

**Company Registration No. 01803160 (England and Wales)**



**BRITISH PREGNANCY ADVISORY SERVICE**

**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT**

**2022/2023**

## Directors Report

2022/23 was a year of significant positives and challenges for BPAS, as well as laying the groundwork for an ongoing program of improvement which continues into 2023/24 and beyond. The impact of the Covid pandemic and the changes which were made at pace during that period continued to be felt by the organisation, the wider healthcare system we operate in and beyond.

This report describes the work that we do.

## Our Purpose and Aims

Our vision is a future where every woman can exercise reproductive autonomy and is empowered to make her own decisions about pregnancy. Our purpose is to remove all barriers to reproductive choice while advocating for, and delivering, high quality women-centred care. This is further defined by our objects, as set out in our memorandum of association, to:

- Advance and promote health and healthcare in relation to sexual and reproductive health, and all services ancillary thereto;
- Provide advice, treatment and assistance to the general public on fertility or infertility including such medical, psychiatric or other treatment (including in vitro fertilisation the lawful termination of pregnancy) as may be required in connection therewith and otherwise in the alleviation or relief of ill health or distress with power to establish and operate (whether alone or in co-operation with any other body or individual) clinical or medical advisory centres for the benefit of such persons; and
- Provide and promote education and research on the subject of fertility, infertility, pregnancy, the termination of pregnancy and the effects thereof upon women and men whether physical, medical, psychological, social or otherwise.

## Ensuring our work delivers our aims

We review our aims, objectives and activities every year – looking at what we achieved and the outcome of our work for the previous year. 2022/23 this involved a significant period of reflection and the review and refinement of changes made during the pandemic. This report highlights some of the outcomes of this process, including the decision to cease providing fertility treatment. Throughout this process, we have remained focused on our core purpose and how, as an organisation, we can deliver benefit while maintaining high standards of quality care.

## Our Achievements in 2022/23

### Clinical Care

BPAS is the largest provider of abortions in the UK, with 98% of our care delivered to NHS funded patients. In total, in 2022/23 we:

- Carried out approximately 95,000 early medical terminations. The majority of early medical abortions were offered with pills by post.
- Carried out approximately 14,500 surgical terminations of pregnancy.
- Conducted 1,296 vasectomies.

Where our contracts allow, we also offered STI testing and contraception to our termination of pregnancy clients.

This represents a significant increase in the number of clients seen by BPAS for a termination of pregnancy, which had an impact both on our income and on the costs of service delivery.



## Advocacy

In 2022/23 we saw the positive impact of our campaigning work.

BPAS led the campaign to protect women's ability to continue to access safe, legal at-home abortions via telemedicine. In March 2020 the government changed the rules on abortion in light of the pandemic. The new rules meant that women could take both medications for an early medical abortion (an abortion that happens within the first 10 weeks of pregnancy) at home for the first time ever. The pills by post service was proven to be safe, accessible and effective.

BPAS united with women's rights groups, medical experts, and Baroness Liz Sugg to promote the continued access to telemedicine for abortion and in March 2022 it was agreed that the change in the law would become permanent.

Another key campaign that occurred in 2022/3 was the passing of a law creating buffer zones around abortion clinics. The presence of anti-abortion protests outside clinics has a significant negative effect on clients, those attending with them, and on staff. BPAS has been campaigning since 2014 to gain protection for those attending abortion clinics. In October 2022, a bill was passed that will create buffer zones around all abortion clinics in England, Wales and Northern Ireland – although this bill has yet to be brought into effect.

## **Our Improvement Journey**

### Improving Clinical Care

BPAS began 2022/23 with a section 31 notice relating to 3 units in the North and the need to deliver improvements in the quality of care. Supported by the local Independent Commissioning Boards (ICBs), BPAS worked to develop and deliver a detailed action plan across the three clinics inspected and the organisation as a whole. This plan, included reviewing our national policies, improving our documentation, reinstating clinical audits which were suspended during the pandemic, and undertaking further staff training to ensure that our service delivery always reflects best practice and policy. Meaning that we could rebuild from the pandemic with robust and resilient clinics, processes, and policies. We have continued to work with the Care Quality Commission (CQC) and ICBs over the last year to ensure that they are satisfied with our work and the evidence-based, woman-centred care that we are committed to providing. Following the successful completion of the plan, the CQC reinspected all three units and noted dramatic improvements in care. The section 31 notice was formally removed in October 2022.

### Delivering Financial Stability

Following a turbulent period both within and outside BPAS, we faced a number of challenges to our financial stability during 2022/23. These included:

- The fledgling BPAS Fertility Service, set-up just prior to the pandemic, continued to operate at a loss due to delays in establishing the service.
- Significant investment into quality improvement was required due to the section 31 notice.
- A 14.9% increase in operating costs over 2021/22, due both to the increase in staff required to deliver the increased workload and inflationary pressures.
- A short-fall in the funding provided by commissioners, with some services offered at a loss.

As a result, BPAS began an ambitious recovery plan, in order to restore the business to profitability in 2023/24. This recovery plan involved the sale of the fertility business, which was a drain on resources, a review of back office costs in order to re-align them with the current operation, the sale and leaseback of a property, and the re-negotiation of contracts with the ICB's



to reflect the service that we are now providing. This recovery plan has been executed successfully such that continuing operations made a small surplus in the year, and is projected to make a significant surplus in 2023/24 as well.

