

A thick, dark green vertical bar runs down the left side of the page. A green arrow-shaped box points to the right from this bar, containing the text '2021 – 2022(Q1-2)'. In the bottom left corner, there are several thin, curved, light green lines that sweep upwards and to the right, resembling stylized grass or reeds.

2021 – 2022(Q1-2)

# **Trustees Annual Report and Financial Statements**

For the period 1 January 2021 to 30 June 2022

**GOSPEL STANDARD BETHESDA FUND**

Registered Charity 209376

# Contents

<b>Trustees Annual Report for 2021 and 2022 to 30 June 2022.....</b>	<b>1</b>
Introduction .....	1
Trustees and Officers of the Charity serving during 2021 and since the year end.....	1
Objective of the Charity and how this is met.....	1
Governing Document.....	2
Constitution and Organisational Structure.....	2
Public Benefit.....	3
Going Concern .....	
Achievements and Outcome of activities .....	4
Charity overview .....	4
Brighton Home .....	7
Harpenden Home.....	8
Studley Home.....	9
Redhill Flatlets .....	10
Harpenden Flatlets.....	10
Swavesey Project.....	10
Financial Review .....	11
Summary of Financial Results for each Home for the 18 months to 30 June 2022.....	12
Occupancy .....	13
Summary of Financial Results for the Flatlets for the 18 months to 30 June 2022 .....	14
Plans for the Future subject to the Lord's will .....	14
Incorporation of the Charity.....	14
Conclusion.....	15
Appendix 1: Reference and Administrative Information .....	16
Appendix 3: Reserves Policy.....	17
Appendix 4: Risks Management Policy.....	18
Appendix 5: Investment Policy .....	19
Appendix 6: Policy Statement on paying staff .....	20

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# Gospel Standard Bethesda Fund

Registered Charity 209376

## Trustees Annual Report for 2021 and 2022 to 30 June 2022

### Introduction

During the year 2022 the Gospel Standard Bethesda Fund (the Charity) was working to complete the process of moving from an unincorporated charity to an incorporated charitable company and it was originally hoped to achieve this during the first half of the year. The Charity Commission therefore agreed to allow us to extend the 2021 financial period to 30<sup>th</sup> June 2022 to avoid the need to submit two sets of fully audited accounts.

Thus, the Trustees Annual Report and the Annual General Meeting (AGM) are being arranged differently this year as is reflected in this report.

Although this report covers the period from January 2021 to the end of June 2022, there are places where we have included relevant, more recent information.

### Trustees and Officers of the Charity serving during 2021 and the first six months of 2022

Mr. M.D. Ridout (Chairman)

Mr. A.J. Collins (Vice-Chairman)

Mr. S.B. Cottingham

Mr. P.J. Pocock

Mr. J. B. Hart (Appointed September 2021)

Mr. R.A. Saunders

Mr. T.H.W. Scott (retired April 2021)

Mr. D.F. Stevens

Mr. R.W. Woodhams

Mr. A.J.H. Topping (General Manager/Charity Secretary)

Miss S. Williamson (Registered Home Manager, Brighton)

Mrs. D. Scott (Registered Home Manager, Harpenden)

### Objective of the Charity and how this is met

The Gospel Standard Bethesda Fund (the Charity) provides accommodation, personal care and support to elderly persons who are members of Gospel Standard Strict and Particular Baptist chapels, or who regularly attend Gospel Standard chapels and who have a wide range of personal care needs including, physical infirmity, loneliness, dementia and nursing needs that can be treated in our homes by community/district nurses.

The Charity makes available four types of provision: permanent residency, short stays and day care together with independent living flatlets at Harpenden and Redhill.

The way Bethesda provides care and support for its residents is through understanding the background to their beliefs and lifestyle, which can be summarised in the following way:

In 1944 the Gospel Standard Bethesda Fund was formed to provide a Christian Home for the elderly and infirm from the Gospel Standard group of Churches. The provision of this care and accommodation provided a spiritual and homely atmosphere for likeminded people.

The residents are Bible-believing Christians whose rule of life is the Gospel, and Bethesda strives to respect this in providing for their mental, spiritual and physical wellbeing.

The spiritual life of the Bethesda Homes centres around:

- Daily Bible reading and prayer.
- Chapel services which can be attended in person or listened to in the Homes.
- Prayer meetings and hymn singing organised in the Homes.

In addition, the Homes endeavour to match the previous lifestyle of the residents which would not have included, for example, television or visiting places such as theatres and cinemas.

The Bethesda Homes are rooted and grounded in the churches with which the residents were formerly associated. This means that residents in our Homes will often be living with lifelong friends and, in many cases, relatives as well. The management and staff of the Homes (some of whom are also from the same background) are supported by volunteers drawn from local Gospel Standard chapels which means residents living in the Homes can stay in contact with the people they knew prior to moving.

The Charity achieves its purpose through providing high quality care that meets the individual physical, mental and spiritual well-being of the residents which is delivered with compassion, kindness, dignity and respect. This is underpinned by ensuring that the Homes are well governed, led and managed to provide a framework for delivering high quality care centred on meeting the individual needs of the residents along with ensuring;

- The residents are safe and free from harm,
- The residents, their families, staff and external agencies are confident that the Homes provide a secure and caring environment.
- The individual care needs of the residents are assessed, reviewed and monitored from pre-admission to end of life.
- Any concerns regarding the appropriateness of care provided are identified, listened to and acted upon.
- The care, treatment and support provided to the residents is delivered in a transparent and appropriate way by staff competent and confident to do so in facilities that are adapted, as appropriate, to meet individual needs so the health and well-being of residents is maintained and improved.
- Opportunities are available for residents and others associated with the Homes to provide feedback on the quality of care provided, as part of Bethesda's commitment to service improvement.

### **Governing Document**

The Gospel Standard Bethesda Fund is an unincorporated charitable trust, first registered as a Charity in 1944. It now operates under a Charity Commission scheme which came into effect on 15 June 1999, amended by resolution on 6 January 2003 and 5 October 2007. The scheme is a fully regulating scheme which replaces the former trusts of the Charity.

### **Constitution and Organisational Structure**

Under the scheme, as amended, the Committee appoints members to the Bethesda Fund Committee, and the appointment of new appointees is ratified by the subscribers at the next Annual General Meeting following the appointment. Those members of the Committee eligible, offer themselves for re-election by rotation at the Annual General Meeting. In this way the subscribers also have the opportunity to ratify the re-election of each Committee Member once every three years.

The members of the Bethesda Fund Committee are the Trustees of the Charity, and with them rests the overall responsibility for running and administering the Charity. The Charity Commission scheme provides for the appointment of a minimum of six committee members up to a maximum of twelve; at the end of 2021 there were seven members following the retirement of Mr. Trevor Scott in April 2021. Mr. John Hart joined in September 2021 taking the current membership to eight.

The Committee seeks to appoint new members who are sympathetic to the founding purposes of Bethesda and in addition, are able to provide relevant skills and experience. New committee members, prior to joining the Committee, are introduced to their duties and responsibilities including the requirements of the Charity Commission.



In 2019, the Trustees identified the need to review, in the fear of the Lord, the appropriateness of the Charity's current legal entity. This work was started during 2020 and was concluded on 30 December 2022.<sup>1</sup>

The General Manager has the responsibility for ensuring that the Bethesda Homes are managed effectively and in accordance with legal and regulatory requirements and is assisted in this by the management team of each Home.

### **Public Benefit**

As a charitable organisation, Bethesda is required to demonstrate that there is an identifiable benefit to a section of the general public as a direct result of its activities in pursuit of its charitable aims. To that end the Charity's Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission.

### **Trustees' responsibilities in relation to the financial statements**

Charity 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 Charity at the year end and of its income and expenditure during that year. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are required to keep proper accounting records which 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the Charity's governing documents. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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<sup>1</sup> **Going Concern:** With thanks to the Lord this process was completed in December 2022 and the Charity became an incorporate charitable company on 31 December 2022.

Having obtained the consent of the Care Quality Commission and the Charity Commission, all the assets and liabilities of the charity were transferred as a going concern on 30 December 2022 to a private charitable company, limited by guarantee, named Gospel Standard Bethesda Fund (company number 13651153 registered in England and Wales and registered with the Charity Commission under charity number 1199341). A provisional estimate of the fair value of the assets transferred (after deducting all liabilities) is approximately £9m at the date of transfer. The charitable activities are thus continuing under the new corporate structure and the decision has been taken to seek for this original unincorporated charitable trust to be dissolved as soon as practicably possible thereafter.

On transfer of assets, the trustees assessed the position of this charity and the charitable company and have identified no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable activities to be continued as a going concern in the charitable company to which they have been transferred. This assessment has been made in respect of a period of 12 months from the date of approval of these Financial Statements. Since the charitable activities are no longer continuing within this entity, accounting rules require it to be stated that these Financial Statements have been prepared on a basis other than going concern. This basis change has not altered the amounts in these Financial Statements from those calculated under the going concern basis previously applying, as the charitable activities were continued seamlessly as a going concern in the charitable company.

## **Achievements and Outcome of activities**

### ***Charity overview***

Continuing from last year (2020), the operations and activities of the Charity were dominated by the COVID-19 pandemic, which was then ongoing, requiring constant vigilance to prevent the infection entering the Homes, combined with the normal day-to-day care and support of the residents. We began the year with many restrictions for those visiting residents in the Homes, which eased over the following months, before tightening up again in December. Additionally, we had the implementation of mandatory vaccination for staff, which caused a great deal of work and anxiety for the managers and staff and resulted in the loss of a number of greatly valued colleagues (although we are thankful that, since year end, some of these have been able to return with the mandatory vaccination requirement having been revoked).

The restrictions imposed by the government guidance around COVID-19 had a significant impact on those living in the Homes, with reduced access to friends and family. However, a number of steps were taken to mitigate this including updating Wi-Fi systems, to improve video conferencing calls, and the ongoing provision and use of the visitors' rooms. The other impact on the residents was the reduced opportunity to engage in activities both within the Homes and externally, due to volunteers and professionals being unable to visit. We were grateful when these restrictions started to ease permitting a number of our residents to return to Chapel and make 'outward' visits - with appropriate precautions.

More generally, the trustees have in recent years identified the challenges facing Bethesda as:

- Maintaining the distinct identity and Christian ethos of Bethesda in an age of compromise and an increasing secular society,
- Maintaining the financial viability of Bethesda to ensure levels of care and support are sufficient to meet the individual needs of residents together with ensuring Bethesda's physical resources are fit for purpose,
- Responding to the changing needs of those in later life and seeking to provide accommodation and/or services that meet these needs, respect their independence and, where possible, allowing them to live near their place of worship,
- Recruiting staff (at all levels) who are in sympathy with the Christian ethos of Bethesda and lifestyle needs of our residents,
- Recovery from the impact of COVID-19.

