

Broadway Lodge Limited
(A Charitable Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 March 2023

Company Number: 01201899
Charity Registered in England and Wales Number: 269167

Broadway Lodge Limited
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For the Year Ended 31 March 2023

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Broadway Lodge Limited
Reference and Administrative Details
For the Year Ended 31 March 2023

Trustees and Directors	A S Lyttelton (Chair) C Cole Rev P Davis C Hall-Tomkin C Jelf Dr P Seviour C Sparks
Chief Executive	J Aizlewood
Senior Management Team	L Ali J Pickles M Trew G Volans
Principal Office and Registered Office	Broadway Lodge 37 Totterdown Lane Weston Super Mare Somerset BS24 9NN
Bankers	Lloyds Bank PLC 15 Blackheath Village Kidbrooke London SE3 9LH
Solicitors	Foot Anstey The Quad Blackbrook Park Avenue Blackbrook Business Park Taunton Somerset TA1 2PX
Auditors	Albert Goodman LLP Goodwood House Blackbrook Park Avenue Taunton Somerset TA1 2PX

Broadway Lodge Limited
Trustee Directors' Report
For the Year Ended 31 March 2023

The Trustees, who are also directors for the purposes of the Companies Act, present their report and the financial statements of the charity for the year ended 31st March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and are in accordance with the Companies Act 2006. The charity is variously referred to throughout this report as either "the charity", "the company" or "the charitable company".

Reference and Administration Details

Charity number: 269167

Company number: 01201899

Registered address: Broadway Lodge, 37 Totterdown Lane, Weston-super-Mare, BS24 9NN

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on the 27th February 1975, although Broadway Lodge started its work with addiction in 1974. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The following trustees who are also directors for the purposes of company law, served during the year and to date:

C Cole:	University Lecturer/Strategy & Innovation	
P Davis:	Supernumerary Minister	
R Flack:	Solicitor	(Resigned 23 rd January 2023)
P Gay:	Property Investor and Farmer	(Resigned 9 th June 2023)
C Hall-Tomkin	Property Investor and Business Consultant	
C Jelf:	Insurance Broker	
S Lyttelton	Music Curator and Consultant	(Chair of Trustees)
P Seviour:	Retired GP	
C Sparks:	Retired Nurse	

Organisational Structure

The full Board of Trustees meets a minimum of 6 times a year and is responsible for the strategic direction and policy of the charity. These meetings are also augmented by actual and virtual interim board meetings to support the decision-making process as and when the need arises.

Day to day responsibility rests with the Chief Executive and the Senior Management Team (SMT). The Chief Executive has delegated responsibility from the Board of Trustees to ensure that the charity delivers the services described in the objectives and activities and complies with all applicable statutory requirements.

Various Committees meet quarterly with attendance from the Board of Trustees, members of the SMT and representatives from across the organisation. The Committees oversee clinical governance, policies and procedures, health and safety, compliance with applicable statutory requirements and risk assessments. They also ensure through cross-organisation representation that all requirements of the CQC are met.

The Clinical Governance Committee meets quarterly with attendance from senior members of the clinical team and other relevant staff members. The Committee oversees the clinical management and controls of the charity.

Method of Appointment or Election of Trustees

The management of the Charity is the responsibility of the Board of Trustees who are elected and co-opted under the terms of the Articles of Association.

Policies for the Introduction and Training of Trustees

New Trustees are provided with an induction programme upon joining the Charity.

Arrangements for Setting Pay and Remuneration of the Charity's Key Management Personnel

The Board sets the remuneration package for the Chief Executive based on a package commensurate with the industry norm.

The Chief Executive sets the pay level, with ratification of the Board, of all other members of the SMT.

The Chief Executive sets the pay level of all other staff excepting the above.

Relationships Between Broadway Lodge and Related Parties

Broadway Lodge is not affiliated with any umbrella groups nor does it have any subsidiaries. It occasionally joins other organisations in partnership to bid for contracts in which case a memorandum of understanding underpins the arrangement and a contract delineates the particulars of the partnership if the bid is successful. Broadway Lodge is a member of the Choices Group that is made up of likeminded, independent addiction and rehabilitation entities.

Objectives and Activities

The charity's objective and principal activity is the treatment of addiction and associated harms of individuals and their families, focusing on the 12-step philosophy. The trustees ensure that at all times and in all areas, policies are in place to enable the charity to fulfil its objectives.

The charity's adopted mission statement is:

- To provide the highest quality of care and treatment for people suffering from addiction
- To improve the quality of life for those individuals, their families and communities

The charity offers an extensive range of flexible treatment and rehabilitation services including detoxification, residential rehabilitation, supported housing and community services. Associated activities including education, training and consultancy available to schools, colleges, the public sector and corporate organisations and collaborative working with other treatment providers in order to raise awareness of addiction, treatment options and programmes.