### Governance Improvement

In February 2023, BPAS had a responsive well-led inspection which resulted in recommendations for improvement in the overall governance of BPAS. In June 2023, this was formalised as a Section 31 notice.

The success of the financial recovery plan puts BPAS in a strong position to develop its governance structures in response, to create an organisation that is fit for purpose and delivers for our clients now and in the future.

### **Financial Results**

Funding is received through fees charged from abortion and other sexual health services provided to the NHS and a limited number of individual paying clients.

The financial results of the company's activities are summarised on pages 14 to 29.

The net income for the year for continuing operations amounted to £536,000 (2021/22 expenditure £2,091,000). During the year the fertility business was sold and the net expenditure during the year was £1,230,000 (2021/22 £818,000). Total income from continuing operations was £48,770,000 representing an increase of 21.6% over (2021/22 £40,103,000) driven by both increased volumes of clients seen and successfully increasing the pricing on a number of contracts, which has continued into 2023/24.

Operating costs (Total Resources Expended) from continuing operations were £48,234,000 (2021/22 £42,194,000) which was an increase of 14.3%, as extra staff were needed to cope with the extra volumes together with inflationary increases elsewhere. Investment in quality assurance continued following the regulatory action of the previous year. During the year the company began an ambitious recovery plan, in order to restore the business to profitability in 2023/24. This recovery plan involved the sale of the fertility business, which was a drain on resources, a review of back office costs in order to re-align them with the current operation, the sale and leaseback of a property, and the re-negotiation of contracts with the ICB's to reflect the service that we are now providing. This recovery plan has been executed successfully such that continuing operations made a small surplus in the year, and is projected to make a surplus in 2023/24 as well.

The fertility business which in the year had net expenditure of £1,230,000 was sold to a third party in the final quarter of the year for a loss of £1,510,000.

Net cash provided by activities was £947,000 compared to an out flow of £1,801,000 in 2021/22. The cash inflow together with the net cash proceeds of the sale of the fertility business £186,000, together with the proceeds of the sale of Fixed Assets £892,000 contributed to capital expenditure totalling £1,171,000, the largest part of which was Ultrasound scanning machines following a return to in clinic operations following Covid.

Details of all acquisitions and disposals of fixed assets during the year are recorded in note 5 to the financial statements.

Total funds £9,906,000 (2021/22 £12,036,000) decreased as a result of the net deficit including discontinued operations of £694,000 (2021/22 £2,909,000), the loss on the sale of the fertility business £1,510,000 and a gain on the revaluation of freehold properties of £74,000.



## Policy on Reserves

The Boards objective is, over a period of time, to generate modest surpluses in order to facilitate investment in the infrastructure of the Charity, and to develop and maintain sufficient general reserves to mitigate cash flow risks and seasonality in the profile of income. The Trustees monitor the level of reserves and have recognised that reserves have been eroded over previous periods and have embarked upon a series of actions to improve liquid reserves. Despite this erosion the Trustees consider that the current level of reserves at the year end, coupled with the action taken, to be more than adequate to mitigate cash flows and seasonality of income. Free Reserves are negative £4,433,000 (2022- £136,000) and £Nil in Restricted Reserves (2022- £Nil).

The remaining reserves (Revaluation and Designated Reserves) total £14,339,000 (2022- £11,900,000). In accordance with Charity Commission guidance the BPAS Board operates a Risk Based policy that enables the charity to safely reduce designated reserves, when appropriate, in order to invest in solutions and projects recommended in the Strategic Risk Register.

## Risk Management

The trustees have considered the major risks to which the Charity is exposed, in particular those related to operations and finances of the Charity, and believe there are adequate systems in place to manage the exposure of major risks. These risks include:

- Credit and liquidity risk, which is mitigated by payment being received in advance from some customers, a renegotiation of contracts with customers, as well as an agreed overdraft facility.
- An unstable economic climate and the drive down of costs in the NHS, together with competitive pressure which is mitigated by continually reviewing service delivery and implementing efficiency savings across the service.
- Increased regulatory pressure as evidenced by the recent Well-Led inspection from the Care Quality commission.
- Changes in the law relating to abortion, which is mitigated by working with and educating the policy makers, The Trustees Risk Assessment Document is updated regularly and was last updated in September 2023.

## Going Concern

The Trustees have revisited their going concern assessment in both February and September 2023, particularly assessing the effects of the business improvement plan, which was drawn up to focus the organisation on its core abortion service. This plan involved the organisation divesting itself of the fertility business, which happened in the final quarter of 22/23, saving £1,200,000 per annum, reducing its back office costs by £1,200,000 per annum, the sale and lease back of the Bournemouth property, and a comprehensive review of pricing across the whole of the customer base. The recovery plan was approved by the board on 1<sup>st</sup> September 2022. This plan has been successfully delivered and will return the organisation to a significant surplus in 2023/24, and will increase liquid reserves to acceptable levels.

A number of different scenarios were modelled between +5% and -10% income over the forecast period up to March 2025 and their effect on the financial results, cash flow and cash requirements reviewed. The Trustees feel that within the most likely range of scenarios that continuing prudent financial control together with the continued support of its bankers, who have renewed the overdraft facility until February 2024, will ensure that BPAS continues to operate within its financial resources. The trustees feel that following successful delivery of the recovery plan, that it should not need to use its overdraft facility for the foreseeable future, although it will remain as an



insurance. The Trustees consider that this should be sufficient to ensure that the Charity will continue to operate and meet its liabilities as they fall due for payment throughout the forecast period, which is a period of at least 12 months from the signing of the accounts.