***Maintaining the viability of Bethesda*** - the trustees took the decision, in the fear of the Lord, in 2020 to increase the residents' fees to a more sustainable level, which involved a significant one-off adjustment and now fees are adjusted annually in line with inflation. At the same time, the trustees were helped to successfully negotiate with each local authority for full funding for those residents supported by them, and this has continued through 2021 and into 2022. These negotiations were difficult, and we desire to acknowledge the Lord's help and answers to many prayers.

The improved income was complemented by rigorous cost control measures to include budgeting, financial accountability and monthly reporting on performance. Essential improvements have been made in the Homes to ensure the safety and well-being of the residents, such as the complete replacement of the fire alarm system in the Harpenden Home, along with extensive rewiring works. Yet, the trustees are also conscious of the age of the Homes and the physical restrictions this brings in catering for a wide range of the needs of our residents. Thankfully, through the dedication of the staff, Bethesda continues to offer the care needed to meet the resident's individual circumstances.

The increasing cost and funding of adult social care, and in particular the future care provided in residential homes, has been acknowledged over the recent years, by successive governments. Although attempts/proposals are being made to address the situation, there will still be sizeable costs associated with residential care. These will need to be met either through drawing on the assets of the residents and/or public funding.

A key component in maintaining the viability of Bethesda is occupancy. The decline in the number of chapels, and consequently potential residents for Bethesda, over the last 20 years has impacted on

the number of residents living in the Homes. As mentioned in the 2019 AGM, in June 1998 there were, in England, 135 chapels listed in the Gospel Standard; in June 2018, 20 years later, there were 89 chapels. On April 1, 2019, 37 of the 60 total places across the homes were occupied. This represented an occupancy of 62% (compared with 80% on April 1, 2018). By December 2021 Bethesda's occupancy was 11 out of 25 places at Harpenden and 12 out of 22 places at Brighton, the overall occupancy across the two homes being 49% (not including short stay residents).

Sadly, COVID-19 saw differences in views within the Gospel Standard churches and congregations to the response relating to the pandemic; only the Lord knows what this might mean both now and for the future of Bethesda. Our prayer is that the Lord might heal the breaches.

The Trustees have also reviewed the exceptional entry criteria, to provide a way for applications from those who may have been previously associated with Gospel Standard churches to be considered. As part of this, nominated trustees meet with such individuals to discuss their application and their desire to come into Bethesda and affirm their agreement to the Gospel Standard Articles of Faith.

***Providing appropriate accommodation and services for current and future beneficiaries -***

After appropriate research and consultation with our supporters, the Trustees have shared their thinking on the future care provision provided by the Charity.

At Open Meetings held in November 2019, the Trustees shared the concept of independent living accommodation (ILA). This would provide an environment to support those occupying this facility through to the end of life, thereby avoiding the need to move to a residential care home. Additionally, we seek to provide this accommodation nearer the individual's place of worship. ILA is an approach being favoured by individuals in general and strongly encouraged by the government as the model for older person care combined with, as needed, a residential nursing/high dependency provision. Local Authorities have and are building ILA provisions and we have seen how they are now promoting these as an alternative to Residential Care (Care Homes) except in cases of extremity.

In the Lord's purposes, the trustees were led to purchase a plot at Swavesey to build the first independent living accommodation facility: an update report on this can be found below.

The future of the care home provision remains under careful and prayerful review.

***Maintaining staffing levels in the Homes*** - If the challenges facing Bethesda had to be 'ranked' then (i) sustaining appropriate levels of management and staff to care for the residents and (ii) respecting the Christian ethos of the Homes would be uppermost. In the wider context, staffing is probably the biggest challenge for the care home sector, and a number of providers (Local Authorities included) have recently been forced to close homes due to their inability to safely staff them, due to the lack of available staff.

Sadly, as mentioned previously, the decline in the numbers within the Gospel Standard congregations, together with career choices available, have impacted on staffing levels within Bethesda. Although working in healthcare settings may be attractive, the skills, compassion and dedication needed in a care environment should not be underestimated. We are thankful for the dedication of our existing staff within the Homes. We would encourage those from Gospel Standard congregations and likeminded individuals, who respect Bethesda's ethos and have a desire to serve the Lord's elderly people to prayerfully consider serving the residents in Bethesda. (Acts 16:9<sup>2</sup>). We seek to provide flexible employment terms to facilitate those only able to offer, for example, one or two days per week.

***Reviewing the Quality of our Service*** - We reported in December 2021 that Bethesda was looking to engage an external organisation to undertake unannounced 'mock inspections' of the two Homes. These would aim to provide a 'snapshot' of the current state of readiness for any future

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<sup>2</sup> "Come over into Macedonia, and help us".

CQC inspections, using their Key Lines of Enquiry (KLOE) framework. This exercise was to be an opportunity to use a 'second pair of eyes' as an 'outside view' to help Bethesda improve/build on its current working practices and systems to ensure focused high-quality care centred on the individual needs of the residents.

The 'mock inspections' took place in March 2022 for Brighton and in April 2022 for Harpenden. These activities identified that although care remained 'good' in both Homes there was a need for improvements across a range of administrative and governance areas including auditing and record keeping.

Detailed action plans were developed, and the Homes have been working through these with further external reviews taking place to monitor progress.

### ***Incorporation of the Charity***

During 2021, a series of meetings were held with Bethesda subscribers and supporters to discuss the possibility of changing the legal structure of the Charity from an 'unincorporated charitable trust' to a 'charitable company limited by guarantee.' Following these meetings and discussions, a vote of subscribers was held in accordance with the Trustees desire to be open and transparent in this matter, and a motion to incorporate the Charity was passed by a two thirds majority. Subsequently, the new legal entity with the same name 'Gospel Standard Bethesda Fund' was registered with Companies House. This was followed by an application for registration with the Charity Commission. Once this is in place, there will then need to be an application to the Care Quality Commission (CQC) for registration as a 'new' provider. We had anticipated that this process would be completed by the end of May or at the latest the end of June, and so applied to the Charity Commission to extend our year end from 31 December 2021 to 30 June 2022. This was in order to save costs for the Charity by avoiding the need to complete and submit two sets of fully audited accounts.

We had expected the registration with the Charity Commission to have been completed by the end of February 2022 but, resulting from enquiries, we were informed that effects of the COVID-19 pandemic delayed the application. Due to the financial impact of delays we asked the Charity Commission to expedite the process, to which they agreed. However, as a result of enquires arising from objections made to the Commission, the process was further delayed and significant costs incurred.

### **Brighton Home**

Since the beginning of 2021, one new permanent resident has entered the Home, Mrs Margaret Bailey. There were five short stay residents during the year, all benefiting from the rest and change.

Six residents passed away during the year, Mrs Lydia Hills, Miss Iris Fuller, Mrs Ruby Poole, Miss Sylvia Holman, Mrs Barbara Chilton and Miss Mercie Haddow. Also, since January 2022, we have lost Mr. Reg Bradstock and Miss Beatrice Wickens. They are all lovingly missed, and our sincere condolences are offered to their families and friends. It is also not forgotten that the staff who provided such loving care, often over many years, greatly feel the loss of those that have become their friends and we would remember them also in these bereavements.

During 2021 and 2022 we have been privileged to have six residents in the Brighton Home aged 100 years or over, Mrs. Ruby Poole, Mrs. Evelyn Snell, Miss Beatrice Wickens, Miss Mercie Haddow, Mr. Philip Drury and, more recently, Mrs. Kathleen Bradstock. This is a unique occurrence and a testament, under the good hand of the Lord, to the care given to each by the staff.

It has not been possible for the residents to go on outings this year, however the residents did benefit from a visit to the Home by Mill Cottage Farm, which was much enjoyed. Also, the Eastbourne Sunday School children were able to come and sing Christmas carols in the garden, with the residents watching from the windows. In addition, we are thankful that local ministers have been able to make regular visits to the residents, and that the daily readings have been maintained throughout the period. We are pleased that it has been possible for these to resume in person since the beginning of the year (2022).



Mrs. Kathleen Bradstock

We wish to express our thanks to so many who have continued to support the Home in various ways, including at a coffee morning held at Wivelsfield Chapel Hall which raised £2,019, the work done by volunteers in carrying out the decorations and other tasks, the hymn singing evenings, and the regular provision of home-made cakes for the residents.

During the year, the double bedroom, which was unoccupied, has been utilised as a 'quiet lounge' to support those living with dementia and as a visiting venue for larger family groups coming to see their loved ones.



Visit by Mill Cottage Farm



Mrs. Betty Burgess



Tea in the garden



### ***Harpenden Home***

In the Harpenden Home we have been pleased to welcome Mr. Keith Allen, Mrs. Joan Wilderspin, Mr. David Goodge and Mr. and Mrs. George Butcher as new residents of the Home during 2021 and since the beginning of 2022.



Mr & Mrs. D. Goodge

During 2021 and since January 2022 we have sadly seen our friends Mrs. Esther Chapman, Mrs. Pauline Watts, Mrs. Jane Butcher and Mrs. Joyce Baker pass away, all of whom are greatly missed. Our sincere condolences are expressed to their families and friends. As with the Brighton Home, we would also wish to remember the staff in these losses.

In addition, we were pleased to provide care and support to Mr. John Kingham and Mr. Philip Baker, who both came to us for end-of-life care for only a short period of time.

There have been a number of friends who have made use of the Short Stay service for periods of rest and change.

In the last year or so in this Home we have noticed a sharp increase in those coming for support with dementia and end-of-life care and we felt it to be an honour able help in this way.

Mrs. Marion Haddow retired as Assistant Manager of the Home after many years of service in various capacities. We acknowledge with thankfulness her work on behalf of the residents over this time and desire that she may know the Lord's blessing in the coming years as spared.

We have been pleased to welcome Mr. Wayne Blinko who took up his duties as Assistant Manager in January 2022.

During 2021 there were limited opportunities for activities in the Home due to the COVID-19 restrictions. However, we were able to hold an outside 'coffee morning' for the residents and Home Support Group and this was a very pleasant occasion. Since the beginning of 2022 we have been very pleased to welcome an increased number of visitors, which has allowed activities to resume, including the knitting group, a slide presentation in the lounge and group outings.



Mrs. Joan Wilderspin



Knitting group



Trip out to local friends



Mrs. Mary Brooks

### **Studley Home**

It was with great sadness that a unanimous decision was made to close the Studley Bethesda Home with effect from Friday 29 October 2021. There were a number of factors that contributed, in varying degrees, to this decision, including:

- There were continual problems regarding recruiting - and retaining - suitable staff. Despite advertising locally, the response to recruit staff was negligible. We know (as mentioned above) that staffing issues for the care sector is a national issue.
- For many years the Studley Home had not been financially viable and this could not have continued indefinitely.
- The declining numbers in our group of churches has inevitably had an impact on the number of elderly persons who could potentially become Bethesda residents: for a number of years there had been no new applications for the Studley Bethesda.
- The Home Manager felt, following the outcomes relating to the unannounced CQC Focused Inspection in August 2021, that she could not continue in her current role beyond the end of October 2021.

