from 78% (2021-22) to 81%; whereas social housing and other income accounted for 17% of the total. In relation to the nursing homes, 57% of the turnover related to nursing home fees paid for in part or whole by individuals and/or their families. Just under 9% of our income came from Birmingham Social Services who socially fund nursing home residents. Around 16% of our income during the year was based on Continuing Healthcare (CHC) funding. CHC provides residents who have long-term complex health needs or who may be nearing the end of their lives with free social care which is assessed and funded solely by the NHS through the local Clinical Commissioning Group (CCG). We also retain contracts with Birmingham and Solihull Mental Health NHS Foundation Trust, Solihull Social Services and others, comprising 6%. Funded Nursing Care (FNC) is paid by the NHS as a flat rate contribution directly to the nursing homes towards the cost of registered nursing care. It accounts for just under 12% of our income.

Our average nursing home occupancy continued to be impacted by Covid-19, dropping to 82% compared to our Budget target of 85%. The position at the end of the year is around 15% below our organisational target of 96-97% in a normal year.

Staffing

Staffing represents our most significant cost (72%) as a proportion of total expenditure; nursing home employees account for just over 88% of BCOP's total workforce based on the average monthly number of staff. Our payroll costs increased by 3% in 2022-23 financial year following a general uplift across all pay grades and increased use of agency staff and general workforce pressures in the year and the National Minimum Wage (NMW). We have continued to implement NMW requirements with targeted increases for hard to fill posts together with a 2 % pay increase across the organisation to maintain pay differentials and to keep pace with other providers in the social care sector. As stated, we aim to increase to the Real Living Wage in 2023-24.

Housing

BCOP's aim across our schemes is to promote personal independence by ensuring that our tenants feel happy and secure. We liaise closely with Birmingham Housing Services, from whom the majority of our tenants receive financial support in the form of Housing Benefit, as well as with Social Services and allied organisations in relation to supporting, safeguarding or sign-posting those who are the most frail or vulnerable to appropriate services.

Overall, our average housing occupancy in 2022-23 continued to hover just below 82%. Due to previous years lack of spending on maintenance and void works (during Covid, BCOP limited works to essential only) there is a backlog of work needed to make our voids appear attractive and desirable. In 2022-23 we invested in Whitley Court, to refresh communal areas and prepare some voids to a good standard from letting, in readiness for its 30th anniversary in 2023-24.

We continue to prepare voids in other schemes to a good standard, so we are able to compete with other providers.

Unfortunately, the fixed tariff deal with our energy company for gas ended in August 2022 and due to the huge increases in fuel because of the war in Ukraine, the best deal that could be negotiated was an increase of 600%. It was agreed, that due to the Cost of Living increases that our tenants were already facing, BCOP would only recharge tenants a 300% increase on the gas supply to the communal areas and their own properties and we would absorb the remainder. We are currently re-negotiating our rates to reduce this burden.

The Tenant Satisfaction Survey is being outsourced this year to Acuity, who will ensure that the questions asked meet the standards of the new Tenant Satisfaction Measure.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Objectives and activities (continued)

Support Services

During the year, BCOP has continued to ensure that the Support Office has the right capacity and skills mix of senior operational and support staff. The year saw further changes at the Support Office with long serving staff moving onto new opportunities and new talent joining the organisation. Our Finance team have been bolstered with a highly experienced manager, and our HR advisor is a huge benefit to BCOP.

We also have secured a marketing and fundraising manager, who will focus on targeted marketing to help with the occupancy drive as well as fundraising to fill funding shortfalls. The Property Services Manager appointed during 2022-23 has focussed on assessing our assets so we know lifespans of our installations, enabling us to better budget and plan. Compliance with all Health and Safety requirements have also been top of his agenda, ensuring our residents and staff have safe places to live and work.

Progress in achieving performance objectives in 2022-2023

Quarterly reporting to Board provides an account of current performance against plan. The KPIs include EBITDA (earnings before interest, taxes, depreciation, and amortization), occupancy rates, average weekly charge, staff costs per turnover and agency as a percentage of staff costs.

The measures and actions taken for the achievement of KPIs consist of:

- The Senior Management Team comprising the Chief Executive, the Director of Operations and the Head of Finance meeting regularly to maintain a tight control over operational and administrative expenditure, whilst recognising the need to ensure a high level of provision for service users.
- Delegated budgets with clear lines of responsibility and accountability being combined with bespoke IT and financial tools and systems to assist managers in decision-making and resource allocation.
- Maintaining and improving levels of income to ensure operations are run effectively and efficiently – including monthly reports on actual fee levels at each home, to enable managers to seek additional funds for those not paying full amounts.
- Controlling and monitoring operational expenditure making provisions to ensure efficient cash-flow and that contingencies are met.
- Maintaining assets in good and marketable condition.
- Targeted marketing and communications activity to support our business objectives.
- Regular checking and benchmarking of contractors and suppliers in line with our procurement policy.

Progress in achieving performance objectives in 2022-2023 (continued)

Specifically, we have been able to make progress in the following areas:

Our priorities for 2022-2023:	Key objectives	Key achievements:
STRATEGIC PURPOSE		
Ensure viability of good quality services	Minimise incidence and impact of Covid-19 upon services	<ul style="list-style-type: none"> The incidence and severity of Covid-19 has reduced dramatically through effective infection controls and take up of vaccinations. We no longer a need to regularly test, and Covid is now a regular part of infection control processes.
	Ensure Good ratings from CQC and key stakeholders	<ul style="list-style-type: none"> Care Quality Commission have continued with their suspension of routine care home on-site inspections, instead replacing with their Direct Monitoring Approach – virtually checking in and using external intelligence. All three homes have thus far continued to maintain their Good rating. We expect in-person inspections to resume and be conducted imminently.
	Implement improvements and best practice knowledge across all services	<ul style="list-style-type: none"> CCG/NHS and BCC/Local Authority inspections at all homes have resulted in a silver award. These are currently under review and we are hoping for Gold in some locations. Having frequent turnover of manager at ASC may result in a downgrade – though a bronze is still sufficient to retain local authority contracts.
	Record and resolve complaints in a timely way	<ul style="list-style-type: none"> We no longer consider the reduction of complaints to be a valid measure as we should encourage honest feedback whether positive or negative to enable us to constantly review our service and systems. We now believe the appropriate KPI to be the number of complaints (as a %) to be resolved at the first stage. We plan to review the way we record and track complaints to make the collation more straightforward.
	Improve occupancy rates at schemes	<ul style="list-style-type: none"> Occupancy has recently improved at ASC and NWH, though we now must focus on maintaining these levels. RHH had its block booking of beds cancelled as is the new CCG policy. This led to a 17% increase in voids at RHH which they are focussing on reducing. Our new Marketing manager is increasing our online presence to aid enquiries/referrals into homes. An autumn radio campaign will begin and focus on RHH.

Progress in achieving performance objectives in 2022-2023 (continued)

STRONG SOCIAL BUSINESS		
Ensure business resilience	Financial surplus and performance	<ul style="list-style-type: none"> The annual accounts show a loss of £573.8k. This is largely due to poor occupancy levels and high agency spends.
	Regulatory H&S compliance	<ul style="list-style-type: none"> Repairs activity was largely to ensure H&S compliance, and 'let-ability' of voids. We aim to have two units (one ground, one upper floor where applicable) ready for let in all schemes, to 'showcase' our properties.
	Business development and responsiveness to changing market	<ul style="list-style-type: none"> We have reviewed different referring agencies who charge a subscription. We have not found these to deliver outputs and so will not be using. Focus on building relationships with hospitals, GPs and Adult Social Care partners.
	Contract reviews as part of Value for Money review	<ul style="list-style-type: none"> Reviewed suppliers for cleaning products and beds/mattresses- found our existing broker could continue to deliver best value and secured us discounts. Fuel/utilities reviewed with care consortium – but existing contract would require full term penalty. Instead we are renegotiating lower unit price in turn for a longer contract period.
	Review IT estate/ systems for business fit	<ul style="list-style-type: none"> Commenced implementation of Board approved three year IT & Digital Strategy – have begun transition to new IT support provider who will then take over hosting our servers. This will result in a higher monthly fee (as current support provider does not host) but gives total confidence of data security and access to information, along with removing the need to spend up to £100k replacing our failing servers.

Progress in achieving performance objectives in 2022-2023 (continued)

STRONG PERFORMANCE		
<p>Improve our ways of working to ensure that we are better able to meet future demands: People at the heart of our service</p>	<p>Improve recruitment and retention with people who share our values</p> <p>Value, develop and recognise staff</p> <p>Roll out of organisational training matrix according to role and grade to enhance staff development and capability</p> <p>Strengthen absence management and performance controls</p> <p>Recruit new Board members</p>	<ul style="list-style-type: none"> Staff recruitment and retention remain critical to the consistency of service that we offer. In the latter half of 2022-23, turnover across BCOP was down to 16%. We have focussed on more structured supervision process which will support staff in achieving their ambitions as well as providing evidence of the quality of their performance and fitness to practice. Ensuring our training matrices are consistent across services is an ongoing project, combining our different learning platforms. We have concluded some long term sickness cases and are reviewing our process to ensure that it is clear and transparent, with consistency regarding triggers for occupational sick pay, and potential action for long term or frequent absences. Launched trustee recruitment campaign to attract new Board Members – we secured three new trustees in 22-23 and are currently in the process of on boarding two more.

Financial results

The consolidated income and expenditure account has recorded an overall operating deficit on ordinary activities for the year of £210,362 (2022: surplus of £143,398). This encompassed:

- Nursing Home deficit of £411,802 (2022: £133,241)
- Social Housing lettings surplus of £188,588 (2022: £301,690)
- Donations and Legacies surplus of £15,422 (2022: £26,912)
- Other activities deficit of £2,570 (2022: £51,963)

The reduction in financial performance between 2023 and 2022 is mainly a result of reduced occupancy and increased staffing costs and operating costs in the nursing homes compared to the previous year. We received government grants of £71,377 (2022 - £355,585). The grants continued to provide a means to offset the significant additional costs incurred due to the pandemic but were significantly reduced in 2022-23.

During the year, the total amount of capital spend was £107,431 given that non-urgent works in both housing and nursing homes were deferred for this year. The review of the Stock Condition Survey in 2022-23 together with an assessment by the new property manager has led to a more detailed programme of works which will be implemented in the incoming year.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Reserves

In 2022-23, overall total reserves were reduced by £660,827 to £16,590,925 of which restricted reserves were £1,836,091

The financial results have been impacted by an increasingly challenging environment from commissioners as they continue to fund clients at below cost rates. Our nursing homes are heavily reliant on income from individual residents and their families, as private payers. Many of our operating costs have increased in 2022-23 with unprecedented inflation rates for utilities, food, staffing and cleaning costs. We have made some savings in some areas but these are insignificant alongside the salary, agency and utility bills. Budgeting for 2023-24 was, we believe, far more robust than in recent years as we had greater knowledge of both the reduction in grants and the increase in costs which had come as a surprise in 2022-23.