Following the successful completion of the Business Transformation Plan, BPAS underwent a well-led inspection by the Care Quality Commission. The report, which was published in June 2023, highlighted a number of areas where improvements in risk escalation and governance needed to be improved. BPAS has been implementing a number of changes and is undertaking a comprehensive review of its structures to ensure the organization can deliver on its remit of providing both high quality healthcare services to increasing numbers of women and achieve broader advocacy and campaigning goals for its beneficiaries. The Board of Trustees will consider recommendations for a refreshed structure in December 2023.

All of the above have enabled BPAS to improve both operationally and especially financially and is already seeing a return to significant reserve growth in 2023/24, which will ensure the financial viability going forward.

Notwithstanding that the Trustees recognise that there remains a degree of uncertainty following the regulatory change, and ongoing inflationary pressures, however this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern. After considering the projections of cash flow and profitability to support cash balances the Trustees have a reasonable expectation that the charity will have adequate resources to continue for the foreseeable future, which is for a period of at least 12 months from the signing of these accounts. For this reason it continues to adopt the going concern basis in financial statements.

## **Structure, Management & Governance**

Directors and Trustees:

Dame Professor Cathy Warwick (Chair)  
Dr Lucy Moore (Executive Chair Designate 1/7/23)  
Graham Colbert  
Sam Smethers  
Professor Dame Lesley Regan (Resigned 1/3/23)  
Dr Sheelagh McGuinness  
Debra Holloway (appointed 10/3/23)  
Professor Iain Cameron  
Sanjay Shah  
Anne Shevas  
Dr Jane Stewart (Resigned 15/9/23)  
Natasha Walton  
Siobhan Kenny

BPAS is governed by its memorandum and articles of association dated 26<sup>th</sup> March 1984 and last updated by special resolution on 15<sup>th</sup> March 2022.

BPAS is constituted as a company limited by guarantee, each director and Trustee guarantees a sum not exceeding £10 during their membership and for one year thereafter.

The role of the Board is specifically to direct and oversee the strategy and operations of the charity whilst delegating the day-to-day operations to the executive leadership team, the Trustees meet formally at least 3 times a year.

Decisions are made at either a full Trustee meeting or via discussion and agreement between formal meetings. Where it is more appropriate for a smaller group of Trustees to meet and agree on more specialist subjects, then a Trustee sub-committee is mandated to make decisions outside of the full board. Following an external review of the Board structure and operations a key sub-committee has been formed for finance & risk.

In May 2023 the Trustees approached the Charity Commission to seek permission to appoint a paid executive chair to deliver the improvement plan required following the Well Led inspection, this was approved by the Charity Commission in November 2023.

Key management remuneration is set by a board sub-committee based upon reviews of market rates along with recruitment and retention requirements.

BPAS recruits and appoints new Trustees by either advertising or approaching prospective Trustees in person. Following initial recruitment and evaluation the prospective Trustee is interviewed by a panel consisting of 3 Board members, one of which is the chair. They are formally appointed and start their term of office at the Board meeting following their appointment. Whilst in post, Trustees are subject to an ongoing structured training and assessment programme concentrating on Trustee duties, responsibilities and conduct.

### **Chief Executive Officer**

Clare Murphy

### **Senior Officers**

Charles Scott (Deputy CEO, support services -resigned July 2022)

Dr Patricia Lohr

Rosemary Cutmore (National Business Development Director)

Michael Nevill (Director of Client Experience- Resigned October 2022)

Jill Craig (Director of IT-Resigned October 2022)

Marta Jansa-Perez (Director of Embryology-Resigned January 2023)

Donagh Stenson (Director of Marketing & Innovation – Resigned September 2023)

Stephen Franklin (Secretary & Director of Risk & Compliance – Resigned September 2023)

Joanne Deans (Director of HR)

Cheryl Crosby (Director of Operations)

Rachael Clarke (Chief of Staff)

Rachael Greshon (Director of Nursing, Midwifery and Quality)

Simon Marsh (Interim Deputy CEO- appointed September 2022)

**Registered Office:**

Orion House  
2 Athena Drive  
Tachbrook Park  
Leamington Spa  
CV34 6RQ  
Company Number 01803160  
Registered Charity 289145

**Reference & Administrative Details****Auditor**

BDO LLP  
Chartered Accountants and Registered Auditors  
Two Snow Hill  
Birmingham  
B4 6GA

**Bankers**

HSBC Bank PLC  
6<sup>th</sup> Floor  
120 Edmund Street  
Birmingham  
B3 2QZ

**Principal Solicitors**

Reynolds Porter Chamberlain  
Tower Bridge House  
St Katherine's Way  
London  
E1W 1AA



## Trustees Responsibilities

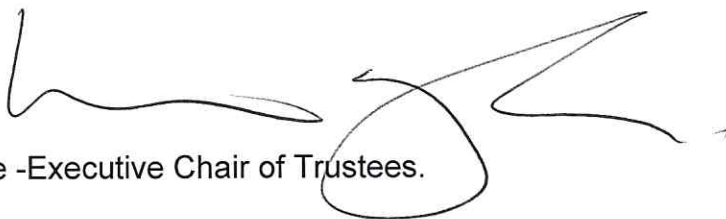
The Trustees are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company Law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the applicable Charities SORP.
- 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 charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board on 8<sup>th</sup> December 2023 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'Lucy Moore', with a large circular flourish at the end.