How our Activities Deliver Public Benefit

The charity's treatment programmes continue to provide the opportunity for individuals to become abstinent from their addiction and go on to lead fulfilling lives, many engaging in further education and employment.

Broadway Lodge continues to receive enquiries from individuals, families and health care professionals trying to obtain charitable assistance. The organisation endeavours to provide as much charitable assistance as is feasibly possible, and it is the aim of the charity to significantly increase this offering in the future. It is envisaged that the increased self-paying and corporate markets will help Broadway Lodge to achieve this.

Broadway Lodge has also reinstated education to trainees through placements with the Charity. Mental Health Nurses, Social Workers, Police Officers and Counsellors are able to develop their knowledge of addiction and substance misuse as part of their vocational training.

Financial Review

Result for the Year

Broadway Lodge continues to recover from the effects of the pandemic and as a consequence the Net Income to 31st March 2023 was £39,712 (Net Deficit to 31st March 2022 was £159,029).

Longer term debt decreased in the year from £446,124 to £383,994 as Broadway Lodge has now begun to repay the Coronavirus Business Interruption Loan used to complete a refurbish of the facilities on offer to the patients. The charity entered into a loan agreement with Triodos Bank plc for £450,000 for this refurbishment project last year.

The balance sheet remains strong as at 31st March 2023 and total charity funds were £2,356,317.

Cash reserves in the year increased by £22,771, reflecting the Net Income in the year. The opening balance of £205,391 increased to £228,162 by 31st March 2023.

Reserves Policy

The charity's reserve policy is to hold two months' worth of unrestricted activities in liquid funds. This would equate to approximately £380k. Current liquid funds stand at £99k which is below the level of the reserves policy due to the pandemic and the refurbishment project. The trustees are committed to growing cash reserves of the charity and are currently formulating a cash recovery plan.

Principal Funding Sources

The charity's principal funding source is from the provision of detoxification and residential rehabilitation to clients referred by local authorities, NHS bodies, insurance companies and private individuals. The funding allows the provision of a robust medically managed detoxification and therapeutic residential programme.

Investment Policy and Objectives

Although the charity has the option to hold funds not required for the day to day running on short term deposits with the bankers, due to the reduction of the reserves following the recent pandemic it is prudent to have instant access to surplus cash at all times for the foreseeable future and not hold funds on deposit.

Fundraising Policy

Fundraising activities are conducted in accordance with the Code of Fundraising Practice issued by the Fundraising Regulator. The charity's principal means of fundraising is through donations, mainly from former patients and their families and grant applications provided by supporting Trusts. Donations and grant applications currently represent a very small amount of income, it is not the primary income stream for the charity however the charity is keen to grow this income stream in the coming years.