The unannounced CQC Focused Inspection had been triggered by concerns raised with the CQC under a Protected Disclosure (Whistleblowing). The outcome of the Focused Inspection was the CQC raising a "Warning Notice" relating to the registration of the Studley Home due to the failure to comply with relevant requirements of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.

When the trustees were made aware of the situation regarding the CQC, prayer was made for the Lord to appear and grant the wisdom needed to deal with the intractable situation being faced at the Studley Home. The intervention of the CQC, coming on top of all the other underlying difficulties facing the Studley Home, was felt by the trustees to have highlighted whether the Home was sustainable in the future and whether we should be moving towards a closure of the Home. On Monday, 20 September 2021 earnest prayer was made to the Lord by the trustees, at their weekly early morning prayer meeting, to show them what to do, and, if it were His will for the Studley Home to be closed, for Him to give us a further token of confirmation.

On Friday 24 September 2021, the trustees met to consider their detailed response to the CQC and how to move forward in addressing and rectifying the issues faced at the Studley Home. However, at that meeting a message was received from the Home Manager that she felt unable to continue in her current role. This further highlighted the fragility of the situation regarding staffing the Studley Home and the need to take immediate action as the ability to ensure the continued safety, care and support of the residents could not be sustained.

Although, the news regarding the management of the Studley Home was received with much sadness, there was a felt sense that the Lord had answered the prayers for a further 'token' as to the future of the Home at Studley. We have to prove that our prayers are not always answered in the way that we might choose.

At a meeting attended by all the Trustees to review the continuing situation at the Studley Home and in view of the place where the Lord had brought the trustees and the General Manager; it was with great sadness that the proposal was made to close the Studley Bethesda Home with effect from Friday 29 October 2021. This decision was passed unanimously by the Trustees and was not taken lightly.

The Trustees, General Manager and Home Manager were very conscious of the decision taken, with the inevitable consequences surrounding the relocation of the seven residents, re-employing (where applicable) the existing staff and the issues with connected relatives, friends and representatives of the residents. We were thankful that all the residents successfully found suitable alternative local residential accommodation.

It would be remiss, on behalf of the past and present trustees, not to record our appreciation of all the loving help and support given to the residents in the Studley Home by the readers, volunteers, Home Support Committee/Group, local churches and staff over the past 34 years.

### ***Redhill Flatlets***

We are thankful that the Redhill flatlets have been largely occupied for most of the year, providing a useful additional income for the Charity. At the close of the year (2021), two flats were vacant. As at 30 June 2022 the flatlets have two Bethesda residents as sadly Mrs. Dorothy Sayers passed away unexpectedly during December 2021 and our thoughts are with her loved ones.

As COVID-19 was still prevalent during the year (2021), the Redhill flatlets had largely been out of bounds for the wider circle of friends who would normally meet with the residents. We are thankful the restrictions are now lifting so that these connections can be restored.

We acknowledge with thankfulness the ongoing help of the warden and many others who contribute towards the maintenance and repairs of the building and the support of the elderly friends living in the flatlets.

### ***Harpenden Flatlets***

During 2021, two of the three flatlets were occupied for at least part of the year, with flatlet 2 remaining vacant. Miss Pat Lawrence who had lived in flatlet 1 for many years, passed away 31 January 2021 and although missed, she is now with her Lord, "which is far better."

Mr. Alan Rayner, who had served in the capacity of warden of the Harpenden flatlets for many years, resigned from this position at the end of the year. We would thank Alan for everything that he did during this period, and for the support of Eunice his wife, who did much behind-the-scenes, not least in upholding him in this role.

The ongoing assistance of the volunteers who support those living in the flatlets and contribute towards the maintenance and repairs of the flats are acknowledged with appreciation.

### ***Swavesey Project***

Following the purchase of 63 Middle Watch, Swavesey from the Parish family, in June 2021 the Trustees have sought, in the fear of the Lord, to take forward proposals to build Independent Living Apartments for beneficiaries of the Charity. We believe we saw the Lord's hand in guiding us to Saunders Boston, Architects of Cambridge, who have been most helpful and understanding of our needs. Working with them, draft plans were prepared and refined taking into account all the various statutory and other requirements. In order to prepare for a planning application we needed to employ specialists to undertake tree, bat and ecological surveys. During the course of this we have learnt much about Great Crested Newts of which there are many in the locality! Our architects and planning consultants submitted draft plans to the South Cambridgeshire Planning Authority and in due course received first stage comments. Arising from that, revised draft plans incorporating various amendments have been prepared and we are awaiting a meeting with the Planning Officer for their response prior to making a Planning Application, if the Lord will. Those who have knowledge of the planning system will appreciate some of the frustrations along the way. The Trustees have been much in prayer and have seen "the good hand of our God going before us" in various matters.

We shall, if the Lord will, following further feedback from the Planning Authority, share with interested friends the proposed plans and the next stages in this development.



## Financial Review

As set out in the introduction to this report, this document covers the period 1 January 2021 to 30 June 2022. As with previous years, the full financial statements have been published in a separate booklet.

The statement of financial activities shows that total income for the 18 month period was £2,943,605<sup>3</sup> compared with £1,839,087 for the 12 month period in the previous year.

Twelve legacies were received during the 18 month period, including those from the estates of Mrs. Barbara Chilton, Miss Sylvia Ford, Mr. S.E. George, Miss Dina Gibb, Miss M. Haddow, Mrs. Joan Harrison, Miss Philippa Hunt, Mr. David Keeling, Miss Pat Lawrence, Mrs. Jessie Painter, Mrs. Ruby Poole and Mrs. Marjorie Woodhams to the total amount of £511,746. This was compared with the four legacies received in 2020, amounting to £50,847. We would record our gratitude to the Lord for these provisions.

The investment income for the 18 month period was £22,557 for this year is considerably lower than the previous years investment income, which amounted to £25,976, due to lower interest rates.

Income from residents' fees for the 18 month period was £2,177,973 compared with £1,552,238 for the 12 month period in 2020. During 2020, extensive negotiations were held with local authorities funding residents who agreed, without exception, to pay the full rates of our fees. This has continued in 2021, and as a consequence there has been only nominal shortfalls for local authority funding from difference methods of calculating the day rate.

Expenditure on charitable activities for the 18 month period, which includes employment costs, was £2,694,442 compared with £1,850,971 for 12 month period in 2020. The 18 month figure does include those one-off costs associated with the closure of the Studley Home, amounting to around £91,000 for the staffing element, plus costs for assisting residents to find alternative places to live.

The cost of repairs and renewals during the same period, included within the expenditure on charitable activities, at (the then) three Bethesda homes remains a significant investment at £167,959, an increase against the previous year. The expenditure on building maintenance is in line with the Charity's policy on maintaining its properties in good condition and meeting all safety and registration requirements. Occasionally, heavy and unexpected repairs can suddenly become a necessity.

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<sup>3</sup> Proportioning this to 12months gives us £1,962k compared with £1,839K

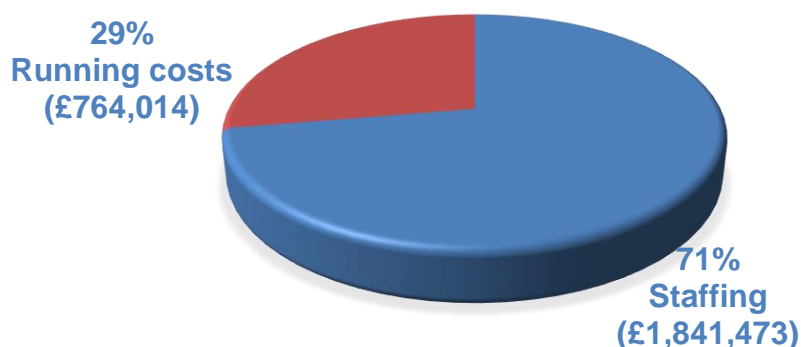
*Summary of Financial Results for each Home for the 18 months to 30 June 2022*

	Brighton £	Harpenden £	Studley £	Total £
Residents' fees	1,071,736	825,931	280,306	2,177,973
Other income (incl. grants)	53,499	54,491	11,526	119,516
<b>Total income</b>	<b>1,125,235</b>	<b>880,422</b>	<b>291,832</b>	<b>2,297,489</b>
Employment and agency costs	769,147	697,661	374,665	1,841,473
Depreciation	19,328	19,474	14,401	53,203
Hardware, cleaning and laundry	8,786	11,059	3,593	23,438
Insurance	17,234	19,335	9,065	45,634
Motor and travel	12,031	1,897	404	14,332
Power and heating	36,744	23,765	12,485	72,994
Provisions	35,092	27,337	6,698	69,127
Registration fees	4,902	4,902	2,860	12,664
Repairs and renewals	45,699	101,167	21,093	167,959
Staff training	6,145	2,070	2,422	10,637
Telephone, relay and internet	4,091	2,377	1,962	8,430
Water services	6,842	6,147	1,840	14,829
Council tax	2,219	4,038	1,531	7,788
Garden expenses	217	3,252	2,166	5,635
Medical supplies	3,431	1,808	363	5,602
Personal protective equipment	2,744	891	894	4,529
Postage & stationery	1,424	1,833	1,061	4,318
Waste collection	7,355	4,688	3,482	15,525
Professional services	-	(444)	35	(409)
Sundry expenses	3,659	5,746	3,799	13,204
Central office support costs	74,466	84,620	31,400	190,486
Other costs	11,985	7,287	4,817	24,089
<b>Total expenditure</b>	<b>1,073,541</b>	<b>1,030,910</b>	<b>501,036</b>	<b>2,605,487</b>
<b>Surplus (deficit) for period</b>	<b>£51,694</b>	<b>(£150,488)</b>	<b>(£209,204)</b>	<b>(£307,998)</b>