Risks and uncertainties

The Board recognises its responsibility in relation to the risks associated with the charity and its subsidiaries. Services for older people continue to face a period of uncertainty, especially in relation to Adult Social Care, where aside from the pandemic, there are further delays to proposed policy reforms, significant funding gaps and increasing regulatory requirements.

Risks are identified and continuously monitored by the Executive Team at both strategic and operational level and updated in a Strategic Risk Register which is reviewed by the Board on a quarterly basis, having been considered and scrutinised by the Audit Committee in advance of the Board meetings. These Strategic Risks will now be reported on in the SIPs.

The Board considers whether the risk framework is appropriate and effective, ensuring that all risks are identified, and that appropriate action is being taken. Individual risks are assigned a risk score based on an assessment of the likelihood and impact of the identified risk. Consideration is also given to consequences if the risk were to occur, as well as reviewing existing controls and potential mitigating actions to minimise the risk. Additional steps, controls or measures which are being put in place are referenced under Actions for the incoming period. In this way, the Board receives assurance that the risks are being effectively identified, monitored, appraised and resolved by the Executive and operational teams.

Operational plans and the quality assurance framework have been aligned to the risk framework so that management staff can monitor key organisational risks on an ongoing basis, towards continuous improvement. Now with the change to the SIP, everything is in a single document for each service, ensuring the managers can see how their service performance affects the overall business.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Group Strategic Report (continued)
For the Year Ended 31 March 2023

Risks and uncertainties (continued)

The principal risks to delivering objectives in 2022-2023 included:

Principal risks	Risk appetite	Key controls/ actions
<p>Quality of care is impacted negatively.</p> <p>Serious service disruption e.g. pandemic</p>	<p>The charity is committed to providing good quality care and support, minimising the potential for service failures or discontinuity such as safeguarding, serious incidents or other regulatory or legislative breach.</p>	<ul style="list-style-type: none"> • Scrutiny and reporting from the Operations Committee. • Audits and line of sight reporting • Staff training in key areas e.g. infection control, safeguarding, general care • Electronic care records, and notifications to CQC. • Effective communications with regulators, commissioners, and families. • Complaints management. • Business Continuity Plans. • Whistleblowing policy.
<p>Failure of financial sustainability e.g.</p> <ul style="list-style-type: none"> -price -liquidity -credit -cash flow 	<p>We operate in a highly regulated and financially challenged sector. We need to ensure sufficient surplus to enable effective financial and operational management.</p> <p>Key financial concerns are:</p> <ul style="list-style-type: none"> • the fee income not rising at a rate sufficient to meet the rising costs and standards of social care • increasing uncertainties in the commissioning environment with reduced local authority and health budgets • exhausting funds for those who pay privately 	<ul style="list-style-type: none"> • Scrutiny and reporting by the Audit Committee. • Fees are agreed in advance with commissioners or self-funders with fixed payment cycles. • Payment of suppliers managed with our payment terms. • Improved forecasting to ensure an appropriate cashflow, liquidity and ability to meet borrowing commitments. • Close monitoring and reporting on bank covenants against existing loans. • Use of forecasting, scenario- and stress-testing to understand relations between occupancy, fees and staffing as the key business drivers. Budgetary process and controls, monthly management reporting including dashboards and variation monitoring. • Robust and realistic budgeting, with fees set with an aim for full cost recovery.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Group Strategic Report (continued)
For the Year Ended 31 March 2023

Risks and uncertainties (continued)

Principal risks	Risk appetite	Key controls/ actions
Compliance with regulatory and statutory requirements	The charity operates in a highly regulated sector. Failure to meet these requirements would result in risk of harm to service users and employees which is not acceptable. The Board has no appetite for services to operate outside regulatory requirements.	<ul style="list-style-type: none"> • External assurance ratings, audits and reports through Care Quality Commission and allied bodies. • Policies and procedures which reinforce a culture of compliance. • A Quality Assurance framework which monitors compliance and progress against any Development and Action plans, including Line of Sight and exceptional reporting. These reports in 2023-24 all combined in a single document (SIP) • Appropriate level of resource made available for staff training. • Training matrix that is role-and-grade specific. • Safeguarding policy and training. • Use of external compliance expertise/ auditors in HR and Health & Safety, including Fire Risk compliance.
Failure to attract and retain workforce that embodies our culture & ethos	<p>The Board recognises that staff form the heart of the organisation; with the majority of colleagues involved in frontline services. Colleagues are recruited in relation to their fit with the organisational values.</p> <p>Along with other care providers, we recognise the challenges around recruitment and retention of nursing and care teams given the more competitive salaries and employee benefits of the NHS, changing public perceptions of care homes, and the reputation of the social care sector.</p>	<ul style="list-style-type: none"> • Implementation of Real Living Wage for 2023-24 • Implementation of new supervision framework, to support development and ambition as well as evidence fitness to practise. • Biannual HR reporting on staff metrics. • Clear job descriptions and contracts. • Staff wellbeing surveys and 'check-ins' by senior staff. • Contingent, rapid response planning in place to minimise disruption should critical staff members leave the organisation. • Investment in systems and processes to support operational efficiency e.g. e-care planning. • Monitor sickness absence.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Risks and uncertainties (continued)

Principal risks	Risk appetite	Key controls/ actions
Strategic Risks related to underperforming services	<p>The Board is mindful of the balance between providing sufficient 'turn around' time for services against the financial sustainability of the whole organisation.</p> <p>Whilst we have always been keen to secure a permanent manager whenever there is a vacancy, we will not compromise on quality and underperformance or non-compliance with policy/legislative requirements will not be accepted.</p>	<ul style="list-style-type: none"> • Strategic Risk Register as a standing item on Board and Audit Committee meetings. (now in SIP) • Additional controls in place for planning and monitoring agency use. • Closer coordination between the Support Office and the administrative function in the nursing homes. • Regular/frequent support from DoO for new managers in post • New managers given peer support to help learn BCOP systems and processes
Operational risks	<p>As a front line care service, our reputation is closely aligned to how we manage, develop and respond to issues that may arise within our services. The organisation adopts a transparent approach to dealing with such matters in order to meet our duty of candour.</p>	<ul style="list-style-type: none"> • Comprehensive set of policies and procedures that are supported through staff induction and cascaded through staff updates. • Review of systems and processes to ensure a satisfactory level of operational efficiency. • Reporting to the Board with clear escalation policy from frontline services to management, senior management, CEO and Board around issues of whistleblowing, serious incidents, fraud or other concerns. • Business continuity measures in relation to IT critical failure or other forms of business interruption.

The risks listed above represent key risks for any provider in the increasingly competitive social care sector. We seek to limit instances by deploying the necessary resources and controls in our day-to-day operations, including service improvement plans. We have focused on developing stronger relationships with commissioners in order to anticipate changes in a more proactive manner.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Governance and reporting structures

The charity reviews its governance arrangements and changes its governance procedures to meet best practice principles in the charitable sector.

Following two resignations and two appointments during 2022-23, the Board comprised nine trustees including the Chair at financial year end. Our Articles of Association state that we must have a minimum of five trustees. The Board meets at least four times a year to monitor performance against strategy. Senior Executives also attend the relevant Board and Committee meetings. The Board has the expertise and experience to satisfy its legal obligations, safeguard the assets of the Charity and provide leadership and strategic direction whilst fostering a culture of constructive challenge and debate with the Executive who manage the charity on a day-to-day basis.

A new process of Board appraisal to be run on a biennial basis was introduced in 2018-19. This will be reinstated in 2023-24 as we have a number of new trustees.

A trustee skills matrix is maintained by the Chair and reviewed on a regular basis to ensure the Board continues to meet the changing needs and demands of the charity. Board members are recruited by advertising through various websites and associated channels. Applicants are shortlisted by the Chair and Chief Executive, leading to formal interviews at one of our services and, if mutually agreeable, to an invitation for the applicant to observe a Board meeting, to meet with trustees and to visit more of our schemes, prior to a final appointment being recommended to, and if agreed, approved by Board. A description of the requirements of the role is provided to all trustees. Trustees serve a three year term before facing retirement or re-election up to a maximum of 9 years in office.

Following appointment, each new trustee receives a programme of induction which includes key documents as part of the Trustees' Handbook; support from a Board 'buddy' drawn from among existing Members; service site visits with the Director of Operations and dedicated sessions with other members of the Executive Team dependent on the Trustees role. The Chief Executive provides a half day induction to BCOP to inform of current operating position and challenges as well as our position with the organisational strategy.

Training is carried out both with external agencies and via in-house training when identified as being needed, and drawn up on the outcomes of the Board appraisal process. The findings feed into the training/ development programme for new and existing members.

The Trustees are not remunerated but may receive reasonable out-of-pocket expenses for attending Board meetings in accordance with the expenses policy.

Whilst the Board retains individual and collective responsibility for ensuring compliance and Board effectiveness, it delegates elements of risk management and gains additional assurance and recommendations through a scheme of delegation to two Committees. Work continues to ensure compliance with the NHF Code of Governance, as well as meeting the requirements of the Social Housing (Regulation) Bill and aiming to have all areas compliant in 2023-24.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Scheme of Delegations

Committees

Each Committee has written terms of reference which are reviewed and approved by the Board on a biennial basis; Audit Committee Terms of Reference were reviewed and approved in February 2023. Operations Committee Terms of Reference have been reviewed in July 2023 to reflect changes to the reporting structure. The work of the Committees provides trustees with more detailed understanding and assurance on specific areas of delegated risk, compliance and development.

Responsibilities

Audit Committee: Oversees finance, risk and audit with authority to appoint external auditors.

Operations Committee: Oversees and reports on quality assurance of services, including clinical governance of the nursing homes, monitoring the operations plan and assessing performance against KPIs.

Compliance with Code of Governance

The charity has adopted the National Housing Federation's Code of Governance (2020). As a small Registered Provider (less than 1000 units), we seek to adhere to the spirit of the Code, whilst prioritising our business needs.

Trustees recognise that there should be a balanced, diverse, and effective Board which leads and controls the organisation, complies with its legal requirements and reflects the increasingly diverse service user community whom we serve.

We have undertaken an assessment against the provisions of the code under its 4 principles and comply, with the following exceptions:

(i) Mission and Values

- Recognise our need to improve formal resident engagement following appropriate consultation with tenants. This is required in our Nursing Homes as well as housing services.
- clearly express and publish our vision and mission statement, with a review of our staff appraisal system to directly link individuals' objectives with our corporate values.