Achievements and Performance

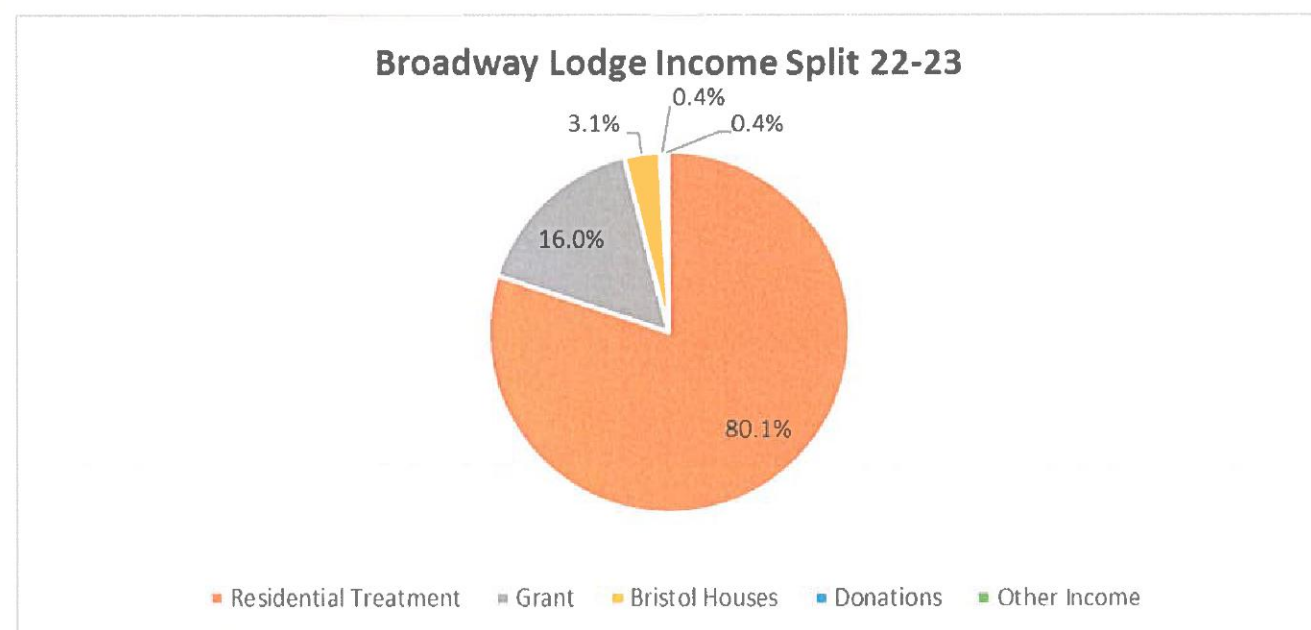
Covid-19 Pandemic

Broadway Lodge continues to move forward and recover from the effects of the Covid-19 pandemic.

The Gordon Beard Unit was initially set up as a quarantine facility to admit patients into treatment. This unit allowed us to protect the patients already in treatment in the main house and minimised disruption due to Covid-19.

For patients admitted for a shorter duration of treatment, predominantly for detoxification only, this unit has remained the main medical facility, although medical staff are also on duty in the main house. The unit continues to aid flexibility with patient numbers and bed capacity in both units and assist with the added complexities of patient's needs.

Broadway Lodge Income



Broadway Lodge Limited
Trustee Directors' Report
For the Year Ended 31 March 2023

Broadway Lodge's income is primarily driven by residential care for detoxification and rehabilitation. Both private patients and those referred by local authorities. Over 80% of all income last year was attributed to this type of care. 217 patients were in residential treatment during the year for a period of between two and twenty-four weeks dependent on their needs, this excludes those mentioned below.

The grant income of 16% included the South West Northern Consortium contract. The provision of two week detoxification placements were funded by Central Government grant income and managed by North Somerset Council. Local authorities that were able to benefit from using this grant were Bristol, South Gloucestershire, BANES, Gloucestershire, Swindon, Somerset and North Somerset. These local authorities were able to place residents requiring residential detoxification treatment at Broadway Lodge at no direct cost to them. In total, 49 patients benefited from a residential detoxification via the Consortium during the financial year.

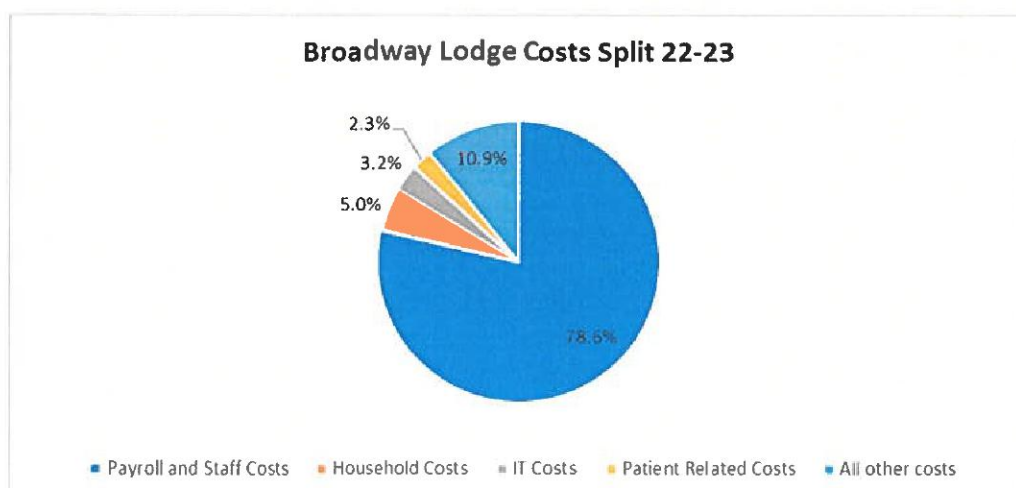
Broadway Lodge is pleased to announce that the South West Northern Consortium contract has been renewed for the financial year to the end of March 2024, with funding slightly increased from last year to £237,500.

Also included within the grant income of 16% was the West of England Works project funded by the National Lottery Community Fund and the European Union Social Fund. This project funded a small team to help those in recovery to access targeted support into education and employment. Unfortunately this project came to end on 31st March 2023 as the funding was no longer available due to the UK leaving the European Union. Whilst Broadway Lodge will no longer benefit from this income, there will be no detrimental effect on the profitability of the organisation as the costs for this project are also no longer being incurred by the charity.