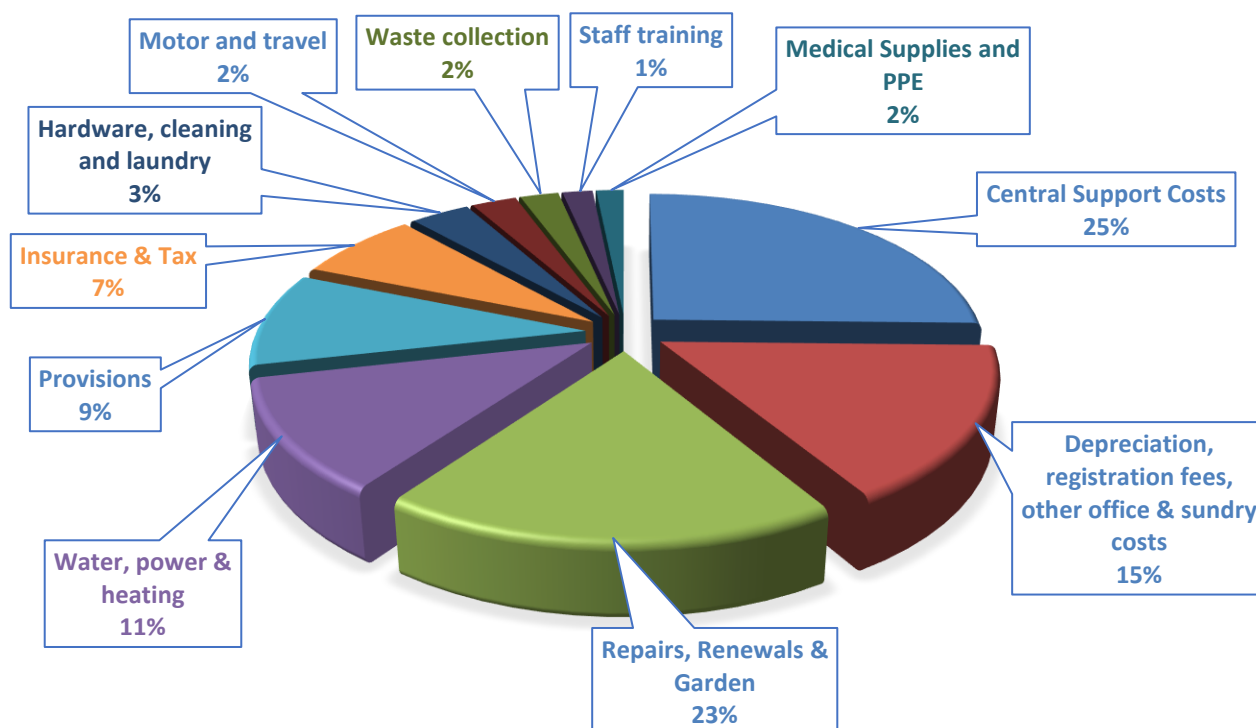
The overall deficit of running the three Homes for the 18 month period was £307,998, compared with £141,021 in the previous 12 month period (2020). Increased running costs for 2021 includes the costs of closing the Studley Home in October, which amounted to £91,395 for staff termination (redundancy) payments (excluding employers National Insurance thereon), plus other costs for supporting the residents of the Home to find and access a new place to live.

As usual, the biggest single cost of running the Homes is that of staffing, representing 71% of the total operating expenditure, equating to 80% of our income being spent on staffing the Homes to ensure a safe, caring, effective and responsive service.

Home Running Costs (£2,605.487)

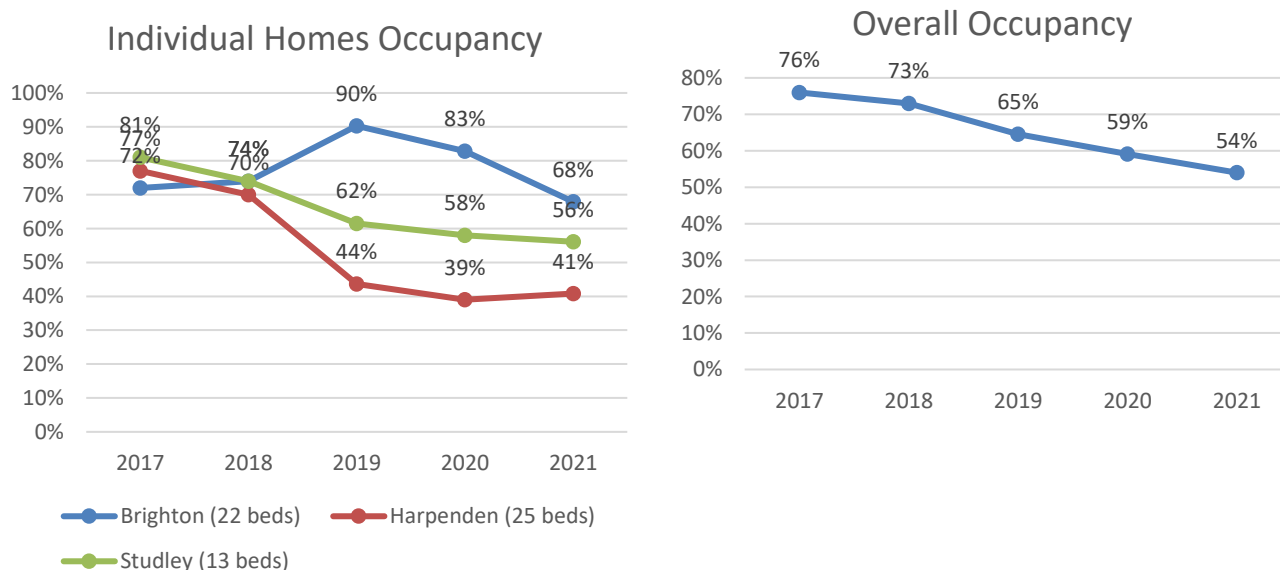


Of the 29% of running costs not associated with the Home's staffing costs, the remainder can be summarised as follows;



### Occupancy

As has been commented many times in the past, occupancy is key to the financial viability of the Charity, and as the following graphs demonstrate, residency in the Homes has continued to drop overall, year on year, as demand for the Charity's service falls. Even the Brighton Home, which had seen a better percentage occupancy during 2019, is now showing a substantial drop in occupancy, with overall occupancy by the end of 2021 standing at 54%. Overall occupancy since 31 December 2021 (to 30 June 2022) in the two homes was 52.9%.



Occupancy for the first 6 months of 2022:

Brighton: 60.1% (a decrease on the previous 12 months)  
 Harpenden: 46.5% (an increase on the previous 12 months)  
 Overall: 52.9% (a decrease on the previous 12 months)

*Summary of Financial Results for the Flatlets for the 18 months to 30 June 2022*

	<i>Harpenden</i>	<i>Redhill</i>	<i>Swavesey</i>	<i>Total</i>
	£	£	£	£
Residents fees	17,296	37,425	-	54,721
<b>Total income</b>	<b>17,296</b>	<b>37,425</b>	<b>-</b>	<b>54,721</b>
Cleaning, windows and waste	315	2,173	-	2,488
Council tax on unoccupied properties	3,443	4,167	3,950	11,560
Depreciation	7,940	4,988	-	12,928
Garden maintenance	1,946	1,182	960	4,088
Insurance	1,395	2,789	1,272	5,456
Power and heating	2,834	6,290	370	9,494
Repairs and renewals	4,512	6,688	-	11,200
Central office support costs	5,628	11,255	8,837	25,720
Other costs	1,180	2,928	18	4,126
<b>Total expenditure</b>	<b>29,193</b>	<b>42,460</b>	<b>15,407</b>	<b>87,060</b>
<b>Surplus/(Deficit) for the year</b>	<b>(£11,897)</b>	<b>(£5,035)</b>	<b>(£15,407)</b>	<b>(£32,339)</b>

At Harpenden, two of the flatlets were occupied for at least part of the year. The Harpenden flatlets show a deficit for the 18 month period of £11,897, which includes the £7,940 allocation for depreciation. This is mainly depreciation on buildings by accounting rules, but does not represent money spent annually out of the bank. The remaining deficit arises from the reduced income and higher costs (in council tax) for the unoccupied unit.

At Redhill, two of the flatlets are occupied by Bethesda residents. However, several of the flats have been occupied by other people, thus producing an additional income. Overall, the Redhill flatlets are showing a deficit of £5,035, which includes £4,988 for the depreciation charge, and £4,167 for council tax on unoccupied units, of which there are currently two.

**Plans for the Future subject to the Lord's will**

*Incorporation of the Charity*

Subject to the Lord's will, it is hoped that we will be able to conclude the process of incorporation of the Charity during 2022.

*Independent living*

The independent living project at Swavesey will continue to be developed as we work with our professional advisers and the local planning authorities.

*Future structure of the Charity*

The future structure of the Charity, in terms of its service provision and accommodation, remains under continued prayerful consideration and we look to the Lord for guidance on the way forward in this.

## Conclusion

As with the previous year, 2021 and the first six months of 2022 was a period when the truth and significance of the words 'if the Lord will' continued to be proved in all the uncertainties of the way. We are thankful to the Lord that it has continued to be possible to maintain a provision for Lord's elderly people throughout this year.

The Lord knows what is before us and the pathway that He would have Bethesda to walk, and we pray that He will go before us, and that submission and wisdom might be given to know and do His will for the Charity.

The prayers of all those with an interest in Bethesda for the Lord to appear and to guide the Trustees, support the managers, staff and residents, are felt more than ever to be needed at this time.

On behalf of the trustees

*Michael Ridout*

M.D. Ridout, Chairman  
03/04/2023





# Gospel Standard Bethesda Fund

Registered Charity 209376

## Appendix 1: Reference and Administrative Information

**Name of Charity:** Gospel Standard Bethesda Fund  
**Charity Number:** 209376

### Trustees serving during the financial year and since the year end:

(Also known as the Bethesda Fund Committee)

Mr. M.D. Ridout (Chairman)	Mr. R.A. Saunders
Mr. A.J. Collins (Vice-Chairman)	Mr. T.H.W. Scott (retired April 2021)
Mr. S.B. Cottingham	Mr. D.F. Stevens
Mr. P.J. Pocock	Mr. R.W. Woodhams
Mr. J. B. Hart (joined September 2021)	

**Custodian Trustee:** The Gospel Standard Trust, 50 Broadway, Westminster, London, SW1H 0BL

**General Manager:** Mr. A.J.H. Topping

### Address of the Principal Office of the Charity:

Bethesda General Office  
12(b) Roundwood Lane  
Harpenden, Herts.  
AL5 3BZ  
Telephone: 01582 460522  
Email: [adriantopping@gsbf.uk](mailto:adriantopping@gsbf.uk)

### Connected Charity

The Piggott Charity is a "connected Charity" under the control of the Trustees of the Gospel Standard Bethesda Fund. It exists to help Residents of the Bethesda Homes who are in financial need to pay the cost of their care. During the year a general grant of £9,000 was received from The Piggott Charity. Further information can be obtained from the General Manager.

**Auditors:** Mazars LLP, 2nd Floor, 6 Sutton Plaza, Sutton Court Road, Sutton, SM1 4FS

**Bankers:** Lloyds Bank plc, 60 George Street, Luton, LU1 2BB

**Solicitors:** Ellis-Fermor & Negus, 2 Devonshire Avenue, Beeston, Nottingham, NG9 1BS

# Gospel Standard Bethesda Fund

Registered Charity 209376

## Appendix 3: Reserves Policy

### Reserves Policy

As required by the Charity Commission Statement of Recommended Practice (SORP) Paragraph 31 (e). This policy statement is the February 2022 review.