(ii) Strategy and Delivery

- Improve awareness and adherence of corporate trustee obligations.

(iii) Board effectiveness

- The Chair of the Board should not be a member of the committee responsible for audit. The chair has been included in the audit committee to make up numbers – current recruitment of two trustees with excellent finance and risk expertise will enable us to comply with this element.
- The Board decided to retain a 9 year term (3 x 3 years) due to challenges in recruiting, and the importance of retaining corporate memory.
- The appraisal process for Chair and Board directors will be re-introduced in 2023-24

(iv) Control and Assurance

- The CEO and Director of Operations revised the reporting and audit process in 2022-23 to ensure it is fit for purpose, as well as revising key policies and procedures which enable staff to report concerns and whistle-blow where necessary. We are committed to having a comprehensive range of tools to ensure concerns or poor practice cannot remain hidden or unreported. The SIP remains organic and whilst in its infancy we are constantly reviewing content to ensure we do not lose any fundamentals from the previous reporting system.

Remedial actions will be reviewed at Operations Committee and reported to Board, as part of the SIP 2023-24, as the Regulator expects compliance with all aspects of the code.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Internal financial control and financial reporting

The Board is ultimately responsible for the group's system of internal financial control, which is designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information.

The Board regularly reviews the effectiveness of the group's internal financial control system for the period and up to the date of the approval of the report and financial statements. No weaknesses were found to date in the internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements.

The main features of the internal control system are:

- written orders and financial regulations which delineate responsibilities and levels of authority
- annual budgets, set in the context of a longer term business plan with clear accountability for control of each part of the budget
- formal budgetary control arrangements with a quarterly reporting cycle
- detailed management accounts produced monthly/quarterly, and forecasts for the remainder of the financial year. These are reviewed by the Senior Executive Team and considered and approved by the Board
- Board approval of the parameters under which new investments or financing are entered into
- ongoing monitoring by the Board of the risk assessment review carried out by the management of the organisation and acknowledgement of its findings.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Meeting public benefit

In considering 'Public Benefit' the trustees recognise their responsibilities as guided by the Charities Act 2011 which defines a charitable purpose, explicitly, as one that falls within 13 descriptions of purposes and is for the public benefit. One of those 13 descriptions is 'The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage'.

BCOP's objectives are to provide good quality support and care to persons over 60 years of age, or 55 if living with a disability. BCOP provides accommodation, care and support to individuals within our nursing homes or housing services. The trustees are therefore confident that BCOP meets public benefit requirements with a clear charitable purpose.

Access to all of our care services can be achieved either through self-referral or a government-funded statutory organisation. We promote the nursing homes to ensure equity of access across the community, based on the individual's care needs assessment, required outcomes and our ability to deliver.

We publicly advertise rental tenancy vacancies in our social housing provision and operate a criteria assessment for prioritising needs. Over 71% of our housing residents are in receipt of Housing Benefit or other forms of state funding.

BCOP believes that everyone should benefit from the same standard of good quality care. Fees charged to tenants and residents are set to achieve – as much as possible – full cost recovery, without the need for any profit, therefore maintaining the financial viability of the charity. Funding for residents in our nursing homes is provided through either state assistance via Local Authority, NHS or Clinical Commissioning Groups, and/ or with self-funding or through the support of charitable organisations. We aim to ensure equity of access to our services and to provide the highest quality of care to residents. We also offer day care placements at our nursing homes to enable people to receive daily respite or care and supervision whilst still living independently.

The grants received last year from the Edgbaston Neighbourhood Network Scheme and Celebrating Communities Fund have enabled BCOP to provide a 12 month programme of organised activities at Edgcumbe Court. This has encouraged tenants and over 60's from the local community to take part in regular classes including exercise, boxercise, mindfulness and massage sessions. We have also used the funds to purchase items to further encourage social interaction, such as art supplies, jigsaws, board games and a Karaoke machine. The events have all been well attended and ensure that our tenants and local neighbours do not experience social isolation or loneliness.

An application for a similar programme of activities was successful for Whitley Court and tenants living at Newman Court and Emma Ball Homes are invited to attend the events organised, as well as older adults from the local community. The inclusion of people from local neighbourhoods provides us with a greater brand/service awareness for future referrals into our housing services.

BCOP extends its services to the wider community of older people beyond those who are resident in our schemes. We administer a number of small charitable services which contribute towards the costs of many household items e.g. white goods, carpets, to older people in need, through referrals from Age UK and similar organisations. We also administer charitable grants to fund housing costs, often this can support residents of our nursing homes to pay their accommodation related fees, or people moving elsewhere to fund an essential item for their tenancy.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Marketing, fundraising & grant applications

Our approach to fundraising is linked mainly to the work of the nursing homes. While BCOP does not have a dedicated fundraising team, we were able to secure some financial grants towards our running costs, and donations to the welfare funds operated by each home through generous donations from family members.

The main sources of donation are:

1. Trusts and Foundations
2. Occasional donations from families, friends or the general public
3. Legacy donations
4. Free-to-attend fundraising events run in the nursing homes e.g. summer fetes, garden parties
5. Volunteers/staff who fundraise on our behalf

Once again, opportunities for fundraising were severely limited during the current year but we gratefully acknowledge the following grant making bodies and trusts for donations received:

Nursing Homes

- We received £55,556 from the Adult Social Discharge Fund to help with supporting the workforce capacity including increased agency costs & general running costs, in light of the increased costs incurred as a result of supporting discharges from hospitals.
- £15,821 was received from the Market Sustainability and Fair Cost of Care Fund for our participation in the Fair Cost of Care exercise to ascertain the true cost of Adult Social Care and enable market sustainability and inform future commissioning strategies.
- Baron-Davenport allocated a grant of £12,000 to help with general running costs at Anita Stone Court.

We are not registered with the Fundraising Regulator given the currently limited nature of our fundraising activities. We are compliant with the Regulator's Code of Fundraising Practice (V1.10) and the Institute of Fundraising in respect of the fundraising areas outlined above.

We received no complaints about fundraising in 2022-2023. We ensure that our fundraising is respectful, open, honest, and accountable to those supporting us. Our approach relies upon an individual's personal preference to be involved. We do not currently maintain a scheme for regular donors, nor contact individual families or previous donors to ask for money directly. We always acknowledge and thank individuals if they have contributed to our work, but any campaigns or activities involve general promotion and are not targeted at individuals.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Group Strategic Report (continued)
For the Year Ended 31 March 2023

Value for Money statement

BCOP recognises that in achieving Value for Money (VfM), the responsibility for robust financial management by the Board and management team is essential. Our working definition for VfM is to use our resources economically, efficiently, and effectively as befits an organisation of our size and complexity, in order to provide quality services and homes for our service users.

Our strategic approach to Value for Money includes the following steps.

1. Embedding Value for Money objectives into our Strategic Objectives

One of our key strategic objectives is to be a strong Social Business, focused on achieving sustainable financial performance and doing this within a VfM framework.

RSH Metric name	2021	2022	2023	Variation between Years 2022 and 2023	Peer group median 2021-23
a. Reinvestment	£6,554 Equates to 0.1%	£19,557 Equates to 0.3%	£43,808 Equates to 0.4%	Increase in activity following the appointment of the property services manager	Absolute figures not available
b. New Supply (Social and Non Social Housing)	Nil	Nil	Nil	BCOP is not a housing developer.	
c. Gearing (Group)	7.8%	7.3%	9.2%	Marginal increase of 1.9% due to the effect of re-vegetation of loans.	29.8% from previous year
d. EBITDA (Group)	9.6%	5.4%	1.0%	Reduced pick up in Occupancy.	Not available
e. EBITDA, MRI interest cover (Group)	351%	75%	(7%)	Operating deficit due to lower occupancy. This measure is a key indicator for liquidity and investment capacity. BCOP is not a Housing developer.	369% previous year
f. Headline Social Housing Cost per Unit	£6,701	£6,632	£7,445	Increased repairs activity due to backlog during pandemic	£4,356 from previous year
g. Operating Margin % (Group)	5.9%	1.9% Housing - 23%	(4.6%) Housing - 14.9%	Operating deficit due to lower occupancy and increased costs. Housing performance declined due to voids	23% from previous year
h. Return on Capital Employed (ROCE) % (Group)	1.8%	0.7%	(0.9%)	Operating deficit due to lower occupancy and increased costs	2.9% from previous year

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Value for Money statement (continued)

BCOP believes that VfM is integral to how we work, and we encourage all staff, particularly budget holders, to consider VfM within the context of their roles, welcoming suggestions for process and service delivery improvements in order to achieve a more equitable balance between quality and cost of provision. BCOP will review our VfM and benchmarking approach and select suitable benchmarks for 2023-24 and beyond as part of a recovery plan to achieving positive financial results

Our aim is to keep our tenants as independent as possible for as long as possible, to save costs downstream in the health and social care sectors. We also undertake support assessments of applicants to ensure that they will be able to live well within one particular scheme where a high degree of mobility is required to benefit from local services. Accessibility issues at one scheme has limited prospective tenant interest.

2. Reporting on Regulatory Metrics

As a small provider with less than 1,000 units, an element of BCOP's remit is to provide affordable and safe housing for older people in its existing units. The core purpose of BCOP is predominantly as a Care provider and not a developer of Housing. In the medium-long term, the organisation intends to rationalise its housing stock as and when the opportunity arises, to ensure the stock retained is in sufficient demand and appropriate condition to remain viable.

In line with the principles of the metrics introduced by the Regulator of Social Housing, providers are expected to report their performance against seven key metrics in the annual accounts. The Regulator acknowledges that reporting on a particular metric may be inappropriate given the nature of the organisation, but it provides us with an opportunity to compare ourselves to the wider housing for older people sector.

The key metrics are as follows:

Performance is benchmarked where data is available and appropriate, against a peer group of 7 West Midlands-based smaller housing associations (between 100-200 units) providing housing for older people or with over 50% of their stock addressing this need. An element of general needs property within a portfolio will lower the headline costs compared to a specialist provider for older people [Sourced from SPBM Small Providers' Benchmarking – West Midlands]. This approach will be revisited in 2023-24.

Reinvestment: We undertook minor Capital works on Housing properties in the year, reflecting our commitment to provide safe and affordable accommodation to our tenants. The programme of maintenance and, where appropriate, modernisation of existing stock incorporated changes arising from changes to fire safety regulations.

New supply delivered: BCOP is not currently developing new housing capacity.