Whilst the West of England Works was an invaluable project and is sadly no longer available, Broadway Lodge is pleased to report that it is currently working directly with North Somerset Council on the UK Shared Prosperity Fund project introduced by the Government Department of Levelling Up Housing and Communities. Similar to the fund above, but on a much smaller scale, it invests in people and skills with the ultimate aim of increasing life chances.

The charity owns two properties in Bristol. These houses are used for supported placements where a maximum of 8 patients reside independently and attend education or are working towards full time employment. The residents benefit from peer support and additional guidance from a dedicated member of our counselling team who provides group aftercare and the opportunity to access one to one support. They are also supported on a practical level by staff based at Broadway Lodge.

Broadway Lodge Costs



Staff costs remain our highest cost and represented 79% of the total costs incurred by Broadway Lodge to provide its charitable activities during this financial year. Staff related costs are predominantly made up of payroll, consultancy, welfare, recruitment, training and staff supervision. Also included as a one-off cost this financial year was the cost of the redundancy payments to staff employed within the team providing the West of England Works project that concluded on 31st March 2023.

Household costs such as utilities, food and consumables represented only 5% of overall costs. Broadway Lodge was incredibly fortunate to benefit from negotiated fixed gas and electricity contracts during the year and the costs of these were kept to a minimum. The electricity contract has since been renewed, but the gas contract remains fixed until June 2025.

Patient related costs include activities, medical consumables, equipment and patient welfare and travel costs.

Volunteers

Broadway Lodge welcomed a new team of volunteers this year. They have been invaluable in supporting clients and staff alike. Our volunteers have previously been in treatment at Broadway Lodge and work within our treatment team to provide transportation when needed for appointments, run additional errands and provide general support. They provide first-hand guidance and advice to our clients as they can directly relate to the treatment process and outcomes.

Future Developments

Strengthening the Charity

Broadway Lodge has undergone a full review of its business model and its facilities and is looking to strengthen its financial position and so its ability to treat and support more individuals from all walks of life with addiction, transforming their lives and also the many lives that their addiction impacts. Over the next year and there after the charity is looking to do this by a focus on fundraising and then using these funds to grow its capacity of beds, rooms, facilities, therapies, activities and approaches to treatment, all for the betterment of its clients, staff, volunteers and the overall charity.

The first phase of "strengthening the charity" is a project to increase our bed capacity by 10% by creating two additional accessible rooms that will triple our accessible room provision and increase the beds within them by two and a half times, with two of the beds being hospital beds and the remainder standard queen size beds. We will be building a fully accessible wet room and toilet giving wheelchair access, as well as a standard toilet and shower room.

The rooms will be located on the ground floor which is level and wheelchair accessible. The dining room, sitting room, main hall, medical and counselling hub, along with a lift to other floors, are also located on the ground floor, enabling easy access to all aspects of treatment and house life.

While the bedrooms benefit from ground level access, the windows from the garden on this side of the house appear to be on the first floor (as the house is built on a hill). Therefore, when people pass on foot, they cannot see into the rooms from the garden. In addition to the privacy element, the rooms benefit from tall ceilings and large windows, allowing for panoramic views that stretch across Weston-super-Mare and even to the Bristol Channel with Cardiff in the distance.

Covid-19

We are enjoying being able to be fully operational again as we operate in a post pandemic world. The impact of Covid on the charity is still apparent, but with all that we have been doing since year end we are beginning to see the results of various initiatives that the team have worked up and are now implementing, and after the first 4 months of the year the charity is running at a small surplus.

2024 Celebrating 50 years of Broadway Lodge

2024 is the 50th anniversary of Broadway Lodge, something that we are very proud of. The anniversary also gives us the opportunity to celebrate, reconnect and grow our public awareness as well as fundraise to ensure we are still doing the great work we do in 50 years' time.

We are working on an exciting programme of events that we will be publicizing as we go through 2024.

It has also meant that we have reflected on how many people have benefitted from all the work Broadway Lodge has done in those 50 years, with over 17,000 people helped in that time period, and over 100,000 people positively impacted by our work when you include an individuals, family, friends, and general community.

Risk Management

The Board of Trustees has identified that at present the highest risks for Broadway Lodge are as follows:

R1 If Broadway Lodge has to cease new admissions into treatment due to an epidemic or pandemic.

R2 Potential reduction in the number of referrals due to austerity measures in Local Authority budgets, particularly in light of the government expenditure on the pandemic.

R3 Reduced income arising as a result of R1 and R2 above which may significantly impact the profitability of the Charity.

