

ANNUAL REPORT 2021/22



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Introduction to BPAS

Our Vision:

A future where every woman can exercise reproductive autonomy and is empowered to make her own decisions about pregnancy.

Throughout this report of our work you will see what we do and how many people we support when working...

To remove all barriers to reproductive choice while advocating for and delivering high quality, woman-centred reproductive health care.

We put our clients at the centre of our organisation, whether we are:

- providing support and information
- holding her hand while she has her treatment
- delivering evidenced-based clinical care
- supporting couples to become parents
- talking to NHS Commissioners about best practice in reproductive healthcare
- talking to politicians about why women's reproductive lives are not for political or legal debate
- providing a voice to our clients with the press to break down stigma and normalise the services we provide

Just like many organisations across the UK, the story of this year has been the return to normality following the pandemic and the reinstatement of services. For BPAS it has also been about retaining and refining the service improvements necessity forced during Covid - including our award winning "Pills by Post" service, which parliament voted to keep permanently in March 2022.

This year we have worked to ensure this new model of care co-exists with - and complements - our in-clinic services, recognising that telemedical care is not suitable or desired by all women. We strive to deliver the services women want and work with all our stakeholders on achieving the shared goal of safe, high quality, woman-centred care.

We begin our Annual Report for 21/22 right at the end of the year with the wonderful news that, BPAS working in collaboration with many other women's organisations and pro-choice parliamentarians, has managed to secure the first progressive change to the 1967 Abortion Act since it was passed.

Despite the overwhelming evidence supporting the service, the Secretary of State for Health and Social Care announced in February that the telemedical provisions put in place in England in March 2020 to protect women and enable them to continue to access abortion care during the COVID pandemic would end in August this year.

This was seen as an attack on women's access to safe, high quality care. To retain telemedical abortion, MPs amended primary legislation to permanently allow women to take both medications involved in early medical abortion (mifepristone and misoprostol) at home in early pregnancy.

This has been a hard-fought battle, premised entirely on our strong belief that women should be able to access safe, effective abortion care in a way that works for them – without undue delay, obstacles, or non evidence-based restrictions. The campaign, co-ordinated by BPAS has had support from the Royal Colleges of Obstetricians and Gynaecologists, Midwives, and General Practitioners, the British Medical Association, Women's Aid, Karma Nirvana, Rape Crisis, Mumsnet, Maternity Action, as well as the other key abortion providers and professional bodies, and indeed a large number of commissioners. As a result, BPAS is secure in the knowledge that we can continue to provide our sector-leading Pills by Post service, while using this certainty to take time to plan for the future to ensure the best possible access to abortion and holistic care including contraception and STI testing.

BPAS worked hard throughout the pandemic to provide essential abortion care to women around the country. In order to do so, we needed to change our model and some aspects of our service were paused or reduced. This approach enabled us to use our resources most effectively to ensure every woman who needed our care could receive it as swiftly as possible, with the least risk to their health.

But over this year, we did start to see the toll of this. We faced challenges in some areas of the high-quality services we are used to providing. Last Summer, three of our clinics in the north of the country received unannounced Care Quality Commission inspections which unfortunately highlighted some issues with the quality of our service delivery in those clinics. We were determined to learn from these inspections and took an organisation-wide approach to addressing the issues raised, developing and delivering a detailed action plan.

We applied the changes systemically, reviewing our national policies, improving our documentation, reinstating clinical audits which were suspended during the pandemic, and undertaking further staff training to ensure that our service delivery always reflects best practice and policy. We know we have emerged from this difficult period stronger, with more robust and resilient processes, policies and higher standards of care.

We have continued to work closely with the CQC and CCGs to ensure that they are satisfied with our progress and the evidence-based, woman-centred care that we are committed to providing. We are dedicated to continuous improvement of our service and to providing safe, high quality, accessible abortion care to everyone who needs it.

Delivering quality improvements has meant we have changed the way we work for the better and invested in key functions. In order to ensure the most effective support to our staff and units, our Quality team led by our Chief Nurse and Midwife has been expanded. We have also developed a Risk & Governance Directorate led by a Director covering Clinical Risk Management, Internal Audit, Health & Safety, Governance & Risk Business Analysis, Counter Fraud and Business Continuity. This team proactively identifies and assesses challenges to achieving our strategic goals and supports all directorates in the action needed to mitigate those risks.