Gearing: This metric looks at the percentage of assets supported by debt and the degree of dependence on Debt Finance. BCOP primarily operates as a care provider and any loans are only secured against the Nursing Homes. Our core loans were renegotiated at fixed rates We also continued to benefit from CBILS loan and will review the phased repayment of this loan subject to an improved financial position from 2023-24 and beyond.

EBITDA (Group): This relates to the whole group and this showed a reduction due to the impact of reduced occupancy following the impact of Covid especially on the Nursing homes and the loss of income from voids. In addition there was higher than anticipated expenditure on agency staff.

MRI Interest Cover: Performance has reduced due to the impact of on occupancy and income levels on our operating deficit.

Headline Social Costing per unit exceptional year with increased routine maintenance carried out across the social housing sector.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Value for Money statement (continued)

Return on Capital Employed (ROCE) % (Group): This measure indicates the efficient use of resources. The assets and liabilities of the organisation are grouped together i.e. the Nursing Homes and Social Housing provision. As a group, we were impacted by reduced income and increased costs across the board.. Hence ROCE was significantly impacted by our operational performance especially on our Nursing homes.

Operating Margin: Operating margin on housing reduced due to backlog of repairs and void levels which are taking longer than expected to achieve targeted occupancy levels as our properties are not the most suitable.. , The Board recognises the need to ensure that we are providing homes to a decent standard for our tenants, ensuring compliance and reflecting our charitable credentials. Most of our schemes were constructed in the 1960s and 1970s and some are reaching the end of their useful existence, with running costs set to increase. In addition, existing building design and configuration may no longer be suitable to the needs of an ageing population in terms of access, mobility and supporting the increasing care needs of some of this age group.

As a responsible social landlord, BCOP has a positive housing operating margin of to explore further options using the housing stock through the extensive Stock Condition Surveys across all our schemes

While these actions are ongoing, we have reviewed our lettings process in relation to advertising voids. While the independent units remain popular, particularly the one-bedroom bungalows, the supported living schemes are challenging; demand for these is affected adversely by the condition, size and layout, location, accessibility and amenities. As repair and maintenance work in 2021-22 had focussed on essential repairs only, our voids had often been in poor condition. This had not been conducive for re-letting, as prospective tenants could access more attractive units offered by other providers. Our focus this year has been to have voids presented well for viewings in all schemes, so that we can offer and relet units promptly. This continues into 2023-24.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Value for Money statement (continued)

3. Vfm and BCOP metrics

Our nursing homes come under the regulation of the Care Quality Commission, though the overheads of the organisation are apportioned across both parts of the organisation. In the following table, we outline key metrics used to measure performance.

Metric	2021-22	2022-23	Target 2023-24
Quality – services receiving a good CQC rating or above (% beds)	100%	100%	100%
Quality – Number of complaints	Nursing 15 Housing 1	Nursing 18 Housing 1	Change metric to the number of complaints resolved at first stage.
Quality – carehome.co.uk scores* (Leading care review site for family and friends. Scores out of 10)	ASC 9.3 NWH 9.8 RHH 9.8 (figures limited in both years due to homes being in lockdown)	ASC 9.6 NWH 9.8 RHH 9.8	Aim for 9.8 for all services
People – staff turnover %	43.2% (Due to VCOD & competition from NHS)	32%	Maintain below 35%.
People – staff sickness % of total hours	21%	17%	Maintain below 15%
Occupancy level	Nursing - 85.8% Housing - 81.6%	Nursing - 85.7% Housing - 81.2%	94.2% Nursing 85.2% Housing
Overhead costs as % of turnover (Group)	14.8%	14.4	Peer median is 17.7%
Support Office costs as % of Turnover (Group)	13.2%	12.1%	Target of 13%
Repairs/Maintenance	£161,172	£225,143	Under continuous review based on property assessments and stock condition survey

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Value for Money statement (continued)

We are active members of the National Care Forum which is the leading not-for-profit care provider network. We contribute to the various forums and work with the NCF to raise the profile of the Not-for-Profit sector. We are also members of the Almshouse Association, as some of our independent housing are Almshouses and have different forms of tenure and charges.

Future Plans

The Business Plan commits us to:

- Focusing on our social purpose namely, providing care and support for those older people with high level needs and dependency.
- Ensuring that we can sustain the financial longevity of the organisation, focusing on what we are good at and looking to cease or change activities that do not add value, or distract from our core purpose.
- Prioritise strong performance, which this year has focussed on our staff recruitment, recognising that we have an ageing workforce for certain grades and that we need to focus on staff engagement and retention, talent progression and succession planning.

As BCOP had focused on maintaining essential services during the pandemic, during 2022-23 we had to pick up many activities which had been on hold because of the risk of Covid. This meant a significant increase in spends on maintenance and a return to cyclical works, as well as ensuring staff were provided with face to face training in key topics to ensure safe care and services. We felt the effects of the lack of delivery from previous years, as our Property Services team identified key compliance areas requiring urgent attention and of course resulting in unplanned spends. Continued poor performance with occupancy and spending on agency as we struggled to recruit for the earlier parts of the year, meant we did not have the income to cover these extra costs, resulting in the deficit reported.

The board strategy day in early 2022 had resulted in a general consensus to rationalise housing stock – in the form of disposals or conversion to nursing home units. However we have reviewed the information this was based on and now understand the costings were incomplete and given poor occupancy levels in our nursing homes, Trustees agreed to review this position. BCOP has no intention of creating more nursing home units if they are to be empty.

To ensure better informed decisions we have begun to gather information about actual costs to convert units – including any grant repayable – along with analysing BCC's projected needs and commissioning strategy. Housing – whether supported or independent is part of BCOP's roots and we will only dispose of stock if it is no longer fit for purpose or has no demand. Our attention to refurbishing voids and recent relets demonstrate that the demand is still there.

We are currently in discussions with another provider – Birmingham Jewish Housing Association – to act as managing agents for their housing services – including an independent housing scheme and supported/sheltered service in Birmingham. We see the value in greater partnership working (within our existing footprint) and managing services for partners – to ensure quality support for their tenants and to contribute to the running costs of BCOP.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Group Strategic Report (continued)
For the Year Ended 31 March 2023**

Going concern statement

The impact of the pandemic reduced throughout the year as a result of continued vaccination roll out and continuation of infection prevention and control measures across all our services, notwithstanding the easing of Covid-19 restrictions in July 2021 and in spite of the resurgence of Covid-19 in December 2021.

Our operations remained open during 2022-23 when significant numbers of staff were impacted by sickness absence, self-isolation or shielding due to the pandemic, although the rules around this were relaxed. The Board is confident that the charity will continue to offer services to vulnerable older people during 2023-24 consistent with the standards required by Care & Housing regulations.

BCOP continued to progress a number of management actions in the year including focussing on an occupancy improvement drive, and reducing and/or deferring unnecessary expenditure where possible, which has improved the financial position including the cash balance at the end of the year.

Our funders and bankers continue to support BCOP as evidenced in the positive response on Loan refinancing confirmed on 30 August 2022. We will be monitoring and reviewing our financial performance closely with the Bank.

The Budget for 2023-24 has been based on up-to-date and prudent assumptions on occupancy and income levels. The critical impact for BCOP is the occupancy levels primarily within the nursing homes which are taking longer to recover into 2023-24. The forecast for 2023-24 has been extended into 2024-25 as we expect occupancy levels to revert back to pre-pandemic levels by March 2025.

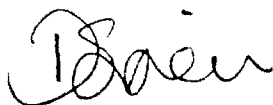
We have also modelled the forecast impact on our bank covenants and where these are at risk, we have a good relationship with the Bank and are able to provide reassurance on our forecasts and accounts.

The Trustees believe that even with the reduced pandemic risks the Group is well placed to manage its financing and other business risks, and that there is a reasonable expectation that the Group will have adequate resources to continue in operation for at least 12 months from the signing date of the consolidated financial statements. The Board of Trustees therefore confirms that these accounts are prepared on the basis that the Group is a going concern.

Regulator governance compliance

BCOP has assessed its compliance with the Regulator of Social Housing's Governance and Financial Viability Standard and is compliant.

This Strategic Report prepared under the Companies Act 2006 was approved by the Board of Trustees, as directors, on 13 December 2023 and signed on its behalf.



D Sizer
Chair

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Trustees' Report
For the Year Ended 31 March 2023**

Introduction

The Trustees submit their report, including the audited consolidated financial statements of Broadening Choices for Older People for the year ended 31 March 2023. This report forms the Directors' report for the purposes of the Companies Act 2006.

Results

The deficit for the year amounted to £573,827 (2022 - surplus of £196,341).

Trustees

The Trustees who served during the year were:

D Sizer (Chair of Board)
H Gore (Chief Executive) (appointed 27 June 2022)
J Bennett
N Bradbury
K Halliday (resigned 30 November 2022)
A Jones (resigned 24 April 2023)
T Pattni
V Pritchard-Wilkes (resigned 11 July 2023)
B Toner (resigned 10 June 2022)
E Davies (appointed 23 November 2022)
J Lindon-Lewis (appointed 23 November 2022)

Under the terms of the statutory guarantee, the Trustees are deemed to be the statutory members and as such have given an undertaking to contribute up to £1 each if called upon to do so.

Going concern

At 31 March 2023 the group has cash at bank of £1.9m. The Board has reviewed the group's budgets and funding requirements and is satisfied that the group is a going concern, and it has therefore continued to adopt the going concern basis in preparing the consolidated financial statements.

The Board will continue to manage the financial stability of the organisation by monitoring its operational activities and looking at ways of reducing expenditure and increasing cost effectiveness and value for money.

Further details of the Trustees' going concern assessment is given in the Group Strategic Report.

Qualifying third party indemnity provisions

Professional indemnity insurance is in place for the Trustees.

Matters covered in the Group Strategic Report

The Company has chosen in accordance with section 414C(11) of the Companies Act 2006, to set out in the company's Strategic Report information required by this Schedule to be contained in the Trustees' Report in respect of future developments and financial risk management.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Trustees' Report (continued)
For the Year Ended 31 March 2023**

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 the Trustee is aware, there is no relevant audit information of which the Charity and the Group's auditors are unaware, and
- the 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 and the Group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

The auditors, Dains Audit Limited, have indicated their willingness to continue in office as auditors and will be proposed for re-appointment as auditors of the Charity and the Group at the forthcoming Annual General Meeting.

This Trustees' Report, which contains all information required in a Directors' Report by the Companies Act 2006, was approved by the board on 13 December 2023 and signed on its behalf.



D Sizer
Chair

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Trustees' Responsibilities Statement
For the Year Ended 31 March 2023**

The Trustees/Directors are responsible for preparing the Group Strategic Report, the Trustees' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law and registered social housing legislation requires the Trustees/Directors to prepare financial statements for each financial year. Under that law the Trustees/Directors have elected to prepare 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'. Under company law the Trustees/Directors 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 the Group and of the surplus or deficit of the Group for that period.