To mitigate these risks the following actions have been planned or have already been put in place:


- If there is a need to close Broadway Lodge to new admissions owing to infection control measures, the closure should only be temporary. The charity possesses sufficient cash reserves to support the charity if required for this short period of time. Separate premises are also in use to be able to quarantine new admissions should the need arise
- Diversification of target patients base beyond statutory and existing referral sources following the refurbishment. Robust marketing is in place to attract both private and corporate clients
- Targeted fund raising
- More investment in staff training and a planned increase in marketing spend
- Through increased staff training we will be able to diversify our activities further – such as holistic treatments, family support, consultancy provision, provision of sub-contracted services, educational and training services.
- Continuing sound and prudent financial management.

Broadway Lodge Limited
Trustee Directors' Report
For the Year Ended 31 March 2023

Small company provision

The report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Signed by order of the trustees on 11th September 2023



A S Lyttelton
Chair and Trustee

Broadway Lodge Limited
Statement of Trustees' Responsibilities
For the Year Ended 31 March 2023

The trustees (who are also directors of Broadway Lodge Limited for the purposes of company law) are responsible for preparing the Trustee Directors' Annual Report, Strategic Report and the financial statements in accordance with 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).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 11th September 2023 and signed on their behalf by:


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A S Lyttelton
Chair and Trustee

Broadway Lodge Limited

Independent Auditor's Report to the Members For the Year Ended 31 March 2023

Opinion

We have audited the financial statements of Broadway Lodge Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities including the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006;

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from the original financial statements were authorised for use.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of the report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustee Directors' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Broadway Lodge Limited

Independent Auditors' Report to the Members For the Year Ended 31 March 2023

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustee Directors' Report, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustee Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustee Directors' Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustee Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Broadway Lodge Limited

Independent Auditors' Report to the Members For the Year Ended 31 March 2023

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with management, and from our commercial knowledge and experience of the social care sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities Act 2011, CQC registration and data protection, anti-bribery, employment, protection of vulnerable residents and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

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

Broadway Lodge Limited

Statement of Financial Activities (including an Income and Expenditure Account)
For the Year Ended 31 March 2023

- 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 the CQC and other relevant regulators.

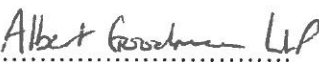
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance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

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

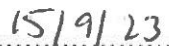
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


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Robert Oram BFP FCA
Senior Statutory Auditor
for and on behalf of
Albert Goodman LLP
Chartered Accountants
Statutory Auditor

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX


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Broadway Lodge Limited

Statement of Financial Activities (including an Income and Expenditure Account)

For the Year Ended 31 March 2023

	Notes	Unres- tricted £	Res- tricted £	Total 2023 £	Unres- tricted £	Res- tricted £	Total 2022 £
Income:							
Grants, donations and legacies	2	151,209	7,000	158,209	147,985	74,122	222,107
Charitable activities	3	2,031,733	236,087	2,267,820	1,691,254	-	1,691,254
Exchange gain		125	-	125			
Total income		2,183,067	243,087	2,426,154	1,839,239	74,122	1,913,361
Expenditure:							
Raising funds	4	645	-	645	-	-	-
Interest paid		30,664	-	30,664	6,412	-	6,412
Charitable activities	5	2,126,716	228,417	2,355,133	1,991,856	74,122	2,065,978
Total expenditure		2,158,025	228,417	2,386,442	1,998,268	74,122	2,072,390
Net income/ (expenditure) for the year		25,042	14,670	39,712	(159,029)	-	(159,029)
Transfers between funds	14	7,000	(7,000)	-	-	-	-
Net movement in funds for the year		32,042	7,670	39,712	(159,029)	-	(159,029)
Reconciliation of funds							
Total funds brought forward		2,316,605	-	2,316,605	2,475,634	-	2,475,634
Total funds carried forward		2,348,647	7,670	2,356,317	2,316,605	-	2,316,605

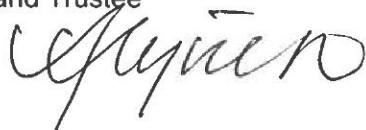
The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

The statement of financial activities incorporates the income and expenditure account.