#### Definition

Reserves are that part of our general-purpose funds which do not need to be spent immediately and which are not committed or designated. They are the resources we have or can make available to spend on any our objectives once we have met our known commitments and covered any other planned expenditure. The reserves at any year end are represented by the net current assets shown in the Statement of Financial Activities less any expenditure contracted for or planned.

#### Reasons why the charity needs reserves

The charity has a commitment, not only to the present generation of Gospel Standard Strict Baptists, but also to a generation to come. The fees charged to our residents in the Bethesda Homes are the main incoming resource of the charity. However, past experience has shown that occupancy levels can fluctuate. A drop in occupancy levels results in a serious drain on our reserves. Legacy income is our second most important source of income but varies greatly year by year and can never be predicted. Legacy income is sometimes restricted for the benefit of one particular Home, and not therefore available for general purposes. The charity has no endowment funding and is therefore entirely dependent (apart from residents' fees) upon donor funding from year to year. Apart from the usual insurances, the charity has no protection against catastrophic or lesser but damaging events.

#### The level of reserves needed

The Committee considers that the charity should endeavour to hold, **as a minimum, free reserves amounting to "six months expenditure" in one year as stated in the last published Statement of Financial Activities**. However, from the past history of the charity, it is recognised that to state an absolute figure is not entirely appropriate, as from time to time, in the providence of God, major legacies and other resources have been received in times of need. The trustees are firmly convinced that the charity should be run on Scriptural lines, whereby they look to the Lord to provide for what they believe is His work, remembering that "the silver is Mine, and the gold is Mine, saith the Lord of hosts" Haggai 2.8; "He is our strength in time of trouble" (Psalm 37.39). The trustees recognise that they have a responsibility for the continuing care of vulnerable residents in the Bethesda Homes.

#### How these reserves are to be maintained

Major property maintenance and improvement work will be planned and undertaken only as the objectives of this policy statement allow. All operational costs will be carefully monitored, in the case of the Homes, by the General Manager and Home Managers, and in the case of the Bethesda Flatlets and of support costs and management and administration costs, by the General Manager.

This policy will be reviewed by the trustees at least annually, usually in January as part of the Business planning process.

#### Free reserves at Year-end

The free reserves at the year-end amount to £1,628,666. Therefore, free reserves excess over required expenditure is 79.5% which is satisfactory.

There is no contractual commitment to expenditure for planned works in 2023.

# Gospel Standard Bethesda Fund

Registered Charity 209376

## Appendix 4: Risks Management Policy

### Risks Management Policy

This policy constitutes the 'Risks Management Policy' as required by the Charity Commission Statement of Recommended Practice (SORP) Paragraph 31 (g).

#### **General policy statement**

It is the policy of the Bethesda Fund Committee that all risks associated with the Charity's activities be minimised by the implementation of risk management and prevention systems or procedures. The Committee will ensure that all significant risks are identified, assessed and monitored.

#### **Major risks identified**

The Committee has identified the most serious risks to the charity and recorded these in the Risks Register.

#### **How the policy is to be maintained**

Each component part of this policy is clearly delegated to either the Committee as trustees, other officers of the charity or members of staff. The Committee adopts the principle that effective risk management is the responsibility of all levels of management and staff.

#### **Arrangements for monitoring and reviewing this policy**

This policy will be reviewed by the trustees at least annually, usually in January, with any changes to the Risk Register notified to them quarterly.



# Gospel Standard Bethesda Fund

Registered Charity 209376

## Appendix 5: Investment Policy

### Investment Policy

As required by the Charity Commission Statement of Recommended Practice (SORP) Paragraph 31 (e). This policy statement is the February 2022 review.

#### Objectives in investing the charity's funds

The objectives of the trustees are:

- i) to ensure that the funds are properly protected: that is, that the capital is not put at risk and will be protected against inflation as far as is reasonably practical.
- ii) to obtain the best income from those funds (consistently with the above) with which to carry out the charity's purposes.

#### Powers of investment

The Charity Commission Scheme under which the charity operates contains no specific powers of investment. The charity's investments will, therefore, be governed by the Trustee Investments Act 1961.

#### Risk profile

The trustees are willing only to accept investments classified as low risk.

#### Policy statement

The trustees invest the charity's funds in two principal ways. First, freehold property is held to provide homes for the elderly and infirm in accordance with the objectives of the charity. Over the years freehold property has been shown to hold its value against inflation. Such property is maintained in a good state of repair. Second, surplus funds are maintained in deposit accounts with reputable banks, building societies, and common deposit funds, which may, or may not, include money-market deposits, normally in at least three different entities. From time to time the trustees may consider investing in government stocks. The trustees do not invest in ordinary shares of quoted companies owing to the difficulty in finding companies which maintain ethical and moral standards which are consistent with the Scriptures.

#### Investment advice

The Charity is currently going through a transitional period where its capital will be needed for development, and as such it is currently held in short term investments. Once decisions have been made in respect of new properties the need for financial advice in investing any residual funds will then be reviewed.

#### Arrangements for monitoring and reviewing this policy

This policy will be reviewed by the trustees at least annually, usually in January as part of the Business planning process. Maturing bonds will be reinvested promptly.

# Gospel Standard Bethesda Fund

Registered Charity 209376

## Appendix 6: Policy Statement on paying staff

### Policy Statement on Paying Staff

#### How we decide how much to pay our staff

The Gospel Standard Bethesda Fund ('The Bethesda Fund') is committed to ensuring that we pay and reward our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives.

In accordance with the SORP:-

- Disclose the number of staff in receipt of more than £60,000 and above (in bands of £10,000)
- Disclose pensions and other benefits

The Bethesda Fund Committee ('The Committee') meets annually to set the pay for all staff. The General Manager is in attendance for the meeting (leaving for the discussion regarding the General Manager's remuneration).

The main responsibilities of the Committee in respect of setting pay are to:-

- review the level of the Bethesda Fund salaries and wages against an agreed independent market benchmarking tool and make sure amendments are appropriate to ensure that salaries and wages remain competitive
- determine the remuneration package of the General Manager, Home Managers and Deputy Managers
- approve the annual percentage increase in the payroll for all staff (which can be zero) taking into account CPIH as at 31 October for the previous year.
- approve any consolidated pay awards and staff salary increases outside of the annual review process as recommended from time to time by the General Manager.
- determine pension arrangements and
- ensure that contractual terms on termination are fair to the individual and the charity, that poor performance is not rewarded and a duty to mitigate loss is recognised.

In determining the Bethesda Fund's remuneration policy the Committee takes into account all factors which are deemed necessary. The appropriateness and relevance of the remuneration policy is reviewed annually ensuring the Bethesda Fund remains sensitive to the broader issues e.g. pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower – medium point within a band, providing scope to reward excellence. We pay at or above the national living wage for all our staff.

Delivery of the Bethesda Fund's charitable vision and purpose is primarily dependent on our staff which is the largest single element of charitable expenditure. In 2022 the Bethesda Fund made adjustments to wages to reflect inflationary increases and the national living wage requirements.

# **GOSPEL STANDARD BETHESDA FUND**

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## **Financial Statements**

**for the**

**18 month period ended**

**30 June 2022**

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**Charity No. 209376**

**Gospel Standard Bethesda Fund**

Bethesda General Office

12(b) Roundwood Lane

Harpenden

Herts

AL5 3BZ

**Financial Statements for the 18 month period ended 30 June 2022**

**CONTENTS**

	Page
Independent Auditor's Report .....	2
Statement of Financial Activities (SOFA) .....	6
Statement of Financial Activities (SOFA) for prior year .....	7
Balance Sheet .....	8
Statement of Cash Flows .....	9
Notes to the Financial Statements .....	10

***The Annual Report for 2022, along with these financial statements, are available together from the address above.***

# **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF GOSPEL STANDARD BETHESDA FUND**

## **Opinion**

We have audited the financial statements of Gospel Standard Bethesda Fund (the 'charity') for the 18 month period ended 30 June 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 FRS 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 charity's affairs as at 30 June 2022 and of its income and expenditure for the period 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 Charities Act 2011.

## **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 charity 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.

## **Emphasis of matter – basis of preparation**

We draw attention to page 3 of the Trustee's report and notes 1 and 28 of the financial statements, which explains that the charity, having obtained the consent of the Care Quality Commission and the Charity Commission, transferred all of the assets and liabilities of the charity as a going concern to a new incorporated charitable company on 30 December 2022. In light of this, the Trustees will be seeking to dissolve this unincorporated charity following the transfer to the new incorporated charity, and therefore do not consider it appropriate to adopt the going concern basis of accounting in preparing these financial statements.

Our opinion is not modified in respect of this matter.

## **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 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.

## **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 set out in the Trustees' Report, the trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters

related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity 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 section 144 of the Charities Act 2011 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the charity and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Charities Act 2011 and Charities Statement of Recommended Practice.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to income recognition and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of the audit report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed:

Mazars LLP

Chartered Accountants and Statutory Auditor

6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Dated:

Mazars LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



**GOSPEL STANDARD BETHESDA FUND**  
**Statement of Financial Activities for the 18 month period ended 30 June 2022**

	Note	----Unrestricted funds----		Restricted funds	Total funds 2022
		General £	Designated £	£	£
<b>Income and endowments from:</b>					
Donations and legacies	3	498,139	-	82,859	580,998
Charitable activities	4	2,340,050	-	-	2,340,050
Investments	5	17,419	2,292	2,846	22,557
<b>Total</b>		<b>2,855,608</b>	<b>2,292</b>	<b>85,705</b>	<b>2,943,605</b>
<b>Expenditure on:</b>					
Raising funds	7-8	27,004	-	-	27,004
Charitable activities	7-13	1,752,390	1,516	940,536	2,694,442
<b>Total</b>		<b>1,779,394</b>	<b>1,516</b>	<b>940,536</b>	<b>2,721,446</b>
<b>Net income/(expenditure)</b>		<b>1,076,214</b>	<b>776</b>	<b>(854,831)</b>	<b>222,159</b>
<b>Transfers between funds</b>	14,23	(1,029,428)	1,029,428	-	-
<b>Net movement in funds</b>		<b>46,786</b>	<b>1,030,204</b>	<b>(854,831)</b>	<b>222,159</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		3,065,384	26,504	905,291	3,997,179
<b>Total funds carried forward</b>		<b>£3,112,170</b>	<b>£1,056,708</b>	<b>£50,460</b>	<b>£4,219,338</b>

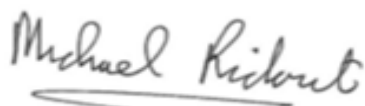
*Comparative figures for the prior year*  
**Statement of Financial Activities for the year ended 31 December 2020**