In preparing these financial statements, the Trustees/Directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees/Directors 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 the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008, the Charities Act 2011, the Housing SORP 2018 "Statement of Recommended Practice for Registered Housing Providers" and the Accounting Direction for private registered providers of social housing in England 2022. They are also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

Independent Auditors' Report to the Members of Broadening Choices for Older People

Opinion

We have audited the financial statements of Broadening Choices for Older People (the 'parent Charity') and its subsidiaries (the 'Group') for the year ended 31 March 2023, which comprise the Group Statement of Comprehensive Income, the Group and Charity Statements of Financial Position, the Group Statement of Cash Flows, the Group and Charity Statement of Changes in Reserves 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 Group's and of the parent Charity's affairs as at 31 March 2023 and of the Group's deficit 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

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 Group 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 Group's or the parent Charity'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.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

Independent Auditors' Report to the Members of Broadening Choices for Older People (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.

Opinion 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 Group Strategic Report and the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Trustees' Report.

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

- adequate accounting records have not been kept by the parent Charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Charity 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.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

Independent Auditors' Report to the Members of Broadening Choices for Older People (continued)

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 27, the Trustees (who are also the directors of the Charity for the purposes of charity 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 Group's and the parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Group 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:

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 senior statutory auditor 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 Charity through discussions with trustees and other management, and from our knowledge and experience of the social housing and nursing home 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 Charity, including the financial reporting legislation, Charities Act 2011, Companies Act 2006, taxation legislation, anti-bribery, employment, and 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 legal correspondence; 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 Charity'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; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

Independent Auditors' Report to the Members of Broadening Choices for Older People (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

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;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- 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; and
- reviewing correspondence with HMRC, relevant regulators and the Charity's legal advisors.

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.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Charity'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 Charity and the Charity's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Morris FCA (Senior Statutory Auditor)

for and on behalf of
Dalns Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

13 December 2023

Broadening Choices for Older People
(A Company Limited by Guarantee)

Consolidated Statement of Comprehensive Income
For the Year Ended 31 March 2023

	Note	2023 £	2022 £
Turnover	4	7,667,221	7,657,243
Operating expenditure	4	(7,877,583)	(7,513,845)
Gross (loss)/profit	4,9	(210,362)	143,398
Fair value movements on investments	18	(167,875)	98,832
Income from listed investments	6	49,753	44,968
Interest receivable and similar income	7	2,124	20
Interest payable and similar expenses	8	(247,467)	(90,877)
(Loss)/profit for the financial year		(573,827)	196,341
Actuarial (losses)/gains in respect of defined benefit pension scheme	30	(87,000)	33,000
Other comprehensive (expense)/income for the year		(87,000)	33,000
Total comprehensive (expense)/income for the year		(660,827)	229,341

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 December 2023.



D Sizer
Chair



H Gore
CEO

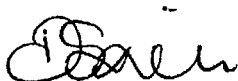
The notes on pages 40 to 70 form part of these financial statements.

Broadening Choices for Older People
(A Company Limited by Guarantee)
Registered number:03685650

Consolidated Statement of Financial Position
As at 31 March 2023

	Note	2023 £	As restated 2022 £
Fixed assets			
Housing properties	14	9,949,936	10,051,607
Other tangible assets	17	10,889,488	10,968,286
Investments	18	1,863,090	2,041,073
		<u>22,702,514</u>	<u>23,060,966</u>
Current assets			
Debtors	20	393,761	199,695
Cash at bank and in hand	21	1,937,025	2,183,223
		<u>2,330,786</u>	<u>2,382,918</u>
Creditors: amounts falling due within one year	22	<u>(1,572,986)</u>	<u>(4,141,404)</u>
Net current assets/(liabilities)		757,800	(1,758,486)
Total assets less current liabilities		23,460,314	21,302,480
Creditors: amounts falling due after more than one year	23	<u>(6,294,389)</u>	<u>(3,438,728)</u>
Net assets excluding pension liability		17,165,925	17,863,752
Defined benefit pension scheme liability	30	<u>(575,000)</u>	<u>(612,000)</u>
Net assets		16,590,925	17,251,752
Capital and reserves			
Endowment Fund	28	34,329	34,329
Restricted Funds	28	1,836,091	1,782,947
Revenue Reserve	27	14,720,505	15,434,476
		<u>16,590,925</u>	<u>17,251,752</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 December 2023.



D Sizer
Chair



H Gore
CEO

The notes on pages 40 to 70 form part of these financial statements.

Broadening Choices for Older People
(A Company Limited by Guarantee)
Registered number:03685650

Charity Statement of Financial Position
As at 31 March 2023

	Note	2023 £	As restated 2022 £
Fixed assets			
Housing properties	14	9,772,101	9,873,010
Other tangible assets	17	10,889,488	10,968,286
Investments	18	1,863,090	2,041,073
		<u>22,524,679</u>	<u>22,882,369</u>
Current assets			
Debtors	20	392,050	198,251
Cash at bank and in hand	21	1,933,622	2,179,726
		<u>2,325,672</u>	<u>2,377,977</u>
Creditors: amounts falling due within one year	22	<u>(2,472,380)</u>	<u>(5,006,623)</u>
Net current liabilities		(146,708)	(2,628,646)
Total assets less current liabilities		22,377,971	20,253,723
Creditors: amounts falling due after more than one year	23	<u>(6,181,760)</u>	<u>(3,324,880)</u>
Net assets excluding pension liability		16,196,211	16,928,843
Defined benefit pension scheme liability	30	<u>(675,000)</u>	<u>(612,000)</u>
Net assets		15,621,211	16,316,843
Capital and reserves			
Restricted Funds	28	762,166	742,609
Revenue Reserve		14,859,045	15,574,234
		<u>15,621,211</u>	<u>16,316,843</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 December 2023.



D Sizer
Chair



H Gore
CEO

The notes on pages 40 to 70 form part of these financial statements.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Consolidated Statement of Changes in Equity
For the Year Ended 31 March 2023

	Endowment Fund £	Restricted Funds £	Revenue Reserve £	Total equity £
At 1 April 2021 (as previously stated)	34,329	1,641,562	15,525,781	17,201,672
Prior year adjustment	-	-	(179,261)	(179,261)
At 1 April 2021 (as restated)	34,329	1,641,562	15,346,520	17,022,411
Comprehensive income for the year				
Surplus for the year	-	-	196,341	196,341
Actuarial gain on defined benefit pension scheme	-	-	33,000	33,000
Transfers (Note 28)	-	141,385	(141,385)	-
At 1 April 2022	34,329	1,782,947	15,434,476	17,251,752
Comprehensive income for the year				
Deficit for the year	-	-	(573,827)	(573,827)
Actuarial loss on defined benefit pension scheme	-	-	(87,000)	(87,000)
Transfers (Note 28)	-	53,144	(53,144)	-
At 31 March 2023	34,329	1,836,091	14,720,505	16,590,925

The notes on pages 40 to 70 form part of these financial statements.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Charity Statement of Changes in Equity
For the Year Ended 31 March 2023

	Restricted Funds	Revenue Reserve	Total equity
	£	£	£
At 1 April 2021 (as previously stated)	768,823	15,524,554	16,293,377
Prior year adjustment	-	(179,261)	(179,261)
At 1 April 2021 (as restated)	768,823	15,345,293	16,114,116
Comprehensive Income for the year			
Surplus for the year	-	169,727	169,727
Actuarial gain on defined benefit pension scheme	-	33,000	33,000
Transfers (Note 28)	(26,214)	26,214	-
At 1 April 2022	742,609	15,574,234	16,316,843
Comprehensive Income for the year			
Deficit for the year	-	(608,632)	(608,632)
Actuarial loss on defined benefit pension scheme	-	(87,000)	(87,000)
Transfers (Note 28)	19,557	(19,557)	-
At 31 March 2023	762,166	14,859,045	15,621,211

The notes on pages 40 to 70 form part of these financial statements.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Consolidated Statement of Cash Flows
For the Year Ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
(Deficit)/surplus for the financial year	(573,827)	196,341
Adjustments for:		
Amortisation of deferred capital grant	(38,776)	(32,997)
Depreciation of tangible assets	287,900	267,927
Profit on disposal of tangible assets	-	(4,178)
Interest payable	247,467	90,877
Investment income and interest receivable	(51,877)	(44,988)
Decrease in stocks	-	27,300
(Increase)/decrease in debtors	(192,868)	36,412
Increase/(decrease) in creditors	192,958	(109,735)
Fair value movement on investments	167,875	(98,832)
Pension contributions paid	(162,000)	(157,000)
Pension scheme costs	22,138	44,636
Net cash (used in)/generated from operating activities	(101,010)	215,763
Cash flows from investing activities		
Purchase of tangible fixed assets	(107,431)	(57,520)
Sale of tangible assets	-	5,000
Purchase of listed investments	(106,825)	(87,250)
Sale of listed investments	57,320	98,732
Interest received	2,124	20
Income from listed investments	49,753	44,968
Net cash (used in)/from investing activities	(105,059)	3,950
Cash flows from financing activities		
Net movement on borrowings	75,461	(202,121)
Loan interest paid	(174,867)	(76,877)
Net cash used in financing activities	(99,406)	(278,998)
Net decrease in cash and cash equivalents	(305,475)	(59,285)
Cash and cash equivalents at beginning of year	2,348,161	2,407,446
Cash and cash equivalents at the end of year	2,042,686	2,348,161

Broadening Choices for Older People
(A Company Limited by Guarantee)

Consolidated Statement of Cash Flows (continued)
For the Year Ended 31 March 2023

	2023 £	2022 £
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,937,026	2,183,223
Cash on deposit awaiting investment	105,661	164,938
	<u>2,042,686</u>	<u>2,348,161</u>

The notes on pages 40 to 70 form part of these financial statements.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Consolidated Analysis of Net Debt
For the Year Ended 31 March 2023

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	2,183,223	(246,198)	1,937,025
Debt due after 1 year	(682,000)	(2,894,436)	(3,576,436)
Debt due within 1 year	(3,028,805)	2,761,375	(267,430)
	<u>(1,527,582)</u>	<u>(379,259)</u>	<u>(1,906,841)</u>

The notes on pages 40 to 70 form part of these financial statements.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

1. General information

Broadening Choices for Older People is a private company, limited by guarantee and domiciled and incorporated in England and Wales. It is a Registered Provider of social housing with the Regulator of Social Housing (formerly the Homes & Communities Agency) and a Registered Charity.

The Charity's registered office address and registered numbers are set out in the Charity Information page.