Broadway Lodge Limited – Company Registration Number: 01201899**Balance Sheet**

As at 31 March 2023

		2023		2022	
		£	£	£	£
	Notes				
Fixed assets					
Tangible fixed assets	9	2,641,623		2,648,495	
		<u>2,641,623</u>		<u>2,648,495</u>	
Current assets					
Debtors	10	144,966	166,914		
Cash at bank and in hand		228,162	205,391		
		<u>373,128</u>	<u>372,305</u>		
Liabilities:					
Creditors falling due within one year	11	(274,440)	(258,071)		
Net current assets		98,688		114,234	
Total assets less current liabilities		<u>2,740,311</u>		<u>2,762,729</u>	
Creditors					
Amounts falling due in more than one year	13	(383,994)	(446,124)		
Total net assets		<u>2,356,317</u>		<u>2,316,605</u>	
The funds of the charity:					
Restricted funds	14	7,670	-		
Unrestricted funds	14	1,991,813	1,959,771		
Revaluation reserve	14	356,834	356,834		
Total charity funds		<u>2,356,317</u>		<u>2,316,605</u>	

Approved by the Board for issue on 11th September 2023 and signed on its behalf by:A S Lyttelton
Chair and Trustee

Rev P Davis
Trustee


Broadway Lodge Limited
Statement of Cashflows
For the Year Ended 31 March 2023

		Total 2023	Total 2022
		£	£
	Notes		
Cash flows from operating activities			
Net movements in funds for the year		39,712	(159,029)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	9	24,823	24,217
(Gain)/Loss on sale of assets		-	-
Interest paid		30,664	6,412
		<u>94,554</u>	<u>(128,400)</u>
Working capital adjustments			
(Increase)/decrease in debtors	10	21,948	(17,806)
Increase/(decrease) in creditors	11	15,476	(44,693)
		<u>131,978</u>	<u>(190,899)</u>
Cash flows from investing activities			
Purchase of fixed assets		(17,951)	(458,435)
		<u>(17,306)</u>	<u>(458,435)</u>
Cash flows from financing activities			
Interest paid		(30,664)	(6,412)
Advances of new long term loans		-	438,521
Repayments of existing long term loans		(61,237)	(26,646)
		<u>(91,901)</u>	<u>405,463</u>
Net increase/(decrease) in cash and cash equivalents		<u>22,771</u>	<u>(243,871)</u>
Cash and cash equivalents at the beginning of the reporting period		205,391	449,262
Cash and cash equivalents at the end of the reporting period		<u>228,162</u>	<u>205,391</u>

1 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are:

1.1 Basis of accounting

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Broadway Lodge Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). All amounts are presented in £ sterling.

1.2 Going concern

The charity has moved back into surplus and this is expected to continue into next year. With income returning to pre pandemic levels and reserves growing, the trustees consider that it is appropriate to prepare the accounts on a going concern basis.

1.3 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.4 Income

Income from donations is recognised in the year in which they are receivable when there is evidence of entitlement, receipt is probable and the amount can be reliably measured.

For legacies, entitlement is taken as the earlier of the date on either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from grants, where 'capital' or 'revenue', is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where no conditions are attached to grant income they are recognised within donations and gifts and where conditions relating to performance of services are attached, grant income is recognised within charitable activities in the Statement of Financial Activities.

Income from charitable activities is included in the period in which the charity is entitled to receipt, it is probable that economic benefits will flow to the entity and the amount can be reliably measured. Where income is received in advance of provision of detoxification and residential services, income is deferred until the criteria for income recognition is met. Where income has not been received and detoxification and residential services have been provided, income is accrued.

1 Accounting policies (cont'd)

1.5 Interest received

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of interest paid or payable by the bank.

1.6 Expenditure and support costs

Expenditure is recognised on an accruals basis to match the period in which the expenditure was incurred. The charity's significant activity is detoxification and residential services and all support costs are attributable to this activity.

1.7 Pension costs

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

1.8 Operating leases

The charity classifies the lease of property and office equipment as operating leases as title remains with the lessor. Rentals are charged on the straight line basis over the term of the lease through the profit and loss account.

1.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Restricted funds are donations or grants which the donor has specified are to be solely used for particular areas of the charity.

1.10 Tangible assets

Depreciation is calculated to write off the cost or valuation of fixed assets less residual value over their estimated useful lives at the following rates:-

Freehold land	- Nil
Freehold property	- 2% straight line less residual value
Fixtures, fittings and equipment	- 20% straight line
Motor vehicles	- 20% straight line

Fixed assets are valued at cost less depreciation. Freehold property residual value has been considered by the trustee directors' to equate to the freehold property cost. No depreciation is charged on the freehold property.

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account.

1.11 Debtors

Trade and accrued income are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1 Accounting policies (cont'd)

1.13 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

1.14 Deferred income

Deferred income comprises income received in advance specifically for the provision of detoxification and residential services. Deferred income is recognised within income in the Statement of Financial Activities when the conditions for income from charitable activities recognition are met.

1.15 Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.16 Taxation

The company is a registered charity and is therefore not liable to corporation tax or capital gains tax to the extent that its income and gains are applicable to charitable purposes only. Value added taxation is not recoverable by the company, and is therefore included in the relevant costs in the Statement of Financial Activities.