	Note	----Unrestricted funds----		Restricted funds	Total funds 2020
		General	Designated		
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and legacies	3	47,972	-	47,010	94,982
Charitable activities	4	1,708,436	-	693	1,709,129
Investments	5	18,610	210	7,156	25,976
Grant - The Piggott Charity	6	9,000	-	-	9,000
<b>Total</b>		<b>1,784,018</b>	<b>210</b>	<b>54,859</b>	<b>1,839,087</b>
<b>Expenditure on:</b>					
Raising funds	7-8	12,926	-	-	12,926
Charitable activities	7-13	1,821,585	-	29,386	1,850,971
<b>Total</b>		<b>1,834,511</b>	<b>-</b>	<b>29,386</b>	<b>1,863,897</b>
<b>Net (expenditure)/income</b>		<b>(50,493)</b>	<b>210</b>	<b>25,473</b>	<b>(24,810)</b>
<b>Transfers between funds</b>	14	26,359	(14,930)	(11,429)	-
<b>Net movement in funds</b>		<b>(24,134)</b>	<b>(14,720)</b>	<b>14,044</b>	<b>(24,810)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		3,089,518	41,224	891,247	4,021,989
<b>Total funds carried forward</b>		<b>£3,065,384</b>	<b>£26,504</b>	<b>£905,291</b>	<b>£3,997,179</b>

**GOSPEL STANDARD BETHESDA FUND**  
**Balance Sheet as at 30 June 2022**

	Note	30 June 2022 £	31 December 2020 £
<b>Fixed assets:</b>			
Tangible assets	15-17	<u>1,483,504</u>	<u>1,022,442</u>
<i>Total fixed assets</i>		<u>1,483,504</u>	<u>1,022,442</u>
<b>Current assets:</b>			
Debtors	18	97,666	138,854
Investments	19	2,520,970	2,623,642
Cash at bank and in hand		<u>250,408</u>	<u>313,813</u>
<i>Total current assets</i>		<u>2,869,044</u>	<u>3,076,309</u>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	20	<u>(133,210)</u>	<u>(101,572)</u>
<i>Net current assets</i>		<u>2,735,834</u>	<u>2,974,737</u>
<i>Total assets less current liabilities</i>		<u>4,219,338</u>	<u>3,997,179</u>
<b>Total net assets</b>		<b><u>£4,219,338</u></b>	<b><u>£3,997,179</u></b>
<b>The funds of the charity:</b>			
Unrestricted -			
General	21	3,112,170	3,065,384
Designated	21,23	1,056,708	26,504
Restricted income funds	21,22	<u>50,460</u>	<u>905,291</u>
<b>Total charity funds</b>		<b><u>£4,219,338</u></b>	<b><u>£3,997,179</u></b>

These financial statements were approved by the Trustees on 03/04/2023 and signed on their behalf by:



**M. RIDOUT, Chairman**

**GOSPEL STANDARD BETHESDA FUND**  
**Statement of Cash Flows for the 18 month period ended 30 June 2022**

		<i>(12 months)</i>	
	Note	2022	2020
		£	£
<b>Cash flows from operating activities:</b>			
<i>Net cash provided by operating activities</i>	24(a)	<u>342,610</u>	<u>33,764</u>
<b>Cash flows from investing activities:</b>			
Interest and rents from investments		22,557	25,976
Purchase of property, plant and equipment		<u>(531,244)</u>	<u>(18,545)</u>
<i>Net cash (used in) provided by investing activities</i>		<u>(508,687)</u>	<u>7,431</u>
<i>Change in cash &amp; cash equivalents in reporting period</i>		(166,077)	41,195
<b>Cash &amp; cash equivalents at start of reporting period</b>		<u>2,937,455</u>	<u>2,896,260</u>
<b>Cash &amp; cash equivalents at end of reporting period</b>	24(b)	<u><b>£2,771,378</b></u>	<u><b>£2,937,455</b></u>

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE 18 MONTH PERIOD ENDED 30 JUNE 2022**

### **1 Accounting Policies**

#### **(a) Basis of preparation**

The Financial Statements have been prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards, Accounting and Reporting by Charities: Statement of Recommended Practice SORP (FRS 102) (2nd edition) published by the Charity Commission in 2019.

#### **(b) Going concern**

Attention is drawn to Note 28 which details the transfer on 30 December 2022 of all the charity's assets and liabilities as a going concern to a charitable company (of which the trustees are the directors). The trustees assessed the position of this charity and the charitable company and have identified no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable activities to be continued as a going concern in the charitable company to which they have been transferred. This assessment has been made in respect of a period of 12 months from the date of approval of these Financial Statements. Since the charitable activities are no longer continuing within this entity, accounting rules require it to be stated that these Financial Statements have been prepared on a basis other than going concern. This basis change has not altered the amounts in these Financial Statements from those calculated under the going concern basis previously applying, as the charitable activities were continued seamlessly as a going concern in the charitable company.

#### **(c) Income**

Voluntary income, including donations, Gift Aid, and chapel collections, is recognised in the period in which the income is received.

Investment income and rent is recognised on a receivable basis.

Legacies are accounted for as income either upon receipt or where the receipt of the legacy is probable. Receipt is normally probable when:

- there has been a grant of probate
- the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
- any conditions attached to the legacy are either within the control of the charity or have been met.

Legacies which have been notified, but are not recognised as income in the Statement of Financial Activities, are disclosed within the note 'Donations and legacies' with an estimate (if possible) of the amount receivable.

Fees from residents in the care homes and flatlets are accounted for in the period in which the service is provided.

Government grants are not recognised in income until there is reasonable assurance that (a) any attached conditions will be satisfied, and (b) the grants will be received. Grants are recognised using the performance model such that a grant without future performance-related conditions is recognised in income when it is receivable, and other grants are recognised when the future performance-related conditions are met. Grants received before the revenue recognition criteria are satisfied are shown as a liability.

**(d) Income tax recoverable**

Any income tax due to be reclaimed from the Inland Revenue on donations made under Gift Aid or income tax deducted from interest received net of basic rate tax, has been brought into these financial statements as a debtor.

**(e) Expenditure**

Expenditure is accounted for on an accruals basis, that is, when a liability is incurred. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Support costs are costs incurred in support of both income generation, charitable activities, and governance, as shown in the note 'Allocation of support costs.' These costs comprise a proportion of central office staff, information systems and internal accounting costs, and costs relating to the premises. Also included is a proportion of the management and administration costs in the Bethesda Homes and servicing of the Homes' premises.

Governance costs are costs associated with the governance arrangements of the charity which relate to the general running of the charity as distinct from those costs associated with its charitable activities. They include the cost of meeting constitutional and statutory requirements, audit fees, legal fees, and a proportion of central office costs.

**(f) Pension scheme contributions**

Contributions payable to the Charity's pension scheme are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. For further information see the note 'Employee information.'

**(g) Capitalisation and depreciation of tangible fixed assets**

***Freehold properties***

Freehold properties are carried in the accounts at their original cost. Depreciation is provided to write down the original cost of the buildings, and the cost of later permanent additions and improvements, on a straight-line basis over a period of fifty years. No depreciation is charged on freehold land.

### ***Equipment***

Due to the large number of fixed assets owned and used by the charity, our policy is to recognise within the assets register only those assets that cost more than £1,000. Numerous items purchased at the same time costing in total more than £1,000 but each item individually costing less than £1,000 are not capitalised. This policy of depreciation applies only to assets acquired after January 1990; all equipment acquired before that date has been written off completely in previous accounting periods.

Equipment in the Homes and Flatlets costing more than £1,000 is capitalised and written off on a straight-line basis over a period of five years, and is shown in the balance sheet at cost less accumulated depreciation, the annual depreciation being charged as a running cost of the Homes and Flatlets. Equipment in the Homes and Flatlets costing less than £1,000 is not capitalised but is written off in the year of acquisition as an expense, being charged directly to the running costs of the Homes and Flatlets under 'Repairs and renewals.'

Equipment in the Bethesda General Office at Harpenden costing more than £1,000 is capitalised and written off on a straight-line basis over a period of five years, and is shown in the balance sheet at cost less accumulated depreciation, the annual depreciation being charged as a running cost under 'Central office costs.'

Equipment in the Bethesda General Office costing less than £1,000 is written off as an expense in the year of acquisition, being charged to 'Central office costs' under 'Repairs and maintenance.'

### ***Motor vehicles***

Motor vehicles are written off at 25% per annum on a reducing balance.

#### **(h) Transactions with trustees and related parties**

No trustees received any remuneration for their services as a trustee. Three trustees (2020: 4 trustees) were reimbursed expenses covering travel, subsistence and copier costs, totalling £1,045 (2020: £1,822). Expense reimbursements were waived by some trustees; the amounts were not material. A trustee, Sam Cottingham, purchased a fridge which was surplus to requirements for its open market value of £85. Purchases were made from Staverton Nursery Ltd, a company in which Sam Cottingham has an interest, totalling £940 for garden furniture and £230 for groceries, these amounts being at cost without markup. Besides the disclosures in these financial statements, no trustee or connected persons had any beneficial interest in any material contract, transaction or arrangement with the Charity during the period.

(i) **Indemnity insurance**

The charity carries a comprehensive insurance package provided by Travelers Insurance. Engineering Insurance and Inspection is provided by Allianz Insurance, Trustees Liability by Catlin Insurance via Angel Risk Management Ltd., Group Personal Accident by Chubb Insurance, Cyber & Data Risks by Lloyd's via CFC Underwriting Ltd., and Motor Vehicle Insurance by QBE Insurance.

(j) **Stocks of foods and other supplies**

Stocks held at the period end have not been brought into these Financial Statements, as the amounts held are relatively insignificant.

(k) **Funds**

Unrestricted funds - these comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds - these are unrestricted funds set aside by the Trustees at their discretion from the general funds for specific purposes.

Restricted funds - these comprise funds subject to specific restrictions imposed by donors and funders.

Further details of the nature and purpose of each fund are set out in the notes to the accounts.

Surplus cash is held on fixed term deposits. Deposits maturing in less than one year are recognised as current investments and those that mature in more than one year from the period end are recognised as fixed investments.

**2 Statement of Financial Activities**

The Statement of Financial Activities includes all income, gains, expenditure and losses recognised for the reporting period. All income and expenditure derives from continuing activities.