BPAS' services may change and the care we are able to offer today to women in their own homes has been revolutionary. Nevertheless the fundamentals need to remain the same - rigorous, robust, reliable processes need to go hand in hand with that absolute commitment to giving women what they need at what can be a very difficult time in their lives. Our vow is that we will continue to improve and to innovate while remaining steadfast in those key principles.

Clare Murphy, CEO

Cathy Warwick, Chair of Trustees

We are the UK's leading reproductive independent healthcare charity

We provided support and care to more than 100k women during 2021/22

2021-22 in numbers

Calls received: **348,885** **93,136** abortions

Calls answered: **266,354** **80,201** early medical abortions provided on behalf of 130 NHS commissioning organisations

111,878 Telemedicine Consultations

5,610 face-to-face conversations **Total abortions 2021: 214,256**



Clinic locations

Financial Results

Funding is received through fees charged for abortion and other sexual health services provided to NHS and individual paying clients.

The financial results of the company's activities are summarised on pages 16 to 27.

The net expenditure for the year amounted to £2,909,000 (2020/21-£1,398,000). Total income was £40,204,000 representing a 4.3% increase over 2020/21- (£38,548,000). This was the result of an increase in fee income of 6.4%, and a decrease in grant income of £125,000. Operating costs (Total Resources Expended) were £43,113,000 (2020/21 - £39,946,000) an increase of 7.9% on a like-for-like basis. Expenditure continued on significant further investment in service delivery, people, IT equipment and infrastructure.

There was significant investment in quality assurance following inspections and regulatory action by the CQC, this investment was both in people and systems to ensure that the organisation was complying with all regulatory requirements.

Net cash provided by operating activities was an outflow of £1,801,000 compared to an outflow of £1,438,000 in 2020/21. This cash outflow together with the proceeds from the sale of Fixed Assets of £3,593,000 including the sale of one of the Freehold Properties contributed to capital expenditure totalling £2,786,000. This included significant investment (£2,100,000) in the new IVF business which was started during the year, BPAS Fertility. This business, which was anticipated to run at a loss for the first three years of operation was being closely monitored by the board of Trustees, and subsequently it was decided to divest itself of this business.

Details of all acquisitions and disposals of fixed assets during the year are recorded in Note 5 to the Financial Statements.

Total funds £12,036,000 (2020/21 - £13,703,000) decreased as a result of a net deficit of £2,909,000 (2020/21 - £1,398,000) after profit on the sale of Fixed Assets £525,000 (2020/21 - £659,000) and a gain on revaluation of freehold properties £1,242,000 (2020/21 - £619,000).

Policy on Reserves

The Board's objective is to generate modest surpluses in order to facilitate investment in the infrastructure of the Charity, and to develop and then maintain sufficient General Reserves to mitigate cash flow risks and seasonality in the profile of income. The Trustees monitor the level of reserves, and at the year-end consider that the current level of Reserves is more than adequate to mitigate cash flows and seasonality of income. £136,000 is held in General Reserve (2021- £2,790,000) and £Nil in Restricted Reserves (2021-£Nil).

The remaining reserves (Revaluation and Designated Reserves) total £11,900,000 (2021-£10,913,000). In accordance with Charity Commission guidance the BPAS Board operates a Risk Based policy that enables the Charity to safely reduce designated reserves in order to invest in solutions and projects recommended in the Strategic Risk Register.

Risk Management

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

- credit and liquidity risk, which is mitigated by payment being received in advance for services in some cases, as well as having an agreed bank overdraft facility;
- an unstable economic climate and the drive down of costs in the NHS, together with competitive pressure, which is mitigated by continually reviewing service delivery and implementing and delivering efficiency savings across the service; and
- changes in the law relating to abortion, which is mitigated by working with and educating the policy makers. The Trustees' Risk Assessment Document is updated regularly and was last updated in October 2022.