2 Grants, donations and legacies

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Donations and legacies	3,371	7,000	10,371	5,478	-	5,478
Grants	147,838	-	147,838	134,169	74,122	208,291
Exceptional grants: CJRS income	-	-	-	8,338	-	8,338
	<u>151,209</u>	<u>7,000</u>	<u>158,209</u>	<u>147,985</u>	<u>74,122</u>	<u>222,107</u>

The charity has been eligible to claim additional funding in the year from government support schemes in response to the coronavirus outbreak. The funding is shown above under 'Grants'.

3 Income from charitable activities

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Detoxification and residential services	2,014,519	236,087	2,250,606	1,680,657	-	1,680,657
Sundry income	17,214	-	17,214	10,597	-	10,597
	<u>2,031,733</u>	<u>236,087</u>	<u>2,267,820</u>	<u>1,691,254</u>	<u>-</u>	<u>1,691,254</u>

4 Expenditure from raising funds

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Fundraising	645	-	645	-	-	-

5 Expenditure from charitable activities

	Unres- tricted £	Res- tricted £	2023 Total £	Unres- tricted £	Res- tricted £	2022 Total £
Staff costs	1,653,918	228,417	1,882,335	1,578,846	73,803	1,652,649
Household and maintenance	212,290	-	212,290	195,563	-	195,563
Medical consumables	20,338	-	20,338	21,925	200	22,125
Patient and programme	29,031	-	29,031	20,318	119	20,437
Administration costs	17,431	-	17,431	18,338	-	18,338
Marketing costs	13,915	-	13,915	15,479	-	15,479
Legal and professional	142,353	-	142,353	122,168	-	122,168
Bad debts	37	-	37	(14,839)	-	(14,839)
Depreciation and amortisation	24,823	-	24,823	24,217	-	24,217
Finance charges	5,740	-	5,740	3,241	-	3,241
Audit fee	6,840	-	6,840	6,360	-	6,360
Accountancy	-	-	-	240	-	240
	2,126,716	228,417	2,355,133	1,991,856	74,122	2,065,978

6 Wages and salaries

	2023	2022
	£	£
Wages and salaries	1,560,161	1,380,454
Social security costs	136,116	118,423
Other pension costs	93,822	90,822
Other staff costs	92,236	62,950
	<u>1,882,335</u>	<u>1,652,649</u>

The number of employees whose annual emoluments were £60,000 or more were:

	2023	2022
	number	number
£80,000 - £89,999	<u>1</u>	<u>1</u>

Number of employees

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

	2023	2022
Doctors	1	1
Nurses and Healthcare assistants	32	26
Counsellors	10	10
Administration	15	12
Domestic and catering	10	10
	<u>68</u>	<u>59</u>

The key management personnel of the charity comprise the trustees, the Chief Executive Officer and the Senior Management Team (SMT). The total employee benefits of the key management personnel of the charity were £326,332 (2022: £312,999). An employee joined the SMT during the year.

7 Trustee directors

The charity trustees were not paid and did not receive any other benefits as trustees of the charity in the year (2021: £nil). No expenses were reimbursed to trustees (2021: £Nil) during the year. No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

There were no other related party transactions in the year (2021: none).

8 Net income for the year before transfers

	2023 £	2022 £
This is stated after charging:		
Depreciation and amortisation	24,823	24,217
Operating leases	13,466	13,466
Auditors remuneration		
Audit services	6,090	5,850
Other services: accounting	750	750
	<hr/> <hr/>	<hr/> <hr/>

9 Tangible assets

	Freehold Property £	Fixtures, Fittings and Equipment £	Motor Vehicles £	Total £
Cost				
At 1 April 2022	2,580,357	356,804	21,978	2,959,139
Additions	-	17,951	-	17,951
At 31 March 2023	2,580,356	374,755	21,978	2,977,090
Depreciation				
At 1 April 2022	-	291,362	19,282	310,644
Charge for the year	-	22,127	2,696	24,823
At 31 March 2023	-	313,489	21,978	335,467
Net book value				
At 31 March 2023	2,580,356	61,266	-	2,641,623
At 1 April 2022	2,580,357	65,442	2,696	2,648,495

The company has created a fixed legal charge over some of the properties of Broadway Lodge Limited and such assets are included within freehold property above.

9 Tangible assets (cont'd)

Historical cost of previously revalued freehold property

Cost	£
At 1 April 2022	2,223,523
At 31 March 2023	2,223,523
Depreciation As at 1 April 2022 at 31 March 2023	-
Net book value At 31 March 2023	2,223,523
At 31 March 2022	1,802,114

The freehold property was valued by professional external valuers in March 1998. The valuations were on the basis of existing or change of use excluding internal fittings, loose furnishings and loose furniture.