Lucy Moore -Executive Chair of Trustees.

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# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRITISH PREGNANCY ADVISORY SERVICE

## Opinion on the financial statements

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 the 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.

We have audited the financial statements of The British Pregnancy Advisory Service for the Prevention of Accidents ("the Charitable Company") for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We remain 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.

## Conclusions related to going concern

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

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

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



### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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. 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.

### **Other Companies Act 2006 reporting**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the 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 Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of Trustees**

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

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

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

### *Extent to which the audit was capable of detecting irregularities, including fraud*

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:

### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the Charitable Company and the sector in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining an understanding of the Charitable Company's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be the Charities SORP (FRS 102) – second edition and the Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

The Charitable Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety legislation and data protection.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory for any instances of non-compliance with laws and regulations;



- Review of financial statement disclosures and agreeing to supporting documentation.

## *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management, those charged with governance and the Audit Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charitable Company's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the area's most susceptible to fraud to be the posting of inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias, including the determination of useful economic life of fixed assets, the basis of going concern assumptions and the assumptions applied in the valuation of freehold land and buildings.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://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 those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
*Samantha Lifford*  
FC86A145C4F04E5...

Samantha Lifford (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Birmingham, UK

Date 12 December 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating an Income & Expenditure Account)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Continuing Operations Restricted	Discontinued Operations	Total
	<u>2023</u> <u>£'000</u>	<u>2023</u> <u>£'000</u>	<u>2023</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>	<u>2022</u> <u>£'000</u>
INCOME:							
Incoming from:							
<i>Donations and Legacies</i>	128	-	128	64	-	-	64
<i>Grants</i>	23	-	23	-	115	-	115
Incoming from charitable activities:							
<i>Fees for services</i>	48,594	72	48,666	39,399	-	101	39,500
Profit on sale of Fixed Assets	25	-	25	525	-	-	525
<b>Total Income</b>	<b>48,770</b>	<b>72</b>	<b>48,842</b>	<b>39,988</b>	<b>115</b>	<b>101</b>	<b>40,204</b>
EXPENDITURE ON:							
Charitable Activities:							
<i>Advice, Treatment and Care</i>	44,931	1,302	46,233	39,917	115	919	40,951
<i>Education and Research</i>	3,303	-	3,303	2,162	-	-	2,162
<b>Total Resources Expended</b>	<b>48,234</b>	<b>1,302</b>	<b>49,536</b>	<b>42,079</b>	<b>115</b>	<b>919</b>	<b>43,113</b>
(Loss on disposal of operations)	-	(1,510)	(1,510)	-	-	-	-
<b>Net Income (Expenditure)</b>	<b>536</b>	<b>(2,740)</b>	<b>(2,204)</b>	<b>(2,091)</b>	<b>-</b>	<b>(818)</b>	<b>(2,909)</b>
Gains on revaluation:							
Unrealised	74	-	74	1,242	-	-	1,242
<b>Net movement in funds</b>	<b>610</b>	<b>(2,740)</b>	<b>(2,130)</b>	<b>(849)</b>	<b>-</b>	<b>(818)</b>	<b>(1,667)</b>
Fund Balances bought forward 1 April	12,854	(818)	12,036	13,703	-	-	13,703
<b>Fund Balances carried forward 31 March</b>	<b>13,464</b>	<b>(3,558)</b>	<b>9,906</b>	<b>12,854</b>	<b>-</b>	<b>(818)</b>	<b>12,036</b>

All gains and losses recognised in the year are included in the Statement of Financial Activities.

**BALANCE SHEET (Company No. 01803160)**  
**AS AT 31 MARCH 2023**

			<u>2023</u>	<u>2022</u>
	<u>Note</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
	<u>s</u>			
<b><u>FIXED ASSETS</u></b>				
Tangible Assets	5	9,042		12,319
			<b>9,042</b>	<b>12,319</b>
<b><u>CURRENT ASSETS</u></b>				
Stock	6	909		1,068
Debtors	7	5,990		5,408
Cash at bank & in hand		8		43
		6,907		6,519
<b><u>CREDITORS</u></b>				
Amounts falling due within one year	8	(4,944)		(6,641)
			<b>1,963</b>	<b>(122)</b>
<b><u>NET CURRENT ASSETS/(LIABILITIES)</u></b>				
<b><u>CREDITORS</u></b>				
Amounts falling due over one year	8		<b>(487)</b>	<b>(161)</b>
Provisions	9		<b>(612)</b>	-
			<b>9,906</b>	<b>12,036</b>
<b><u>NET ASSETS</u></b>				
<b><u>RESERVES</u></b>				
Revaluation	12		3,954	4,719
Designated	13		10,385	7,181
General	14		(4,433)	136
Restricted	15		-	-
			<b>9,906</b>	<b>12,036</b>
<b><u>TOTAL FUNDS</u></b>				

The notes on pages 17 to 29 form part of these financial statements.