The Charity's and the Group's principal activities are the provision of nursing care and the management of accommodation for older people.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP), including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS102"), the Housing SORP 2018 "Statement of Recommended Practice for Registered Housing Providers" and they comply with the Accounting Direction for Private Registered Providers of Social Housing 2022. They have been prepared under the historical cost convention modified to include investments at fair value and on the Going Concern basis as set out in the Strategic Report and the Trustees' Report.

The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the Charity and the Group, and rounded to the nearest £.

Broadening Choices for Older People meets the definition of a public benefit entity under FRS102.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Charity and its own subsidiaries ("the Group") as if they form a single entity.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, contingent consideration and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

Where acquisitions are in substance a gift of one business or another, the fair value of the gifted asset is accounted for as a donation in the year of acquisition within the Consolidated Statement of Comprehensive Income.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. All financial statements are made up to 31 March. All Group entities adopt consistent accounting policies.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

2. Accounting policies (continued)

2.3 Going concern

The Board confirms that these financial statements are prepared on the basis that the Group is a going concern. The Trustees have made this assessment after consideration of BCOP's cash flows and related assumptions and in accordance with the Guidance published by the UK Financial Reporting Council.

The Budget for 2023-24 has been based on up-to-date and prudent assumptions on occupancy and income levels. The forecast for 2023-24 has been extended into 2024-25 and demonstrates that the Group will have adequate resources to continue in operation for at least 12 months from the signing date of the consolidated financial statements.

2.4 Turnover

Turnover comprises rental income, service charges, and fees receivable from housing activities and nursing homes, income receivable from day centres, catering activities, and management of schemes, and legacies and donations receivable.

2.5 Government grants

Government grants include grants receivable from Homes England (formerly the Homes & Communities Agency), Local Authorities and other government bodies.

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

Government grants received for housing properties are recognised in the Consolidated Statement of Comprehensive Income over the useful economic life of the structure of the housing asset under the accruals model. The deferred element of grants is included in creditors as deferred income.

2.6 Income from listed investments

Income from listed investments is included in the Consolidated Statement of Comprehensive Income when it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

2.7 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

2.8 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

2. Accounting policies (continued)

2.9 Apportionment of management expenses

Direct employee, administration, and operating costs are apportioned between the operations which generate income, on the basis of the costs of the staff to the extent that they are directly engaged in each of the operations dealt with in these financial statements.

2.10 VAT

The Charity was deregistered for VAT with effect from 1 October 2014. Therefore all expenditure is shown inclusive of VAT.

2.11 Housing properties and Nursing home properties

Housing properties and Nursing home properties are stated at historical cost less accumulated depreciation and impairment losses where applicable. Historical cost includes the cost of acquiring land and buildings and expenditure that is directly attributable to the initial equipping of the Group's properties necessary for them to be capable of operating in the manner intended by management, including interest costs on related loans and freehold and leasehold costs.

The Group separately identifies the major components to its housing properties and nursing home properties and charges depreciation so as to write-down the cost of each component to its estimated residual value, on a straight line basis over the following years:

Freehold – Land	Nil
Freehold – Structure	60-100
Leasehold – Land & Structure	Over remaining lease term
Assets under construction	Nil
Windows	30
Kitchens	15
Bathrooms	15
Roofs	35 to 75

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that enhance the economic benefits of the assets, are capitalised as improvements. Such enhancements can occur if improvements result in either:

- An increase in rental income;
- A material reduction in future maintenance costs;
- A significant extension to the life of the property.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

2. Accounting policies (continued)

2.12 Other tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Individual fixed assets costing £2,000 or greater are normally capitalised.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line and reducing balance methods.

Depreciation is provided on the following bases:

Leasehold improvements & office equipment	- 20% straight line or period of lease if shorter
Motor vehicles	- 33% reducing balance
Fixtures and fittings	- 10% - 50% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gain and losses on remeasurement are recognised in the Consolidated Statement of Comprehensive Income for the period.

2.14 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

2. Accounting policies (continued)

2.17 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, and loans from banks.

2.18 Reserves

Revenue reserves represent those resources which may be used towards meeting any of the charitable objects of the Group at the discretion of the Board.

Restricted funds comprise all funds received with restrictions imposed by the funder/donor.

The endowment fund comprises property of the Group which the Board may not spend as if it were income. It must be held permanently, but can be used in furthering the Group's purposes or to produce an income for the Group.

2.19 Taxation

The Charity is considered to pass the tests set out in Paragraph 1, Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Charity is exempt from taxation in respect of income or capital gains received within categories covered by Part 11, Chapter 2 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

2. Accounting policies (continued)

2.21 Employee benefits and pensions

The costs of short term employee benefits are recognised as a liability and an expense.

The Charity participates in one defined contribution and two defined benefit schemes under the Social Housing Pension Scheme ("SHPS") that are managed by The Pensions Trust. The Social Housing Pension Scheme (SHPS) scheme is a multi-employer scheme which provides benefits to some 500 non-associated employers. The Pension Trust Growth Plan is also a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers.

Defined Benefit Scheme

These schemes were open to any employees who wished to join them. However no new members have joined the schemes since 2016. The deficit on the schemes is reported as a Net Defined Benefit Pension Scheme Obligation in the Statement of Financial Position (Balance Sheet).

The net defined benefit obligation represents the present value of the defined benefit obligation minus the fair value of scheme assets out of which obligations are to be settled. The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds with terms consistent with those of the benefit obligations. The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost (Note 11). Net interest on the net defined benefit liability comprises the interest cost on the defined benefit obligations and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligation. These amounts are recognised within net income/expenses (Note 8). Actuarial gains and losses and the difference between the interest income on scheme assets and the actual return on scheme assets are recognised as actuarial gains/losses within Other Comprehensive Income or Expense.

Defined Contribution Scheme

The amounts charged as expenditure represent the contributions payable by the Group in the year.

2.22 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements 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.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The 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 are discussed below:

Defined Benefit Pension Scheme liabilities

The Group, through the use of a scheme actuary as a management expert, assesses the assets and liabilities of the scheme, and hence the net liability at each year end using a number of key assumptions including mortality rates, discount rates, inflation and salary growth in order to establish the fair value of the assets and liabilities at the balance sheet date. Further information in relation to the assumptions used to evaluate the deficit as at 31 March 2023 is set out in Note 30 to the financial statements.

Economic Life of Assets

An estimation of the useful economic life of the Group's assets is made by management and disclosed within the Accounting Policies. This impacts the annual charge for the depreciation of these assets. The relevant assets and depreciation are set out in Notes 14 and 17 to the financial statements.

Bad and Doubtful Debts

Provision is made against rent and service charge arrears for any current and former tenants and against any sundry debts to the extent that they are considered by management not to be recoverable at their full value. The level of any provision is based on historical experience and future expectations. The amounts involved are disclosed in Note 20 to the financial statements.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

4. Particulars of turnover, operating expenditure and operating (deficit)/surplus

	Turnover 2023 £	Operating expenditure 2023 £	Operating surplus / (deficit) 2023 £	Turnover 2022 £	Operating expenditure 2022 £	Operating surplus / (deficit) 2022 £
Social housing lettings (see Note 5)	1,267,098	(1,078,510)	188,588	1,263,506	(961,816)	301,690
Non-social housing activities:						
Nursing homes*	6,175,681	(6,587,483)	(411,802)	5,998,229	(6,131,470)	(133,241)
Donations and legacies	39,533	(24,111)	15,422	32,674	(5,762)	26,912
Other activities	113,532	(116,102)	(2,570)	7,249	(59,212)	(51,963)
	<u>7,595,844</u>	<u>(7,806,206)</u>	<u>(210,362)</u>	<u>7,301,658</u>	<u>(7,158,260)</u>	<u>143,398</u>
Government grants	71,377	(71,377)	-	355,585	(355,585)	-
	<u>7,667,221</u>	<u>(7,877,583)</u>	<u>(210,362)</u>	<u>7,657,243</u>	<u>(7,513,845)</u>	<u>143,398</u>

* Included within the deficit of £411,802 (2022 - £133,241) for nursing homes is a write back of old credit balances totalling £89,131 (2022 - £56,092). The deficit on nursing homes arises due to the impact of Covid-19 and low occupancy levels.

Government grant income in the current year relates to adult social care grants and funding from the Market Sustainability and fair Cost of Care Fund.

Government grant income in the prior year relates to claims made to the various government support schemes in response to the Covid-19 outbreak.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

5. Particulars of Income and expenditure from social housing lettings

	2023	2022
	£	£
Group		
Rent receivable net of identifiable service charges	685,664	685,130
Service charge income	581,434	578,376
Net Rental Income and Turnover from Social Housing Lettings	1,267,098	1,263,506
Amortisation of Government grants	38,776	32,997
Net Income and Turnover from Social Housing Lettings	1,305,874	1,296,503
Management	(443,586)	(430,943)
Services	(252,325)	(254,094)
Routine Maintenance	(279,650)	(182,758)
Depreciation of housing properties	(141,725)	(127,018)
Operating expenditure on social housing lettings	(1,117,286)	(994,813)
Operating surplus on social housing lettings	188,588	301,690

The void costs for the year were £278,001 (2022 - £316,480).

6. Income from listed investments

	2023	2022
	£	£
Income from listed investments	49,753	44,968

7. Interest receivable and similar income

	2023	2022
	£	£
Deposit account interest receivable	2,124	20

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

8. Interest payable and similar expenses

	2023	2022
	£	£
Loan interest payable	174,867	76,877
Amortisation of financing costs	57,600	-
Net interest expense in respect of defined benefit pension scheme (Note 30)	15,000	14,000
	247,467	90,877

9. Operating (deficit)/surplus

The operating (deficit)/surplus is stated after charging/(crediting) the following:

	2023	2022
	£	£
Depreciation of properties	266,099	249,676
Depreciation of other tangible assets	21,801	18,251
Amortisation of government grants	(38,776)	(32,997)
Operating lease charges - other	17,264	31,166
Operating lease charges - land and buildings	102,461	75,901

10. Auditors' remuneration

	2023	2022
	£	£
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	21,840	19,848
Fees payable to the Group's auditor in respect of:		
All other services	4,158	3,780

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

11. Employees

Staff costs, including Trustees' remuneration, were as follows:

	Group 2023 £	Group 2022 £
Wages and salaries	4,379,794	4,438,145
Social security costs	374,009	352,891
Defined contribution pension scheme costs	123,189	90,031
Defined benefit pension scheme - current service cost	18,000	40,000
	<u>4,894,992</u>	<u>4,921,067</u>

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

	2023 No.	2022 No.
Support Office	18	13
Nursing Homes	210	213
Repairs and Maintenance	2	4
	<u>230</u>	<u>230</u>

The average number of employees in the year expressed as full-time equivalents was as follows:

	2023 No.	2022 No.
Support Office	18	13
Nursing Homes	87	196
Repairs and Maintenance	2	4
	<u>107</u>	<u>213</u>

12. Key management personnel

Key management personnel includes the Board, the Chief Executive and senior management.

