

Gospel Standard Bethesda Fund

9th Annual General Meeting

8 April 2016

MR. H. MERCER (Chairman, Bethesda Fund): Subscribers and friends, it is my privilege to welcome you to the ninth Annual General Meeting of the Gospel Standard Bethesda Fund and present the seventy-first Annual Report and Accounts which are for 2015. We regret the delay in sending out the information this year, which arose because of the time it took for Santander to respond to the request of our Auditors to confirm direct to them the amount of the investment held by them for the Bethesda Fund of £1,174,474 in a one year bond. The audit certificate could not be signed until this verification was received.

The audit went smoothly otherwise, although this year we have had to provide figures for accrued holiday pay and to comply with the additional requirements of the Standards of Accounting Practice.

Two booklets have been provided this year in view of the additional information required to be published, such as detailed comparative figures in the Statement of Financial Activities.

We have much to be thankful for and would acknowledge the Lord's goodness in maintaining the Homes in these trying times.

The financial result for 2015 if legacies are not taken into account is an excess of expenditure over income of £290,866 compared with £308,056 in 2014. For management purposes, legacies are regarded by us as a receipt of capital, although to comply with accounting standards they have to be treated as income. The budget for the current year indicates another substantial excess of expenditure over income, which dependent on the timing of repair expenditure and occupancy of the Homes could be in the region of £400,000.

We are approaching the time when the Homes because of their age will increasingly require substantial maintenance and refurbishment. This will impact on the financial outcome for the year when the expenditure is made and these costs will be substantial.

The burden of pension contributions adds to employee costs, and we have increased the hourly rate paid to our staff by 2% in preparation for the introduction of the National Living Wage next year. Local authorities have only increased the amount they pay for the support of residents funded by them by about 1% and so the gap between the income and expenditure gradually widens. This is funded by the designated fund for which the collection is being taken today.

We are thankful that the Bethesda Fund has adequate resources to continue to meet ongoing expenditure, but there is a serious concern to maximise the income generated by our Homes. The occupation levels of the Homes are shown on page 9 of the Annual Report, and with the exception of Brighton are somewhat disappointing. It is the Committee's desire that the Homes should be fully occupied and we are thankful that the position overall has improved.

As mentioned on previous occasions, the demand for places in the Homes is not as great as it was a few years ago, and we would encourage our elderly friends seriously to consider taking advantage of the first class facilities that Bethesda offers. The Care Quality Commission (CQC) inspection reports are excellent and confirm the high standard of satisfaction expressed by our residents with the service provided.

We are continually subjected to increasing regulation and statutory requirements, and it is a credit to our General Manager and our management teams that we are deemed to be wholly compliant. We are not complacent and continually strive for even higher standards.

The Committee welcomes constructive suggestions from subscribers and those with an interest in the Homes about any aspect of Bethesda, and they are very concerned over the continuing depletion of our reserves. The difficulty centres on the small size of our Homes, which in today's world cannot be viable. The alternatives have been discussed over a number of years, but are not feasible.

The financial outlook is difficult because of our very high level of fixed costs and the limitations on the levels of income. Our fees are very reasonable bearing in mind the necessary costs of staff and all related expenditure to provide accommodation and care, and we are carefully considering ways to supplement the income of the Homes. This could be by providing short holiday lets in vacant staff accommodation such as the manager's flat at Studley which is not required at the present time. A number of friends take advantage of the provision in the Homes for short stays for respite care, some using this facility several times.

We are very grateful to our many volunteers and helpers who willingly give of their time and energy for the benefit of the residents. What they do is much appreciated by the residents.

May the Lord appear for us to guide and direct in the way that we should go, and continue to supply all our need.

A resolution was then put to the Meeting that the Minutes of the Annual General Meeting held on April 10th, 2015, be approved, with one minor amendment. Minute 2 states that Mr. P. Barnard was from Bodle Street, but it should be Heathfield. Subject to this amendment, the resolution was proposed by Mr. D.J. Lawson (Clifton), seconded by Mr. A. Chapman (Ashwell) and carried nem con.