Approved by the Board on 08/12/23 and signed on its behalf:

Lucy Moore- Executive Chair





# **CASH FLOW STATEMENT**

## **FOR THE YEAR ENDED 31 MARCH 2023**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Net cash provided by (used in) operating activities	947	(1,801)
		-
<b>Cash flows from investing activities</b>		
Net Cash Proceeds from sale of discontinued operations	186	-
Purchase of property, plant and equipment	(1,171)	(2,518)
Proceeds from sale of property, plant and equipment	<u>892</u>	<u>3,593</u>
Net cash (used in)/provided by investing activities	(93)	1075
<b>Cash flow from financing activities</b>		
Repayment of Loans	<u>-</u>	<u>(2,319)</u>
Net cash (used in) financing activities	<u>-</u>	<u>(2,319)</u>
	<u><b>854</b></u>	<u><b>(3,045)</b></u>
<b>Change in cash and cash equivalents in the year</b>		
Cash and cash equivalents at the start of the year	(1,218)	1,827
Cash and cash equivalents at the year end	(364)	(1,218)

The notes on pages 17 to 29 form part of these financial statements.

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

	2023 £'000	2022 £'000	
I <b><u>Reconciliation of net income/(expenditure) to net cash flow from operating activities</u></b>			
Net (expenditure) for the year	(2,204)	(2,909)	
Adjustments for:			
Loss on disposal of discontinued operations	1,510	-	
Depreciation	1,833	1,310	
Decrease/(Increase) in stocks	110	(987)	
(Increase)/Decrease in debtors	(582)	394	
(Decrease)/Increase in creditors	(307)	916	
Increase in Provisions	612	-	
(Profit) on sale of Fixed Assets	(25)	(525)	
	<hr/>	<hr/>	
Net cash provided by (used in) operating activities	<b><u>947</u></b>	<b><u>(1,801)</u></b>	
<b>Analysis of Net Debts</b>	<b>1 April 2022 £'000</b>	<b>Cash Flows £'000</b>	<b>31 March 2023 £'000</b>
Cash at Bank and in hand	43	(35)	8
Bank Overdraft	<u>(1,261)</u>	<u>889</u>	<u>(372)</u>
Total	<b><u>(1,218)</u></b>	<b><u>854</u></b>	<b><u>(364)</u></b>
	<b>1 April 2021 £'000</b>	<b>Cash Flows £'000</b>	<b>31 March 2022 £'000</b>
Cash at Bank and in hand	1,827	(1,784)	43
Bank Overdraft	-	(1,261)	(1,261)
Bank Loans	<u>(2,319)</u>	<u>2,319</u>	<u>-</u>
Total	<b><u>(492)</u></b>	<b><u>(726)</u></b>	<b><u>(1,218)</u></b>



## 1. ACCOUNTING POLICIES

### A) Basis of Accounting

The financial statements have been prepared in accordance with the Companies Act 2006, applicable accounting standards on the going concern basis, and under the historic cost convention, as modified for the market value of investments and freehold land and buildings. The accruals concept of accounting is used throughout. The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The financial statements also comply with best practice as recommended by the Statement of Recommended Practice SORP 2015 (FRS102), issued by the Charity Commission.

The Financial statements have been prepared on a going concern basis.

The Trustees have revisited their going concern assessment in both February and September 2023, particularly assessing the effects of the business improvement plan, which was drawn up to focus the organisation on its core abortion service. This plan involved the organisation divesting itself of the fertility business, which happened in the final quarter of 22/23, saving £1,200,000 per annum, reducing its back office costs by £1,200,000 per annum, the sale and lease back of the Bournemouth property, and a comprehensive review of pricing across the whole of the customer base. The recovery plan was approved by the board on 1<sup>st</sup> September 2022. This plan has been successfully delivered and will return the organisation to a significant surplus in 2023/24, and will increase liquid reserves to acceptable levels.

A number of different scenarios were modelled between +5% and -10% income over the forecast period up to March 2025 and their effect on the financial results, cash flow and cash requirements reviewed. The Trustees feel that within the most likely range of scenarios that continuing prudent financial control together with the continued support of its bankers, who have renewed the overdraft facility until February 2024, will ensure that BPAS continues to operate within its financial resources. The trustees feel that following successful delivery of the recovery plan, that it should not need to use its overdraft facility for the foreseeable future, although it will remain as an insurance. The Trustees consider that this should be sufficient to ensure that the Charity will continue to operate and meet its liabilities as they fall due for payment throughout the forecast period, which is a period of at least 12 months from the signing of the accounts.

Following the successful completion of the Business Transformation Plan, BPAS underwent a well-led inspection by the Care Quality Commission. The report, which was published in June 2023, highlighted a number of areas where improvements in risk escalation and governance needed to be improved. BPAS has been implementing a number of changes and is undertaking a comprehensive review of its structures to ensure the organization can deliver on its remit of providing both high quality healthcare services to increasing numbers of women and achieve broader advocacy and campaigning goals for its beneficiaries. The Board of Trustees will consider recommendations for a refreshed structure in December 2023.

All of the above have enabled BPAS to improve both operationally and especially financially and is already seeing a return to significant reserve growth in 2023/24, which will ensure the financial viability going forward.

Notwithstanding that the Trustees recognise that there remains a degree of uncertainty following the regulatory change, and ongoing inflationary pressures, however this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern. After considering the projections of cash flow and profitability to support cash balances the Trustees



have a reasonable expectation that the charity will have adequate resources to continue for the foreseeable future, which is for a period of at least 12 months from the signing of these accounts. For this reason it continues to adopt the going concern basis in financial statements.

## **B) Income & Expenditure Account**

BPAS has not published a separate Income and Expenditure Account as the Statement of Financial Activities complies with FRS 102 and is equivalent.

All income is derived in the United Kingdom.