Their emoluments consist of salary and the value attributed to benefits in kind.

	2023 £	2022 £
Key management remuneration		
Aggregate of emoluments	174,848	177,762
Aggregate of pension contributions	5,173	12,150
	<u>180,021</u>	<u>189,912</u>

	2023 £	2022 £
Highest paid Trustee - Chief Executive		
Aggregate of emoluments	61,836	79,845
Aggregate of pension contributions	1,846	9,269
	<u>63,682</u>	<u>89,114</u>

One employee, other than the Chief Executive, received emoluments above £60,000 and is in the banding £60,000 - £70,000.

No fees or remuneration were payable to the Board in the period.

Expenses for members of the Board which were not subject to income tax were £302 (2022 - £Nil).

No member of the Board is a member of the Social Housing Pension Scheme (2022 - One).

13. Parent charity (deficit)/surplus for the year

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The deficit of the parent Charity for the year was £608,632 (2022 - surplus of £169,727).

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

14. Tangible fixed assets - Housing Properties

Group

	Leasehold Properties £	Freehold Properties £	Total £
Cost			
At 1 April 2022	1,225,480	11,960,833	13,186,313
Additions	16,939	48,149	65,088
Reclass to other tangible assets	-	(21,280)	(21,280)
At 31 March 2023	<u>1,242,419</u>	<u>11,987,702</u>	<u>13,230,121</u>
Depreciation			
At 1 April 2022	829,184	2,305,522	3,134,706
Charge for the year	31,568	113,911	145,479
At 31 March 2023	<u>860,752</u>	<u>2,419,433</u>	<u>3,280,185</u>
Net book value			
At 31 March 2023	<u>381,667</u>	<u>9,568,269</u>	<u>9,949,936</u>
At 31 March 2022	<u>396,296</u>	<u>9,655,311</u>	<u>10,051,607</u>

Included in Freehold Properties above is freehold land of £2,233,360 (2022 - £2,233,360) which is not depreciated.

The total capitalised interest in cost of freehold properties is £46,720 (2022 - £46,720). Included within freehold properties are costs incurred of £32,219 (2022 - £32,219) relating to shared ownership properties.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

14. Tangible fixed assets - Housing Properties (continued)

Charity

	Leasehold Properties £	Freehold Properties £	Total £
Cost			
At 1 April 2022	1,225,480	11,768,530	12,994,010
Additions	16,939	48,149	65,088
Reclass to other tangible assets	-	(21,280)	(21,280)
At 31 March 2023	<u>1,242,419</u>	<u>11,795,399</u>	<u>13,037,818</u>
Depreciation			
At 1 April 2022	830,931	2,290,069	3,121,000
Charge for the year	31,568	113,149	144,717
At 31 March 2023	<u>862,499</u>	<u>2,403,218</u>	<u>3,265,717</u>
Net book value			
At 31 March 2023	<u>379,920</u>	<u>9,392,181</u>	<u>9,772,101</u>
At 31 March 2022	<u>394,549</u>	<u>9,478,461</u>	<u>9,873,010</u>

Included in Freehold Properties above is freehold land of £2,113,360 (2022 - £2,113,360) which is not depreciated.

The total capitalised interest in cost of freehold properties is £46,720 (2022 - £46,720). Included within freehold properties are costs incurred of £32,219 (2022 - £32,219) relating to shared ownership properties.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

15. Accommodation owned, managed and in development

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Number of units owned and managed				
Nursing and residential home bed spaces	129	129	129	130
Housing accommodation	144	148	138	142
Shared ownership	4	2	4	2
Managed on behalf of others	10	10	16	16
	287	289	287	290

16a. Expenditure on works to existing housing properties

Expenditure on works to existing housing properties include the following:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Improvement work capitalised	65,088	29,597	65,088	29,597
Amounts charged to Statement of Comprehensive Income	165,314	178,194	164,743	178,194
	230,402	207,791	229,831	207,791

16b. Social Housing Assistance

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Capital grants received for social housing assistance	3,432,749	3,432,749	3,294,548	3,294,548

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

17. Other tangible assets

Group

	Nursing home properties £	Leasehold improvements and office equipment £	Motor vehicles £	Nursing and sheltered housing fixtures and equipment £	Total £
Cost or valuation					
At 1 April 2022	12,872,632	744,875	93,164	145,204	13,855,875
Additions	-	-	-	42,343	42,343
Reclass from Housing Properties	-	-	-	21,280	21,280
At 31 March 2023	<u>12,872,632</u>	<u>744,875</u>	<u>93,164</u>	<u>208,827</u>	<u>13,919,498</u>
Depreciation					
At 1 April 2022	1,956,271	727,477	92,170	111,671	2,887,589
Charge for the year	120,620	9,166	994	11,641	142,421
At 31 March 2023	<u>2,076,891</u>	<u>736,643</u>	<u>93,164</u>	<u>123,312</u>	<u>3,030,010</u>
Net book value					
At 31 March 2023	<u>10,795,741</u>	<u>8,232</u>	<u>-</u>	<u>85,515</u>	<u>10,889,488</u>
At 31 March 2022	<u>10,916,361</u>	<u>17,398</u>	<u>994</u>	<u>33,533</u>	<u>10,968,286</u>

Included in Nursing home properties above is freehold land of £2,286,640 (2022 - £2,286,640) which is not depreciated.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

17. Other tangible assets (continued)

Charity

	Nursing home properties £	Leasehold improvements and office equipment £	Motor vehicles £	Nursing and Sheltered Housing fixtures and equipment £	Total £
Cost					
At 1 April 2022	12,872,632	394,766	93,164	106,391	13,466,953
Additions	-	-	-	42,343	42,343
Reclass from Housing Properties	-	-	-	21,280	21,280
At 31 March 2023	12,872,632	394,766	93,164	170,014	13,530,576
Depreciation					
At 1 April 2022	1,956,271	377,368	92,170	72,858	2,498,667
Charge for the year	120,620	9,166	994	11,641	142,421
At 31 March 2023	2,076,891	386,534	93,164	84,499	2,641,088
Net book value					
At 31 March 2023	10,795,741	8,232	-	85,515	10,889,488
At 31 March 2022	10,916,361	17,398	994	33,533	10,968,286

Included in Nursing home properties above is freehold land of £2,286,640 (2022 - £2,286,640) which is not depreciated.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

18. Investments - Group and Charity

	2023	2022
	£	£
Listed investments - valuation		
At 1 April	1,876,135	1,788,785
Additions	106,825	87,250
Disposals	(57,320)	(98,732)
Movement in fair value	(167,875)	98,832
At 31 March	1,757,765	1,876,135

	2023	2022
	£	£
Listed investments comprise:		
Fixed interest securities	323,384	323,034
Equities and Alternative Investments	1,434,381	1,553,101
Total	1,757,765	1,876,135

	2023	2022
	£	£
Other investments		
Cash on deposit awaiting investment	105,661	164,938
Total Investments	1,863,090	2,041,073

The fair value of the listed equity investments is based on quoted market prices for the equity shares using the bid price at year end.

	2023	2022
	£	£
Investments - historic cost	1,605,473	1,549,744

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

19. Investments - Charity

	2023 £	2022 £
Investments In audit exempt subsidiaries comprise:		
BCOP Services Limited - Company No. 06956792	1	1
Emma Ball and Rolason Almshouses - Charity No. 246857	-	-
Pargeter and Wand Trust - Charity No. 210725	-	-
	<u>1</u>	<u>1</u>

The registered offices of the subsidiaries are as stated in the Charity Information page. Other than BCOP Services Limited, they are audit exempt, unincorporated charitable trusts.

BCOP Services Limited is a dormant company.

In 2012/13, the Charity became sole Trustee and thereby assumed control of the Emma Ball and Rolason Almshouses, an almshouse charity. The charity provides 6 almshouse residences.

On 1 March 2015, the Charity became sole Trustee and thereby assumed control of The Pargeter and Wand Trust for £Nil consideration. Pargeter and Wand Trust is a grant giving registered Charity (No 210725), which pays annuities for qualifying applicants within the Trust's objectives.

20. Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Rent and service charge debtors	222,738	129,580	221,985	128,496
Less: bad debt provision	(10,270)	(7,242)	(10,270)	(7,242)
	<u>212,468</u>	<u>122,338</u>	<u>211,715</u>	<u>121,254</u>
Other debtors	1,198	-	1,198	-
Prepayments and accrued income	180,095	77,357	179,137	76,997
	<u>393,761</u>	<u>199,695</u>	<u>392,050</u>	<u>198,251</u>

21. Cash and cash equivalents

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Cash at bank and in hand	1,937,025	2,183,223	1,933,622	2,179,726

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

22. Creditors: Amounts falling due within one year

	Group	Group	Charity	Charity
	2023	As restated	2023	As restated
	£	2022	£	2022
		£		£
Bank loans	267,430	3,028,805	267,430	3,028,805
Trade creditors	391,372	184,244	391,372	184,244
Amounts owed to group undertakings	-	-	902,858	868,683
Other taxation and social security	73,901	-	73,901	-
Other creditors	431	-	431	-
Accruals	801,511	890,013	799,264	887,767
Deferred capital grants (Note 25)	38,341	38,342	37,124	37,124
	<u>1,572,986</u>	<u>4,141,404</u>	<u>2,472,380</u>	<u>5,006,623</u>

Details of security for the bank loans are given in Note 23.

23. Creditors: Amounts falling due after more than one year

	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£	£	£	£
Bank loans	3,576,436	682,000	3,576,436	682,000
Deferred capital grants (Note 25)	2,717,953	2,756,728	2,605,324	2,642,880
	<u>6,294,389</u>	<u>3,438,728</u>	<u>6,181,760</u>	<u>3,324,880</u>

Included within bank loans is a loan of £698,000 (2022 - £884,000) obtained via the Coronavirus Business Interruption Loan Scheme. Interest accrues on a floating rate basis at a margin of 3.02 per cent per annum above Base Rate.

The other bank loan is secured through fixed and floating charges given by Broadening Choices for Older People. The fixed charges are against properties at Robert Harvey House and Anita Stone Court, included in Notes 14 and 17. This fixed rate basis term loan accrues interest at 4.89%.