The Chairman then asked Mr. Topping to present the Annual Report and Financial Statements for 2015.

MR. TOPPING (General Manager): Mr. Chairman, subscribers and friends, It is my privilege to present to you once again the Bethesda Annual Report and Financial Statements. As usual it is not my intention to repeat what has been said in the written Report, as most of you will have already had a copy, although I will be referring to it from time to time. If you do not have a copy of the report you are invited to help yourself from the box in the entrance lobby or in the schoolroom.

In the light of all that is going on in the care industry at this time, we are thankful that we are able to maintain a high standard of care and support for our residents.

Since the end of the year, there have been a number of developments. Occupancy in the Harpenden Home has continued to improve, and now stands at seventeen permanent residents, which, over the years has been the average for this Home. Occupancy in the other two Homes has remained more or less the same. Since the end of the year, Mr. Walder, Pastor of Galeed Chapel, Brighton, who had been a resident in the Brighton Home for nine years, passed away. All three Homes have continued to see strong use of the short stay facility, which, in Brighton for a time saw every room in the Home fully utilised.

On page 12 of our Report, we said that two of our Homes had been inspected by the CQC under the new framework during the year, and that we expected the third, Harpenden, to be inspected imminently. This expectation was fulfilled on February 23rd by the unannounced visit of two inspectors. As anticipated, the inspection went well and this Home joins the other two with an overall "good" rating.

In a CQC inspection there are four possible ratings that can be given. These are, inadequate, requires improvement, good and outstanding. Qualifying for the "outstanding" rating is very challenging, and the majority of care homes that are compliant with the regulations are given a "good" rating. Looking at the CQC website, in February there were 1,237 inspections of care homes and only twenty-two of these achieved an "outstanding" rating. We would like to think that next time we could be among that number, and to this end we have been studying the reports of homes that have achieved this. Whilst there is no single aspect which differentiates an "outstanding" home from a "good" home, what does come across from this exercise quite clearly is that homes with the "outstanding" rating are invariably new facilities with additional amenities such as a hair salon or a bar. A "good" rating is still very satisfactory, however, as can clearly be seen from reading our reports. It is certainly apparent that the quality of the care and support we give our friends living in the Homes is nothing short of excellent.

We do not, however, just rely on CQC inspections to assess the quality of the service we provide at each of the Homes. In addition to speaking to our friends in the Homes and their friends and relations, we periodically commission quality assurance surveys to ensure residents are receiving the service that they require. These are very positive, which is encouraging. Where issues are from time to time highlighted, we address these promptly and improve our service.

One such improvement has been referred to in the written Report, and that is the move towards enhanced provision for dementia care in our Homes. The aim of this is to improve Bethesda's ability to fulfil its charitable purpose to its beneficiaries by opening up the service to people who are already living with dementia, rather than just to those who develop it after they come into the Homes. This service will take some time to implement.

Although Bethesda is adjusting its service to accommodate more complex care needs in response to the changing needs of the elderly in our group of churches, there are still clear limits to the service that we can offer, and we have set these out at the bottom of page 11 of the Report. In many respects the Care Homes are, in all but name, nursing homes, and that is because of the many people with complex care needs we already care for. However, the main reason for this is because of the excellent support provided by the NHS community care specialists. Without the support of these professionals, we would not be able to look after at least a third of our residents, who would then have to go into nursing homes. Whilst invaluable, this support does in itself place a restriction on those who can be admitted into our Homes because it takes time for the referral process to be completed and for them to formulate a plan of care. For people already living in our Homes, this does not present a problem, as conditions requiring specialist support usually develop over a period of time or can be addressed prior to a hospital discharge back to the Home. We would not, however, be able to admit someone with complex care needs straight from their own home without specialist support having been set up in advance.

Prior to admission to a Home, there will always be a pre-admission assessment carried out by the relevant Home Manager. This is used to assess what care and support will be

required, and whether Bethesda will be able to offer this. We would encourage anyone considering using our service to seek an early assessment, as this will highlight whether additional specialist support may be required, and allow an opportunity for this to be arranged prior to admission.