## **C) Incoming Resources & Resources Expended**

Incoming resources are analysed according to the activity that produces the resources. They are recognised on a receivable basis. Income generated in furtherance of the charity's objectives is based on fees for the provision of reproductive health services. Income from activities for the generation of funds comprises investment income and donations which are also recognised on a receivable basis.

Resources expended are analysed according to the activity to which it relates on an accruals basis.

Governance costs include audit costs, governance meeting expenses and legal advice to the trustees'.

Grants are accounted for on an accruals basis.

VAT is not recovered due to the nature of the services provided by the organisation and hence is an irrecoverable cost.

## **D) Land and Buildings**

FRS 102 requires fixed assets that are carried at re-valued amounts to be shown at their current value at the balance sheet date. To achieve this land and buildings are subject to valuations carried out on a rolling basis, by an independent valuer over a five-year period, unless a more frequent valuation is required to reflect material changes in the property market.

BPAS continues to apply a policy of regularly testing the assets for impairment.

## **E) Fixed Assets and Depreciation**

BPAS has a policy of capitalising individual equipment purchases over £5,000 unless the equipment is part of the infrastructure of the building.

BPAS has a policy of capitalising improvements to short-term leasehold premises where these improvements make the property fit for use.

Depreciation of Fixed Assets is on a straight-line basis calculated on annual rates to write off each asset over the term of its estimated useful life. The depreciation charge is adjusted to actual in the year of disposal.



The estimated lives in use are as follows:

Motor vehicles	5 years
Medical equipment	5 to 10 years
Fittings & Office equipment	5 years
IT Infrastructure	5 years
IT Hardware	5 years
Freehold Buildings	50 years
Freehold Land	is not depreciated

Short leasehold premises improvements are depreciated over the term of the lease.

#### **F) Stocks**

Stocks have been valued at the lower of cost or net realisable value after making due allowance for obsolete items. Stock consists of medical consumables and accordingly no overheads are included in the stock valuation.

#### **G) Debtors**

Where clients undertake to repay fees over an extended period and find themselves unable to continue repayments, the balance is written off. A provision is made for clients who may be unable to repay loans outstanding at the end of the financial period.

#### **H) Repairs and Renewals**

These are charged to the Statement of Financial Activities in the year in which expenditure is incurred.

#### **I) Foreign Exchange**

BPAS accepts payment in both sterling and euros. Translation of euro transactions is undertaken monthly with foreign exchange gains and losses being recognised when realised. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the Statement of Financial Activities

#### **J) Pensions Costs**

The Charity operates a defined contribution scheme to which all employees are auto-enrolled and costs are accounted for in the year in which they occur.

#### **K) Fund Accounts**

The charity has created designated funds in order to ring fence the historic value of Land & Buildings, and restricted funds in relation to grants received for specific purposes.

## **L) Leased Assets**

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding lease commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the income and expenditure account.

Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the income and expenditure account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amount payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the income and expenditure account on a straight-line basis over the term of the lease.

## **M) Judgments in applying accounting policies and key sources of estimation**

In preparing these financial statements, the trustees have made the following Judgements:

- Determine whether leases entered into by the charity either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis, and to whether any dilapidations are required as a result of these leases. Any dilapidations that are considered necessary by the Trustees at this time, are included in these accounts.
- Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic value in use, whether there are expected future cash flows to be created by the entity, and whether there is any evidence of obsolescence or damage.
- As described in Note 1 D) above the Charity obtained independent third party property valuations from KWB Property Management Limited. On the basis of the information provided the Trustees consider that there is sufficient information available to measure the value of freehold land and buildings at the balance sheet date.

## **N) Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

## **O) Provisions**

The Charity provides for the uninsured amount of any medical malpractice claims as soon as it becomes aware of such a claim, the amount provided is based upon an assessment of how likely the claim is to be successful.



## NOTES TO THE FINANCIAL STATEMENTS

### 2. CHARITABLE EXPENDITURE

BPAS is a charity that provides abortion advice, treatment and care services to clients and its resources expended are directly related to the provision of these services except costs incurred for education & research, administrative costs necessarily incurred in running the charity. Support costs have been allocated to activities on the basis of staff time incurred to support of the activity, costing on a full cost basis.

Advice, treatment and care costs for continuing operations include the following:

	<b>2023 £'000 Service Provision</b>	<b>2023 £'000 Head office &amp; Support</b>	<b>2023 £'000 Total</b>	<b>2022 £'000 Service Provision</b>	<b>2022 £'000 Head Office &amp; Support</b>	<b>2022 £'000 Total</b>
Salaries, Fees & Related Staff Costs	25,444	4,828	30,272	21,174	5,248	26,422
Consumables	5,097	31	5,128	3,922	-	3,922
Infrastructure Costs	6,684	4,149	10,833	6,819	3,788	10,607
	<b>37,225</b>	<b>9,008</b>	<b>46,233</b>	<b>31,915</b>	<b>9,036</b>	<b>40,951</b>

The 2022 costs were mis-categorised and have been restated to the correct amount. The total of Salaries Fees & Related costs have decreased by £5,983,000 and the Infrastructure costs increased by £5,983,000.

The correction of the mis-categorisation to infrastructure costs has increased the amount allocated to Service Provision costs by £3,906,000 and Head office & support by £2,077,000. The correction to Salaries Fees & Related costs has decreased the amount allocated to Head Office & Support costs by £5,983,000.