### 3 Donations and legacies

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total 2022</i>	<i>Total 2020</i>
	£	£	£	£
<b>Collections &amp; donations from chapels:</b>				
For general purposes	10,374	-	10,374	10,518
For specific Homes	-	1,297	1,297	-
For assisting short-stay residents	-	3,060	3,060	870
<b>Personal donations &amp; subscriptions:</b>				
For general purposes	29,769	-	29,769	1,580
For general purposes - Gift Aid	18,881	-	18,881	27,028
For specific Homes	-	5,738	5,738	3,668
For specific Homes - Gift Aid	-	8	8	340
For the Flatlets - Gift Aid	-	-	-	-
Home collecting boxes	-	125	125	132
Total	59,024	10,228	69,252	44,136
<b>Legacies received:</b>				
Mrs B Chilton	500	-	500	-
Mrs I S Ford	-	1,250	1,250	-
Mr S E George	113,356	-	113,356	-
Miss D Gibb	931	-	931	-
Miss M Haddow	-	621	621	-
Mrs J Harrison	-	1,573	1,573	15,000
Miss P Hunt	3,840	-	3,840	-
Mr D Keeling	184,000	-	184,000	-
Miss P Lawrance	-	65,000	65,000	-
Mrs J Painter	135,988	-	135,988	-
Mrs R Poole	-	4,187	4,187	-
Mrs M Woodhams	500	-	500	-
Mr & Mrs P Dawson	-	-	-	3,660
Mr K Evans	-	-	-	5,186
Other	-	-	-	27,000
Total	439,115	72,631	511,746	50,846
<b>Total</b>	<b>£498,139</b>	<b>£82,859</b>	<b>£580,998</b>	<b>£94,982</b>

### 3 Donations and legacies (continued)

The Charity has been advised that it is a beneficiary of the following legacies:

Mr D Keeling: Balance of a residuary share in the estate, the final amount is presently unknown.

Miss B Wickens: A residuary share in the estate estimated at approximately £110,000.

For an explanation of when legacies are recognised as income see Note 1(c).

### 4 Income from charitable activities

	<i>Total</i> <i>2022</i>	<i>Total</i> <i>2020</i>
	£	£
Fees from residential care homes	2,177,973	1,552,238
Fees from flatlets	54,721	43,134
Staff board charges	17,749	15,716
Covid-19 government grants	87,564	93,811
Sundry receipts	2,043	4,230
	<u>£2,340,050</u>	<u>£1,709,129</u>

### 5 Investment income

	<i>Unrestricted</i> <i>funds</i>	<i>Restricted</i> <i>funds</i>	<i>Total</i> <i>2022</i>	<i>Total</i> <i>2020</i>
	£	£	£	£
Interest on short-term deposits	15,961	2,846	18,807	23,476
Use of bookroom	<u>3,750</u>	<u>-</u>	<u>3,750</u>	<u>2,500</u>
	<u>£19,711</u>	<u>£2,846</u>	<u>£22,557</u>	<u>£25,976</u>

The bookroom within the Bethesda General Office, Harpenden is occupied by The Gospel Standard Trust as its publications centre. As the fair value of the investment property component cannot be measured reliably, the entire property is accounted for within tangible fixed assets and not under investments.

Related Party Transactions note: The Gospel Standard Trust is a Custodian Trustee of the Gospel Standard Bethesda Fund and holds in trust all of the charity's freehold properties. The appointment was made under the Charity Commission Scheme referred to earlier in this report.

## 6 Transactions with The Piggott Charity

A grant of £nil (2020 - £9,000) was received from The Piggott Charity towards assisting underfunded residents. The Piggott Charity is a 'connected charity.' The trustees of the Gospel Standard Bethesda Fund are also trustees of The Piggott Charity. However, the Gospel Standard Bethesda Fund does not exercise any dominant influence over The Piggott Charity. The Piggott Charity makes grants at its own discretion to the Gospel Standard Bethesda Fund. Therefore, based on this, no consolidated accounts are prepared. For further information see notes on 'Designated funds' and 'Restricted funds.'

## 7 Analysis of expenditure

	<i>Direct</i>	<i>Governance &amp; support</i>	<i>Total</i>	<i>Total</i>
	<i>costs</i>	<i>costs</i>	<i>2022</i>	<i>2020</i>
	£	£	£	£
Raising funds	-	27,004	27,004	12,926
Charitable activities:				
Running costs of care homes	2,092,540	510,640	2,603,180	1,811,156
Running costs of flatlets	61,341	25,719	87,060	39,683
Future development fund	-	1,516	1,516	-
Short-stay residents' fund	2,307	379	2,686	132
	2,156,188	538,254	2,694,442	1,850,971
Total	£2,156,188	£565,258	£2,721,446	£1,863,897

'Raising funds' is the term required by accounting rules to be used for expenditure in relation to dealing with donations, grants, legacies, subscriptions and management of investments, hence a proportion of costs are allocated under this caption.

## 8 Allocation of Governance and support costs

Support costs comprise costs incurred in support of both income generation, charitable activities, and governance, as shown below. These costs comprise a proportion of central office staff, information systems and internal accounting costs, and costs relating to the premises. Also included is a proportion of the management and administration costs in the Bethesda Homes and Flatlets and the servicing of the buildings.

Governance costs are those for the governance arrangements of the charity. These include audit, legal advice for trustees and costs associated with constitutional and statutory requirements, such as trustee meetings and preparing statutory accounts. Governance costs are not shown separately in the Statement of Financial Activities but are instead included as a sub-category of support costs and allocated to activities along with the other support costs. Governance costs are shown in Note 9.

	<i>Staff costs</i>	<i>Other costs</i>	<i>Total 2022</i>	<i>Total 2020</i>
	£	£	£	£
Raising funds	14,321	12,683	27,004	12,926
Charitable activities:				
Care homes	390,117	120,523	510,640	359,529
Flatlets	12,072	13,647	25,719	11,022
Future development fund	844	672	1,516	-
Subsidies: short-stay residents	133	246	379	132
Total Governance & support costs	£417,487	£147,771	£565,258	£383,609

## 9 Governance costs

	<i>Total 2022</i>	<i>Total 2020</i>
	£	£
Audit fees incl disbursements	9,568	9,214
Advertising and Website costs	65	22
Bank charges	1,988	935
Committee members' expenses	1,046	1,589
Printing	1,087	846
Legal and professional costs	28,955	4,628
Management and finance staff costs	36,014	23,529
Administrative office, travel & other costs	14,233	7,376
	£92,956	£48,139

## 10 Subsidies paid to short-stay residents

During the period four residents coming into a Bethesda Home for a short stay required assistance with their fees from the Short-Stay Fund (2020: no residents). During the period the Short-Stay Fund was supported by six (2020: 1) chapel collections.

## 11 Assistance towards residents' fees

Fee subsidies amounting to £9,892 (2020: £31,075) were given to residents supported by Local Authorities under the Community Care Act in cases where the maximum amount paid by the Local Authority was less than the Bethesda fee. These were funded from the General Fund. During the period seven residents were assisted in this way: three residents at the Brighton Home, three at Harpenden, and one at Studley (2020: 7 residents). It should be noted that 77% of the subsidy in the period was for just one resident, who is now deceased.

During the period contributions amounting to £353,006 (2020: £161,733) were received from Local Authorities towards residents' fees.

## 12 Ex gratia payments

	2022 £	2020 £
Honoraria payments	2,500	600
Gift vouchers to volunteers and leavers	210	1,050
	<hr/>	<hr/>
	£2,710	£1,650
	<hr/>	<hr/>

Four honoraria payments (2020: 1 payment) were made to people who assist the charity in various ways, in the range of £500 to £800 (2020: £600). Six payments totalling £210 for gift vouchers were made for volunteers and leavers (2020: 21 £50 gift vouchers were given in relation to help provided during the Covid-19 crisis.) In some cases the payment, or part of the payment, has been used by the recipient to defray expenses incurred in rendering services to the charity.

### 13 Employee information

The average number of care home staff employed during the period, including part time workers, was 69 (2020: 87). The number of management and administration staff at the Bethesda General Office was 2 (2020: 2). Staff costs were as follows:

	2022	2020
	£	£
Wages and salaries	1,586,778	1,255,616
Social security costs	112,322	84,103
Pension costs	35,783	27,227
Agency workers	141,081	24,518
Statutory redundancy payments	59,661	-
	<u>£1,935,625</u>	<u>£1,391,464</u>
Cost of raising funds - support costs	14,321	9,043
Costs relating to charitable activities:		
Care homes - direct costs	1,518,138	1,088,855
Care homes - support costs	390,117	286,274
Flatlets - support costs	12,072	7,205
Future development fund - support costs	844	-
Short-stay Fund - support costs	133	87
	<u>£1,935,625</u>	<u>£1,391,464</u>

Redundancy payments are accounted for in the period in which the redundancies take effect and no unpaid amounts were outstanding at 30 June 2022.

No employee earned at a rate of £60,000 per annum or more in either period. Premiums of £1,920 for the 18 months (2020: £1,280) were paid into a private pension plan held by 1 officer (2020: 1 officer). Employers premiums of £34,420 (2020: £26,063) were paid into 'The People's Pension' scheme administered by B&CE Insurance Ltd. which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority. This is an auto-enrolment scheme which commenced in October 2015.

Key management personnel are identified as the General Manager and the three Home Managers (on the Studley Home closure this became two Home Managers). The compensation for the 18 month period of these members of staff amounts to £236,954 (2020: £154,270) including remuneration, termination payments and all benefits paid. The Home Manager of the Harpenden Home, Debbie Scott, is daughter in law to Trevor Scott, who was a trustee until his resignation in 2021. Regulations require that each of the care Homes has a registered Manager. Each Home Manager's remuneration is decided with due reference to current market rates and the prevailing economic climate.

#### 14 Transfers from restricted funds

	2022	2020
	£	£
Transfer from restricted funds relating to capital expenditure	-	11,429
Total transfers	£-	£11,429

Expenditure for 2022 was nil (2020: two commercial washing machines, a wi-fi upgrade and a medical bed).

## 15 Freehold land and buildings

### (a) *Holding trustee*

The freeholds of the Bethesda Homes and Flatlets and the Bethesda General Office are held by the custodian trustee, The Gospel Standard Trust.

### (b) *Net book value*

The Trustees consider that the open market value of the freehold land and buildings is in excess of the net book value at which they are shown in the Balance Sheet.

### (c) *Note concerning the Brighton and Hove Home*

The Gospel Standard Baptist Library is situated within the grounds of the Brighton & Hove Bethesda Home. The cost of the library building, which was erected in 1980 and extended in 2003, was met entirely from the funds of the library. There is no formal agreement with the trustees of the library and no ground rent or other payments are received.

	Bethesda Homes £	Bethesda Flatlets £	Office Premises £	Total £
<b>COST</b>				
At start of period	1,300,371	449,492	125,019	1,874,882
Additions	-	520,824	-	520,824
At end of period	1,300,371	970,316	125,019	2,395,706
<b>DEPRECIATION</b>				
At start of period	635,265	197,946	55,857	889,068
Charge for period	35,656	11,419	3,727	50,802
At end of period	670,921	209,365	59,584	939,870
<b>NET BOOK VALUE</b>				
<b>At 30.06.22</b>	<b>£629,450</b>	<b>£760,951</b>	<b>£65,435</b>	<b>£1,455,836</b>
At 31.12.20	£665,106	£251,546	£69,162	£985,814

Included within the cost of freehold property is land of £181,523 (2020: £181,523) which is not depreciated. The cost of Bethesda Flatlets includes £520,824 for acquisition of a site at Swavesey plus professional fees incurred subsequently, where it is intended to build apartments; no depreciation is charged until the apartments have been completed.