Going Concern

The Trustees have revisited their going concern assessment in June and November 2022 particularly assessing the effects of the aftermath of Covid-19 and its impact on the business up until those dates, including the investment in telemedical services to ensure women's continued access to care, as well as the investment required to meet regulatory standards following CQC inspections and regulatory action that followed, a review of the fledgling IVF business effect up until March 2024 including the impacts on income streams was undertaken. A Business Improvement plan was drawn up to focus the organisation on its core abortion service. This plan involved the organisation divesting itself of the IVF business, saving £1,200,000 per annum, reducing its back office costs by £1,200,000 per annum, the sale of a further property and a comprehensive review of its pricing across its customer base. This recovery plan was approved by the board on September 1st 2022.

A number of different scenarios were modelled between +5% and -10% income over the forecast period and their effect on financial results, cash flow and cash requirements reviewed. The Trustees feel that within the most likely range of scenarios that continuing prudent financial control together with the continued support of its bankers, who have recently renewed the overdraft facility until February 2024, will ensure that BPAS continues to operate within its current financial resources. The Trustees consider that the headroom on the current available bank overdraft facility, which is due for renewal in February 2024 (and is expected to be renewed), should be sufficient and that whilst uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue to operate and meet its liabilities as they fall due for payment throughout the forecast period, which is a period of at least 12 months from signing of the accounts.

The scenarios outside of that range are extremely unlikely but as a precaution the Trustees have agreed that a cost saving review that commenced in 2022 will continue. Our abortion income is higher than ever, however non-abortion income streams, such as contraceptive fitting and STI testing, have reduced as these are essentially face to face services, although these have been recovering since the end of most of the Covid-19 related restrictions in July 2021, and are planned to recover further in 23/24 when we will see a return to more face to face contact with our clients.

All of these changes have enabled us to maintain our financial position, and will signal a return to reserve growth in 23/24 and ensure the financial viability of the charity in the foreseeable future.

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

Structure, Management & Governance

Directors and Trustees:

Dame Professor Cathy Warwick (Chair)	Dr Lucy Moore
Professor Iain Cameron	Professor Dame Lesley Regan
Graham Colbert (appointed 12 November 2021)	Sanjay Shah
John Collier (resigned 31 March 2022)	Anne Shevas
Dr David Dickson (resigned 30 July 2021)	Sam Smethers (appointed 11 February 2022)
Professor Anna Glasier (resigned 12 November 2021)	Dr Jane Stewart (appointed 12 November 2021)
Siobhan Kenny (appointed 11 February 2022)	Natasha Walton (appointed 12 November 2021)
Dr Sheelagh McGuinness	

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

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

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

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

Key management remuneration is set by the Board based on reviews of market rates along with recruitment and retention requirements.

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

BPAS has no external Trustee appointments.

Chief Executive

Clare Murphy

Senior Officers

Senior Officers Mandy Myers (Deputy CEO, Operations - resigned December 2021)

Charles Scott (Deputy CEO, Support Services - resigned July 2022)

Dr Patricia Lohr (Medical Director)

Rosemary Cutmore (National Business Development Director)

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

Jill Craig (Director of IT - resigned October 2022)

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

Donagh Stenson (Director of Marketing and Innovation)

Stephen Franklin (Secretary & Director of Risk and Compliance)

Joanne Deans (Director of HR - appointed September 2021)

Cheryl Crosby (Director of Operations - appointed August 2021)

Rachael Clarke (Chief of Staff - appointed January 2022)

Rachael Greshon (Chief Nurse and Midwife - appointed March 2022)

Simon Marsh (Interim Director of Finance - appointed September 2022)

Registered office:

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

Reference & Administrative details

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

Bankers

HSBC Bank PLC
6th Floor
120 Edmund Street
Birmingham
B3 2QZQZ

Principal Solicitors

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

Auditor

BDO LLP have expressed their willingness to continue in office and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be reappointed as an auditor of the company will be put to the Annual General Meeting.

Trustees' responsibilities

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

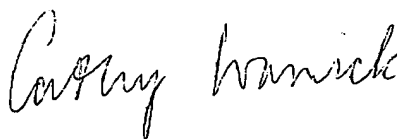
Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless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

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

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

To the Trustees' best knowledge, there is no relevant audit information of which the auditor is unaware and they have taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of the information.

This report was approved by the Board on 21st March 2023 and signed on its behalf by
Cathy Warwick – Chair of Trustees.

A handwritten signature in black ink, appearing to read 'Cathy Warwick', is written over the printed name.