10 Debtors

	2023 £	2022 £
Trade debtors	97,523	100,247
Prepayments and accrued income	47,443	66,667
	144,966	166,914

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	50,702	19,556
Accruals and deferred income	151,851	167,655
Other creditors	9,552	9,418
Bank loans	62,335	61,442
	274,440	258,071

12 Deferred income

	2023	2022
	£	£
Balance as at 1 April 2022	85,741	88,461
Amount released to income for charitable activities	(176,674)	(117,781)
Amount deferred in year	164,574	115,061
	<hr/>	<hr/>
Balance at 31 March 2023	73,641	85,741
	<hr/> <hr/>	<hr/> <hr/>

13 Creditors: amounts falling due in more than one year

	2023	2022
	£	£
Bank loans due < 5 years	446,329	507,566
Bank loans due > 5 years	-	-
	<hr/>	<hr/>
	446,329	507,566
Less included in current liabilities	(62,335)	(61,442)
	<hr/>	<hr/>
	383,994	446,124
	<hr/> <hr/>	<hr/> <hr/>

Two bank loans are repayable over a 15 year term, ending in 2024 - 2025. Interest on these loans is variable at base rate + 1.75 and + 2.00%, with a minimum rate of 3.5%.

One bank loan is repayable over a 6 year term, ending January 2027. Interest on this loan is variable at base rate + 4.5%, with a minimum rate of 4.5%.

All borrowings of £446,329 at the year end (2022: £507,566) are secured by way of fixed legal charges over some of the properties of Broadway Lodge in favour of one banking institution.

14 Statement of funds – 2023

	Opening balance £	Incoming resources £	Resources expended £	Transfers £	Closing balance £
Restricted funds					
Donations	-	7,000	-	(7,000)	-
South West Northern Consortium	-	236,087	(228,417)	-	7,670
Total Restricted Funds	-	243,087	(228,417)	(7,000)	7,670
Unrestricted funds					
General	1,959,771	2,183,067	(2,158,025)	7,000	1,991,813
Revaluation reserve	356,834	-	-	-	356,834
	2,316,605	2,426,154	(2,386,442)	-	2,356,317

Statement of funds – 2022

	Opening balance £	Incoming resources £	Resources expended £	Transfers £	Closing balance £
Restricted funds					
Infection Control Grant - Tranche 3	-	17,009	(17,009)	-	-
Infection Control Grant - Tranche 4	-	15,651	(15,651)	-	-
Infection Control Grant - Tranche 5	-	23,159	(23,159)	-	-
Workforce Recruitment and Retention Fund	-	18,303	(18,303)	-	-
Total Restricted Funds	-	74,122	(74,122)	-	-
Unrestricted funds					
General	2,118,800	1,839,239	(1,998,268)	-	1,959,771
Revaluation reserve	356,834	-	-	-	356,834
	2,475,634	1,913,361	(2,072,390)	-	2,316,605

14 Statement of funds (cont'd)

- Restricted funding received in the year to, provide detoxification treatment to local residents, protect staff and patients against the spread of Coronavirus was fully spent in the year.
- General unrestricted funds are free reserves of the charity to be applied at the discretion of the trustees for any of the charitable purposes.
- Revaluation reserve relates to revaluation of the freehold property in March 1998 by an external valuer under the previously applied UK GAAP accounting standards.

Where transfers have been made from restricted funds, these have been made as funds have been used for the purpose intended and the remaining funds are to be used on activities to further any of the purposes of the charity.

15 Analysis of net assets between funds

	Unres- tricted funds £	Res- tricted funds £	2023 Total £	Unres- tricted funds £	Res- tricted funds £	2022 Total £
Fixed assets	2,641,623	-	2,641,623	2,648,495	-	2,648,495
Current assets	365,458	7,670	373,128	372,305	-	372,305
Current liabilities	(274,440)	-	(274,440)	(258,071)	-	(258,071)
Creditors due after more than one year	(383,994)	-	(383,994)	(446,124)	-	(446,124)
	<u>2,348,647</u>	<u>7,670</u>	<u>2,356,317</u>	<u>2,316,605</u>	<u>-</u>	<u>2,316,605</u>

16 Obligations under leases

Operating leases

The total future minimum rentals payable under non-cancellable operating leases funded by unrestricted funds are as follows:

	2023 £	2022 £
Operating lease which expire:		
Within one year	8,106	8,633
Within two and five years	1,911	11,237
	<u>10,017</u>	<u>19,870</u>