As was indicated in the written Report, another restraining factor on the service we can provide is that our Homes were built to now obsolete standards. We are looking at a variety of ways of addressing this. Part of this is the planned extension to the dining room at the Brighton Home, for which planning approval has now been received. We are currently in the process of obtaining building regulations approval for this before going out to tender to local building contractors.

Turning our attention to fees, at the Finance Meeting in February the Committee very carefully considered the fee structure and the amount of the increases for this year, taking into account the current level of inflation and the burden of costs in providing care. This year it has been felt necessary to increase the fee rates between 1.4% and 1.9%. The ordinary care rate will now be £571 per week, the intermediate care rate £631 per week, the higher care rate £702 per week and the advanced care rate £756 per week. The short stay care rates have increased to £361 per week for ordinary, £399 per week for intermediate and £450 per week for higher.

It should be noted that many other care providers have increased their fees by about 8% due to the increased costs imposed by the new National Living Wage alluded to by Mr. Mercer that became law this year on April 1st this year. Bethesda has been able to maintain a much lower increase on this occasion as we have been largely unaffected due to our current wage rates being above the new levels set. However, next year we too will start to feel the impact of this, and may need to consider an increase in fees by a similar percentage.

As was reported at last year's Annual General Meeting, some years ago, an Underfunded Residents Fund of £500,000 was set up by the Committee by setting aside part of the proceeds of the sale of the Tunbridge Wells Home. As the name suggests, this was specifically set up to assist residents who were unable to pay the full cost of the fees. Local authorities do not pay the normal Bethesda fee, and the difference between the fee received by us and the cost of care is made up from this Fund. In some instances, this can be up to £100 per week. In addition, where a local authority denies a resident funding, but they do require help, the Underfunded Residents Fund provides the means which enables them to come into a Bethesda Home. As Mr. Mercer has already reported, the collection this year has been kindly designated by the Societies for this Fund.

As this Fund would have been completely depleted by the end of 2015, it was announced last year that, unless directed otherwise, donations received by the General Office for Bethesda would be placed in this Fund for the ongoing support of underfunded residents. This will continue in 2016. As donations alone are not sufficient to meet the needs for financial support to underfunded residents, we would encourage those thinking of leaving a legacy to Bethesda to direct it to this Fund.

Once again, our sincere thanks go to all our staff for the hard work, dedication and care that they give to our friends living in the Homes, and also to the Home Support Groups and other volunteers who give so much to support the people living in the Homes in many different ways. It was very interesting to see that the CQC inspection this year specifically picked up

on the work done by the Home Support Groups, which gives some indication of the value of the work that they do.

Finally, we are thankful for the support given to us by our subscribers and we would continue to encourage people to consider supporting us in this way.

The Chairman thanked Mr. Topping for his report and all that he does for the management of the Bethesda Homes, and asked if there were any questions. There were none, and it was then proposed by Mr. D.J. Broome (Trowbridge) and seconded by Mr. G.D. Buss (Pastor, Chippenham) that the Report and Accounts of the Gospel Standard Bethesda Fund for 2015 be approved and adopted. This was carried nem con.

The Chairman then asked Mr. Topping to declare the result of the secret ballot to re-elect the Committee member retiring by rotation. Mr. Topping announced that 235 ballot papers were issued to subscribers, of which 151 were returned, and as a result, Mr. Henry Mercer had been re-elected for a further three years.

MR. MERCER. Thank you very much. We much appreciate the confidence you have in the Committee, who do seek to do what is in the best interests of Bethesda and seek to be guided and directed by the Lord. These are very difficult times for us, and the Committee seeks that wisdom and direction may be given faithfully to discharge the responsibilities they carry, and that the Lord would continue to bless the provision of the Homes for the benefit of His dear, aged people. The Committee seeks a continuing interest in your prayers, and a continuance of the practical support given so generously to the Homes. This concludes the business of the Meeting.