Education and Research costs include:

	<b>2023 £'000 Service Provision</b>	<b>2023 £'000 Head office &amp; Support</b>	<b>2023 £'000 Total</b>	<b>2022 £'000 Service Provision</b>	<b>2022 £'000 Head Office &amp; Support</b>	<b>2022 £'000 Total</b>
Salaries, Fees & Related Staff Costs	1,917	965	2,882	1,016	737	1,753
Consumables	24	30	54	28	42	70
Infrastructure Costs	47	320	367	18	321	339
	<b>1,988</b>	<b>1,315</b>	<b>3,303</b>	<b>1,062</b>	<b>1,100</b>	<b>2,162</b>

<b>Governance Costs</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Included in above		
Audit	65	39
Meeting expenses	4	17
Legal	167	16
	<b>236</b>	<b>72</b>

Amounts paid under operating leases was £2,022,000 (2022 £2,029,000).

### 3. STAFF COSTS

	<b><u>2023</u></b> <b><u>£'000</u></b>	<b><u>2022</u></b> <b><u>£'000</u></b>
Wages & Salaries	26,291	22,715
Social Security Costs	2,645	2,150
Other Pension Costs	1,603	1,364
	<b><u>30,539</u></b>	<b><u>26,229</u></b>

Included in the above are redundancy payments of £184,000 (2022- £121,000).

	<b><u>2023</u></b>	<b><u>2022</u></b>
Average monthly number of full and part time employees during the year:		
Advice Treatment & Care	837	793
Education & Research	<u>61</u> <b><u>898</u></b>	<u>39</u> <b><u>832</u></b>

Due to the large number of part time employees of the charity this equates to contracted whole time equivalents:

647 574

The number of employees earning over £60,000 p.a. excluding pension contributions, was:

	<b><u>2023</u></b>	<b><u>2022</u></b>
£60,001 - £70,000	13	4
£70,001 - £80,000	8	2
£80,001 - £90,000	4	5
£90,001 - £100,000	4	3
£100,001 - £110,000	2	2
£110,001 - £120,000	5	3
£120,001 - £130,000	0	3
£130,001 - £140,000	1	2
£140,001 - £150,000	1	0
£150,001 - £160,000	1	1
£160,001 - £170,000	2	1
£170,001 - £180,000	0	1

Pension contributions for the above staff amounted to £341,000 (2022 - £179,000).

During the year no Trustees, or any persons connected with them (other than those disclosed in Note 20), have received any remuneration during the year. During the year the Charity made no pension payments on behalf of the Trustees.

Aggregate remuneration of key management personnel was £1,394,000 (2022-£1,430,000) with pension contributions of £171,000 (2022-£106,000). One member of key management was paid as a contractor, and not through the payroll. Re-imbursement of expenses, which are subsistence costs, incurred by all the Trustees in attending meetings totalled £3,000 (2022 - £1,000).



#### 4. PENSIONS

The Charity operates a defined contribution scheme. The assets are held separately from those of the charity in independently administered funds. Contributions payable by the Charity to the fund amounted to £1,603,000 (2022 - £1,364,000). Employee Group Personal Pension Contributions between 1% and 5% attract an employer contribution between 1% and 7% with BPAS covering the administration expenses and the cost of death in service benefits. This scheme is stakeholder compliant and is open to all contracted members of staff. Contributions amounting to £185,000 (2022 - £185,000) were payable to the fund and are included in creditors.

#### 5. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Short Leasehold Land & Buildings	Motor Vehicles	Equipment	Total
	£'000	£'000	£'000	£'000	£'000
<b><u>Cost or Valuation</u></b>					
At 1 April 2022	5,750	3,546	525	11,186	21,007
Additions	-	258	-	913	1,171
Disposals	(850)	(1,454)	(104)	(1,544)	(3,952)
Revaluations	25	-	-	-	25
At 31 March 2023	4,925	2,350	421	10,555	18,251
<b><u>Depreciation</u></b>					
At 1 April 2022	-	2,025	351	6,312	8,688
On disposals	(6)	(569)	(91)	(597)	(1,263)
Charge for the year	55	260	59	1,459	1,833
Revaluations	(49)	-	-	-	(49)
At 31 March 2023	-	1,716	319	7,174	9,209
<b><u>Written Down Values</u></b>					
At 31 March 2022	5,750	1,521	174	4,874	12,319
At 31 March 2023	4,925	634	102	3,381	9,042

- Land and Buildings included at valuation would have been included on an historical value basis at £986,000 (2022 - £1,217,000).
- All of the freehold land and buildings were re-valued in the year. These valuations were undertaken by a professional firms of chartered surveyors; KWB Property Management Limited.

## 6. STOCKS

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
Medical Consumables	<u>909</u>	<u>1,068</u>

## 7. DEBTORS

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
Trade Debtors	4,114	3,843
Prepayments & Accrued Income	1,876	1,565
	<u>5,990</u>	<u>5,408</u>

All amounts fall due within one year.

## 8. CREDITORS

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
<b>Amounts falling due within one year:</b>		
Trade Creditors	1,718	2,213
Taxation & Social Security	882	838
Accruals and deferred income	1,820	2,222
Obligation under Finance leases	152	107
Bank Overdraft	372	1,261
	<u>4,944</u>	<u>6,641</u>

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
<b>Amounts falling due over one year:</b>		
Obligations under Finance leases	487	161
	<u>487</u>	<u>161</u>

## 9. PROVISIONS

	<b>2023</b> <b>£'000</b>
Transferred from Accruals	487
Paid during the year	291
New provisions made	416
<b>Closing Balance 31 March 2023</b>	<b><u>612</u></b>

The provisions relate to the uninsured part of claims and potential claims under our indemnity insurance, an amount of £487,000 was included in accruals in 2022.