## 16 Equipment and motor vehicles

	Equipment in Homes £	Equipment in Flatlets £	Office Equipment £	Motor Vehicles £	Total £
<b>COST</b>					
At start of period	234,659	14,914	6,082	60,811	316,466
Additions	10,420	-	-	-	10,420
Disposals	(2,889)	-	-	-	(2,889)
At end of period	242,190	14,914	6,082	60,811	323,997
<b>DEPRECIATION</b>					
At start of period	206,207	11,897	5,435	56,299	279,838
Charge for period	15,996	1,509	324	1,551	19,380
Less: Disposals	(2,889)	-	-	-	(2,889)
At end of period	219,314	13,406	5,759	57,850	296,329
<b>NET BOOK VALUE</b>					
<b>At 30.06.22</b>	<b>£22,876</b>	<b>£1,508</b>	<b>£323</b>	<b>£2,961</b>	<b>£27,668</b>
At 31.12.20	£28,452	£3,017	£647	£4,512	£36,628

## 17 Tangible assets

	2022 £	2020 £
Freehold land and buildings	1,455,836	985,814
Equipment and motor vehicles	27,668	36,628
	<u>£1,483,504</u>	<u>£1,022,442</u>

## 18 Debtors

	2022	2020
	£	£
Income tax recoverable on Gift Aid	1,602	5,940
Interest accrued on short-term deposits	2,818	5,483
Gospel Standard Trust - use of bookroom	1,446	-
Legacies	-	42,000
Prepayments and accrued income	40,268	22,671
Residents' fees receivable	51,532	62,760
	<hr/>	<hr/>
	£97,666	£138,854
	<hr/>	<hr/>

## 19 Investments: short-term deposits

	2022	2020
	£	£
<i><b>Current assets</b></i>		
Cambridge & Counties Bank 95 day notice account	487,541	-
Cambridge & Counties Bank one year bond	-	276,799
Cambridge & Counties Bank easy access account	-	201,615
Charity Bank easy access account	202,009	200,830
Close Brothers 95 day notice account	527,478	-
COIF Charities deposit fund	423,956	393,133
Hampshire Trust Bank 45 day notice account	351,714	-
Skipton Building Society community saver account	-	200,531
United Trust Bank three month bond	528,272	1,150,231
Virgin Money deposit account	-	200,503
	<hr/>	<hr/>
	£2,520,970	£2,623,642
	<hr/>	<hr/>

## 20 Creditors: amounts falling due within one year

	2022	2020
	£	£
Accrued expenses	8,241	3,412
Accrued holiday pay	22,734	19,550
Financial services fees	9,384	8,750
PAYE & NIC due to HMRC	14,590	24,141
Pension premiums due	3,742	5,309
Deferred government grant income	59,392	27,619
Residents' fees repayable or paid in advance	1,583	3,351
Trade creditors	13,544	9,440
	<u>£133,210</u>	<u>£101,572</u>

Government grant income shown above as deferred at the period end is for grants received but not yet confirmed whether the attached grant conditions will be satisfied. The accounting policy on government grants is detailed at Note 1(c). The movement on the deferred income account is as follows:

	2022	2020
	£	£
Deferred income at start of period	27,619	-
Of which: Released to income in current period	(23,856)	-
Repaid to grantor in current period	(3,763)	-
Income deferred in current period	<u>59,392</u>	<u>27,619</u>
Deferred income at end of period	<u>£59,392</u>	<u>£27,619</u>

## 21 Net asset analysis by fund

	----Unrestricted funds----		Restricted funds	Total funds 2022	Total funds 2020
	Designated	General		2022	2020
	£	£	£	£	£
<b>Fixed assets:</b>					
Tangible	-	1,483,504	-	1,483,504	1,022,442
<b>Current assets:</b>					
Investments	1,056,708	1,413,802	50,460	2,520,970	2,623,642
Other	-	348,074	-	348,074	452,667
<b>Current liabilities</b>	<u>-</u>	<u>(133,210)</u>	<u>-</u>	<u>(133,210)</u>	<u>(101,572)</u>
	<u>£1,056,708</u>	<u>£3,112,170</u>	<u>£50,460</u>	<u>£4,219,338</u>	<u>£3,997,179</u>

## 22 Restricted funds

	<i>Balance</i> <i>01.01.21</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i> <i>to capital</i>	<i>Balance</i> <i>30.06.22</i>
	£	£	£	£	£
<b><i>Brighton Home:</i></b>					
Miss M J Guest	25,338	47	(25,385)	-	-
Miss M Haddow	-	622	(622)	-	-
Mrs R Poole	-	4,193	(4,193)	-	-
Mr J Tucker	20,721	38	(20,759)	-	-
Mrs E E Walker	69,199	128	(69,327)	-	-
Other	27,108	50	(27,158)	-	-
<b><i>Harpenden Home:</i></b>					
Mr S E Biggs	3,727	7	(3,734)	-	-
Mrs E M Burgess	77,336	143	(77,479)	-	-
Mrs N M Gosling	142,204	263	(142,467)	-	-
Miss M J Guest	67,579	125	(67,704)	-	-
Mrs J Harrison	15,060	1,601	(16,661)	-	-
Miss P Lawrence	-	65,060	(65,060)	-	-
Mr L W Palmer	282,765	1,389	(284,154)	-	-
Miss M A Patterson	80,177	148	(80,325)	-	-
Mrs E D Sneesby	5,083	9	(5,092)	-	-
Miss M K Watts	2,809	5	(2,814)	-	-
Miss R E Wilkins	17,274	32	(17,306)	-	-
<b><i>Redhill Flatlets:</i></b>					
Mrs I S Ford	-	1,252	(1,252)	-	-
<b><i>Other funds:</i></b>					
Brighton Amenity	24,281	5,314	(1,980)	-	27,615
Harpenden Amenity	15,962	1,536	(1,305)	-	16,193
Studley Amenity	22,436	637	(23,073)	-	-
Short-stay Residents	6,232	3,106	(2,686)	-	6,652
	<u>£905,291</u>	<u>£85,705</u>	<u>(£940,536)</u>	<u>£-</u>	<u>£50,460</u>

Restricted funds are to be used only for the benefit of the Bethesda Home/Flatlets under which they are listed above, and the expenditure allocated to these funds is therefore for those specific Homes/Flatlets, as appropriate. The Short-stay Residents Fund is supported by chapel collections and is used to assist people coming into the Bethesda Homes for short stays. Income includes interest received on unexpended balances. See Note 1(k) for more information on Restricted funds.

## 23 Designated funds

	<i>Balance</i> <i>01.01.21</i>	<i>Income</i>	<i>Expenditure</i>	<i>Net</i> <i>transfers</i>	<i>Balance</i> <i>30.06.22</i>
	£	£	£	£	£
Future Development	-	2,120	(1,516)	1,029,428	1,030,032
Miss K E Aston dec'd	26,504	172	-	-	26,676
	<u>£26,504</u>	<u>£2,292</u>	<u>(£1,516)</u>	<u>£1,029,428</u>	<u>£1,056,708</u>

The Future Development Fund has been set up in the period by making transfers from the General Fund. The Fund is designated for capital investment into new and existing buildings. Expenditure includes an allocation for support costs (see Note 8 for further details on support costs).

Part of a legacy received in 2009 from the estate of the late Miss Kathleen Eunice Aston was transferred into a Designated Fund to be used for the benefit of the Brighton Bethesda Home, where Miss Aston was a resident for over ten years.

Income includes interest received on unexpended balances. See Note 1(k) for more information on Designated funds.

## 24 Notes to Statement of Cash Flows

### (a) Reconciliation of net income (expenditure) to net cash provided by operating activities

	2022	2020
	£	£
Net income (expenditure) for the period (as per the statement of financial activities)	222,159	(24,810)
<b>Adjustments for:</b>		
Depreciation charges	70,182	47,422
Interest and rents from investments	(22,557)	(25,976)
Decrease in debtors	41,188	13,918
Increase in creditors	31,638	23,210
Net cash provided by operating activities	£342,610	£33,764
<b>(b) Analysis of cash and cash equivalents</b>		
Cash at bank and in hand	250,408	313,813
Cash on deposit (current asset investments)	2,520,970	2,623,642
	£2,771,378	£2,937,455

## 25 Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2020
	£	£
<i>Amounts due:</i>		
Within 1 year	4,591	6,253
Between 1 and 5 years	6,826	13,967
After 5 years	-	777
	£11,417	£20,997

## 26 Commitments for expenditure

There were no other material commitments for expenditure at the period end.

## **27 18 month reporting period to 30 June 2022**

Incorporation of the charity was originally anticipated by 30 June 2022, hence this 18 month reporting period was expected to be the final one. The extension to 18 months was to minimise the number and hence cost of reports and audits. Comparative amounts presented in these accounts are for the previous period of 12 months to 31 December 2020, which means they may not be entirely comparable. The legal authority for changing the accounting period is Section 3 of The Charities (Accounts and Reports) Regulations 2008, and Charity Commission consent was obtained.

## **28 Non-adjusting event after the period end: Incorporation**

Having obtained the consent of the Care Quality Commission and the Charity Commission, all the assets and liabilities of the charity were transferred as a going concern on 30 December 2022 to a private charitable company, limited by guarantee, named Gospel Standard Bethesda Fund (company number 13651153 registered in England and Wales and registered with the Charity Commission under charity number 1199341). A provisional estimate of the fair value of the assets transferred (after deducting all liabilities) is approximately £9m (see note below) at the date of transfer. The charitable activities are thus continuing under the new corporate structure and the decision has been taken to seek for this original unincorporated charitable trust to be dissolved as soon as practicably possible thereafter.

Note: In accordance with the established accounting practice, Bethesda's financial statements have hitherto included within the Balance Sheet the value of freehold properties stated at their 'historic cost less depreciation'. It has been acknowledged over the years that the market value of such assets was higher. With the transition of Bethesda from an unincorporated charity to a private charitable company limited by guarantee, the accounting rules require that the assets transferred are revalued and recognised in the financial statements for the new limited company at their fair value (open market value) as at 30 December 2022, the effective date of transfer of assets. The 'historic cost less depreciation' of freehold property was around £1.4m whereas the fair value (open market value) of the same as at 30 December 2022 has been provisionally estimated at around £6.6m. Hence the fair value of the assets transferred (after deducting all liabilities) being approximately £9m at the date of transfer.

## **END OF NOTES TO THE FINANCIAL STATEMENTS**