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

24. Loans

Analysis of the maturity of loans is given below:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Amounts falling due within one year				
Bank loans	267,430	3,028,805	267,430	3,028,805
Amounts falling due 1-2 years				
Bank loans	291,209	186,000	291,209	186,000
Amounts falling due 2-5 years				
Bank loans	3,285,227	496,000	3,285,227	496,000
	3,843,866	3,710,805	3,843,866	3,710,805

25. Deferred Capital Grant

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
As at 1 April	2,795,070	2,828,067	2,680,004	2,711,782
Released in the year	(38,776)	(32,997)	(37,556)	(31,778)
At 31 March	2,756,294	2,795,070	2,642,448	2,680,004

The deferred capital grant estimated release is phased as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
For release in less than one year	38,341	38,342	37,124	37,124
For release in more than one year	2,717,953	2,756,728	2,605,324	2,642,880
	2,756,294	2,795,070	2,642,448	2,680,004

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

26. Financial instruments

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Financial assets				
Measured at amortised cost	393,761	199,695	392,050	198,251
Measured at fair value through income and expense	1,757,765	1,876,135	1,757,765	1,876,135
	<u>2,151,526</u>	<u>2,075,830</u>	<u>2,149,815</u>	<u>2,074,386</u>
Financial liabilities				
Measured at amortised cost	(5,111,081)	(4,785,062)	(6,011,692)	(5,651,499)

27. Company status

The company is limited by guarantee and as such does not have share capital. Under the terms of the statutory guarantee, the Board are deemed to be statutory Members and as such have given an undertaking to contribute up to £1 each if called upon to do so. There are 9 such members at 31 March 2023 (8 at 31 March 2022).

**Broadening Choices for Older People
(A Company Limited by Guarantee)**

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

28. Restricted Reserves

	Opening balance £	Transfers from revenue reserve £	Closing balance £
Group 2023			
Endowment Fund	34,329	-	34,329
Other Restricted	1,782,947	53,144	1,836,091
Total	1,817,276	53,144	1,870,420

	Opening balance £	Transfers from revenue reserve £	Closing balance £
Group 2022			
Endowment Fund	34,329	-	34,329
Other Restricted	1,641,562	141,385	1,782,947
Total	1,675,891	141,385	1,817,276

	Opening balance £	Transfers from revenue reserve £	Closing balance £
Charity 2023			
Other Restricted	742,609	19,557	762,166
Total	742,609	19,557	762,166

	Opening balance £	Transfers from revenue reserve £	Closing balance £
Charity 2022			
Other Restricted	768,823	(26,214)	742,609
Total	768,823	(26,214)	742,609

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

28. Restricted Reserves (continued)

Other restricted reserves - 2023 are analysed as follows:

	Opening balance £	Income £	Expenditure £	Closing balance £
Robert Harvey Sensory Street	1,100	-	-	1,100
Anita Stone Court	7,708	-	-	7,708
Rhodes Trust	699,032	20,794	(1,237)	718,589
Belsize	32,902	-	-	32,902
Mrs Jolly's	1,867	-	-	1,867
Charity	742,609	20,794	(1,237)	762,166
Pargeter and Wand Trust	306,338	9,236	(5,358)	310,216
Emma Ball and Rolason Almshouses	734,000	40,998	(11,289)	763,709
Group	1,782,947	71,028	(17,884)	1,836,091

Restricted reserves comprise:

- Robert Harvey House Sensory Street - Income and expenditure restricted to the development of Sensory Street experience.
- Anita Stone Court - Income and expenditure restricted to the development of the Anita Stone development.
- Rhodes, Belsize and Mrs Jolly's Trusts. The use of funds for these charities is as follows:
 - o The Rhodes Trust is constituted as a special trust with funds to support the provision of homes for older people in necessitous circumstances.
 - o The Belsize Charitable Trust is a part of a fund to support charities to provide small grants of up to £250 to older people aged 60 or over, towards the purchase of household appliances.
 - o Mrs Jolly's Gentlefolks Charity is restricted to the allocation of small grants to assist people who are unable to maintain themselves by reason of age or ill-health.
- Pargeter and Wand Trust - a grant giving registered Charity which pays annuities to women of the age of 55 or over, who have never married and who are living in condition of need, hardship or distress.
- Emma Ball and Rolason Almshouses - an almshouse charity providing six almshouse residences, and a restricted fund to update and maintain the scheme, and support individual almspeople.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

28. Restricted Reserves (continued)

Other restricted reserves - 2022 are analysed as follows:

	Opening balance £	Income £	Expenditure £	Transfers to reserves £	Closing reserves £
Robert Harvey Sensory Street	1,100	-	-	-	1,100
Anita Stone Court	7,708	-	-	-	7,708
Rhodes Trust	726,809	15,990	(43,767)	-	699,032
Belsize	31,139	2,200	(437)	-	32,902
Mrs Jolly's	2,067	-	(200)	-	1,867
Charity	768,823	18,190	(44,404)	-	742,609
Pargeter and Wand Trust	303,533	6,678	(3,873)	-	306,338
Emma Ball and Rolason Almshouses	569,206	33,910	(11,320)	142,204	734,000
Group	1,641,562	58,778	(59,597)	142,204	1,782,947

The transfer from unrestricted reserves to Emma Ball and Rolason Almshouses restricted reserves reflected above arose from a reconciliation of amounts shown in the subsidiary financial statements.

29. Prior year adjustment

The financial statements have been restated to incorporate the impact of management's reassessment of the appropriate accounting treatment for salary costs. The change has resulted in an increase in accruals and a decrease in reserves of £179,261 as at 1 April 2021.

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

30. Pension commitments

The Charity participates in one defined contribution and two defined benefit schemes under the Social Housing Pension Scheme ("SHPS") that are managed by The Pensions Trust.

Defined Contribution Scheme

The assets of this scheme are held separately from those of the Group and are administered separately from the assets of the Defined Benefit Schemes.

The pension charge represents contributions payable by the Group to the funds during the year and amounted to £123,000 (2022 - £90,000).

Defined Benefit Schemes

The Charity participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

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

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,560m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

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

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive.

The latest accounting valuation was carried out with an effective date of 30 September 2022. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2023 to 29 February 2024 inclusive.

The liabilities are compared, at the relevant accounting date, with the Charity's fair share of the Scheme's total assets to calculate the Charity's net deficit or surplus.

The assets of both Defined Benefit Schemes are held separately from those of the Group and are administered separately from each other and the assets of the Defined Contribution Scheme.

Pension contributions totalling £Nil were due to the fund as at 31 March 2023 (2022 - £39,000).

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

30. Pension commitments (continued)

Reconciliation of present value of plan liabilities:

	2023	2022
	£000	£000
At the beginning of the year	4,305	4,493
Current service cost	18	40
Administrative expenses	5	5
Interest cost	118	94
Member contributions	8	11
Benefits paid	(155)	(140)
Actuarial (gains)/losses due to scheme experience	(89)	177
Actuarial gains due to changes in demographic assumptions	(9)	(77)
Actuarial gains due to changes in financial assumptions	(1,061)	(298)
At the end of the year	3,140	4,305

Reconciliation of present value of plan assets:

	2023	2022
	£000	£000
At the beginning of the year	3,693	3,750
Interest income	103	80
Experience loss on plan assets (excluding amounts included in interest income)	(1,246)	(165)
Employer contributions	162	157
Member contributions	8	11
Benefits paid	(155)	(140)
At the end of the year	2,565	3,693

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

30. Pension commitments (continued)

Composition of plan assets:

	2023	2022
	£000	£000
Global Equity	48	708
Absolute Return	28	148
Distressed Opportunities	78	132
Credit Relative Value	97	123
Alternative Risk Premia	5	122
Emerging Markets Debt	14	107
Risk Sharing	189	122
Insurance-Linked Securities	65	86
Property	110	100
Infrastructure	293	263
Private Debt	114	95
Opportunistic Illiquid Credit	110	124
High Yield	9	32
Opportunistic Credit	-	13
Cash	18	13
Corporate Bond Fund	-	246
Long Lease Property	77	95
Secured Income	118	138
Liability Driven Investment	1,180	1,030
Currency Hedging	5	(14)
Net Current Assets	7	10
	<hr/>	<hr/>
Total plan assets	2,565	3,693
	<hr/>	<hr/>

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

30. Pension commitments (continued)

	2023	2022
	£000	£000
Defined benefit pension scheme liability		
Fair value of plan assets	2,565	3,693
Present value of plan liabilities	(3,140)	(4,305)
Net pension scheme liability	(575)	(612)

The amounts recognised in the Consolidated Statement of Comprehensive Income (SOCi) were as follows:

	2023	2022
	£000	£000
Current service cost	18	40
Net interest expense	15	14
Administrative expenses	5	5
Defined benefit costs recognised in SOCi	38	59

The amounts recognised in Other Comprehensive Income (OCI) were as follows:

	2023	2022
	£000	£000
Experience loss on plan assets (excluding amounts included in interest income)	(1,246)	(165)
Actuarial gains/(losses) due to scheme experience	89	(177)
Actuarial gains due to changes in demographic assumptions	9	77
Actuarial gains due to changes in financial assumptions	1,061	298
(Losses)/gains recognised in OCI	(87)	33

Broadening Choices for Older People
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 March 2023

30. Pension commitments (continued)

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	2023	2022
	%	%
Discount rate	4.89	2.79
Future salary increases	3.72	4.23
Inflation (RPI)	3.20	3.66
Inflation (CPI)	2.72	3.23
Mortality rates		
- for a male aged 65 now	21.0 years	21.1 years
- at 65 for a male aged 45 now	22.2 years	22.4 years
- for a female aged 65 now	23.4 years	23.7 years
- at 65 for a female member aged 45 now	24.9 years	25.2 years

31. Commitments under operating leases

At 31 March 2023 the Group and the Charity had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£	£	£	£
Not later than 1 year	76,474	73,500	76,474	73,500
Later than 1 year and not later than 5 years	49,500	12,682	49,500	12,682
	125,974	86,182	125,974	86,182

32. Capital funding and commitments

At 31 March 2023 the Group and Charity had capital commitments of £139,000 (2022 - £Nil).

At 31 March 2023 the board has authorised capital expenditure of £404,760 (2022 - £66,500) for the Group and Charity which has not yet been contracted for and so is not provided for in these financial statements.

33. Related party transactions

The Charity had one (2022 - two) Board members who acted as Trustees to the charity Wiggin Cottage Homes for which the Charity acts as the managing agent. The management fee charged in the year was £6,119 (2022 - £4,740). At the year end £173,963 (2022 - £142,965) was owed to Wiggin Cottage Homes. During the year, interest of £5,171 (2022 - £2,523) was paid on this loan.

The Charity pools surplus funds with its subsidiaries to easily manage the Group's investment portfolio. Interest is charged on the loans at the Group's deposit rate. At the year end the Charity has balances due to subsidiaries of £902,858 (2022 - £868,683).