## 10. BANK ACCOUNT

An overdraft facility agreed by the Charity with its bankers was secured by way of a debenture comprising fixed and floating charges over all of the assets and undertaking of the Charity, as well as first legal charge over one of the freehold properties.

## 11. TAXATION

The charitable company meets the definition of a charity in schedule 6 Finance Act 2010 and accordingly is entitled to exemptions set out in Part II Corporation Tax Act 2010 and section 256 Taxation of Chargeable gains Act 1992 to the extent that its income and gains are applied for charitable purposes.

## 12. REVALUATION RESERVE

During the year the revaluation reserve has decreased from £4,719,000 to £3,939,000. Due to the sale of one freehold property. During the year all of the freehold properties were re-valued.

	2023 <u>£'000</u>	2022 <u>£'000</u>
Balance at 1 April	4,719	4,863
Movement in Funds		
Depreciation of Buildings	(41)	(36)
Disposal of revalued property	(798)	(1,350)
Revaluation of Properties	74	1,242
Balance at 31 March	<u><b>3,954</b></u>	<u><b>4,719</b></u>

## 13. DESIGNATED RESERVE

	2023 <u>£'000</u>	2022 <u>£'000</u>
Balance at 1 April	7,181	6,050
Movement in Funds		
Transfer From General Reserve	3,204	1,131
Balance at 31 March	<u><b>10,385</b></u>	<u><b>7,181</b></u>

in accordance with Charity Committee guidance the BPAS board operates a risk based policy that enables the Charity to safely reduce designated reserves in order to invest in solutions and projects recommended in the Strategic Risk Register.

## 14. GENERAL RESERVES

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
Balance at 1 April	136	2,790
Realised deficit for the year	(2,130)	(2,909)
Transfer from revaluation reserve (note 12)	765	1,386
Transfer to designated reserve (note 13)	(3,204)	(1,131)
Balance at 31 March	<b>(4,433)</b>	<b>136</b>

## 15. RESTRICTED RESERVE

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
Balance at 1 April	-	-
Grants Received	-	115
Resources expended	-	(115)
Balance at 31 March	-	-

## 16. INDEMNITY INSURANCE

BPAS carries indemnity insurance cover for all employees providing protection for BPAS against mainly medical negligence claims up to a limit of £10 million at a cost of £405,000p.a. (2022 - £245,000) A separate policy provides Directors and Officers indemnity cover of £3 million at a cost of £6,000p.a. (2022-£6,000)

## 17. COMMITMENTS UNDER OPERATING LEASES

The company had commitments under non-cancellable operating leases as set out below.

	<b>Land &amp; Buildings</b> <b>2023</b> <b>£'000</b>	<b>Others</b> <b>2023</b> <b>£'000</b>	<b>Land &amp; Buildings</b> <b>2022</b> <b>£'000</b>	<b>Others</b> <b>2022</b> <b>£'000</b>
Operating leases which expire:				
Within one year	1,761	137	1,744	104
In two to five years	2,198	548	3,601	-
After five years	853	23	1,858	-
	<b>4,812</b>	<b>708</b>	<b>7,203</b>	<b>104</b>



## 18. MEMBERS LIABILITY

BPAS does not have share capital and each director/member guarantees a sum not exceeding £10 during his or her membership and for one year thereafter.

## 19. AUDITOR REMUNERATION

Auditor's remuneration for the year was £65,000 (2022-£39,000) for audit services and £Nil (2022-£Nil) for non-audit services.

## 20. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year, the Charity purchased goods and services of £51,000 from Group Anaesthetic Services LLP (a supplier of anaesthetic services) in 2022, in which one of the Trustees (David Dickson, since retired) has an interest. All transactions are on an arms length basis.

Amounts outstanding to GAS LLP of £3,600 were included in creditors in 2022.

## 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

### 2023

	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>Total £'000</b>
Tangible Fixed Assets	9,042	-	9,042
Net Current Assets	1,351	-	1,351
Long Term Liabilities	(487)		(487)
	<b>9,906</b>	<b>-</b>	<b>9,906</b>

### 2022

	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>Total £'000</b>
Tangible Fixed Assets	12,319	-	12,319
Net Current Liabilities	(122)	-	(122)
Long Term Liabilities	(161)		(161)
	<b>12,036</b>	<b>-</b>	<b>12,036</b>

## 21. Discontinued Operations

On 20th January 2023 BPAS disposed of its fertility business. The loss on disposal of the business has been calculated as follows.

	£'000	£'000
Cash Proceeds		600
Less Costs of Sale		<u>(414)</u>
Net Cash Proceeds		186
Net assets disposed of:		
Tangible Fixed Assets	1,822	
Stocks	49	
Debtors	-	
Creditors	<u>(175)</u>	
		<u>(1,696)</u>
(Loss) on disposal		<u><b>(1,510)</b></u>

The Net inflow of cash in respect of the fertility business is as follows: £'000

Cash Consideration	600
Less Costs of sale	(414)
Cash transferred on disposal	-
Net Inflow of Cash	<u><b>186</b></u>