Independent Auditor's Report to Members Of The British Pregnancy Advisory Service

Qualified opinion on the financial statements

In our opinion, except for the possible effects of matters described in the basis of qualified opinion paragraph, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The British Pregnancy Advisory Service ("the Charitable Company") for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for qualified opinion

Owing to Government restrictions related to the COVID-19 pandemic and relevant decisions taken by management, we did not observe the counting of physical stock held at 31 March 2020. Our audit evidence was also limited because complete and accurate records of stock purchases, stock consumed and other transactions in the year ended 31 March 2020 had not been maintained. We were unable to satisfy ourselves concerning the completeness, existence, valuation or accuracy of stock held at 31 March 2020, which were included in the balance sheet at £1,404,211, by using alternative procedures. Consequently, we were unable to determine whether there was any consequential effect on the resources expended for the year ended 31 March 2021. Our audit opinion on the financial statements for the period ended 31 March 2021 was modified accordingly. Our audit opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures for resources expended and related balances and the corresponding figures.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As described in the basis for qualified opinion section of our report, where the other information refers to resources expended or related balances the current year and corresponding figures may not be comparable.

Other Companies Act 2006 reporting

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

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

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

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

- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

We made enquiries of management. This included the following: :

- how they have identified, evaluated and complied with laws and regulations and whether they were aware of any instances of non-compliance;
- their process for detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- which internal controls have been established to mitigate risks related to fraud or non-compliance with laws and regulations.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity. These include, but are not limited to the Charities SORP and UK GAAP.

In addition, the charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection.

In order to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, we made enquiries of management and those charged with Governance about whether the entity is in compliance with such laws and regulations and we inspected any relevant regulatory and legal correspondence.

We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including revenue recognition and the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Audit response to risks identified

- We reviewed the financial statement disclosures and sample tested to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- We made enquiries of the Audit Committee and management;
- We reviewed minutes of meetings of those charged with governance;
- We reviewed any Serious Incident Reports submitted;
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; considered completeness of related party transactions; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:
<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:
Samantha Lifford
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Samantha Lifford (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor
Birmingham, UK
Date 22 March 2023

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

Statement of Financial Activities

(Incorporating an income and expenditure account) for the year ended
31 March 2022

	Unrestricted 2022 £'000	Restricted 2022 £'000	Total 2022 £'000	Total 2021 £'000
INCOME:				
Incoming from:				
Donations and Legacies	64	-	64	510
Grants	-	115	115	240
Incoming from charitable activities:				
Fees for services	39,500	-	39,500	37,139
Other Income:				
Profit on sale of Fixed Assets	525	-	525	659
Total Income	40,089	115	40,204	38,548
EXPENDITURE ON:				
Charitable activities				
Advice, Treatment and Care	40,836	115	40,951	37,312
Education and Research	2,162	-	2,162	2,634
	42,998	115	43,113	39,946
Net (expenditure)	(2,909)	-	(2,909)	(1,398)
Gains on revaluation:				
Unrealised	1,242	-	1,242	619
Net movement in funds	(1,667)	-	(1,667)	(779)
Fund Balances brought forward at 1 April	13,703	-	13,703	14,482
Fund balances carried forward 31 March	12,036	-	12,036	13,703

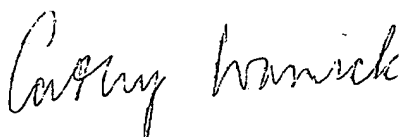
These notes on pages 19 to 27 form part of these financial statements.

Balance Sheet (Company No. 01803160)
As at 31st March 2022

			2022	2021
	Notes	£'000	£'000	£'000
FIXED ASSETS				
Tangible Assets	5		12,319	12,669
CURRENT ASSETS				
Stock	6	1,068		1,462
Debtors	7	5,408		4,421
Cash at bank & in hand		43		1,827
		<u>6,519</u>	<u>7,710</u>	
CREDITORS				
Amounts falling due within one year	8	(6,641)	(122)	(6,676)
NET CURRENT (LIABILITIES)/ASSETS				1,034
CREDITORS				
Amounts falling due after more than one year	8		(161)	-
			<u>12,036</u>	<u>13,703</u>
NET ASSETS				
RESERVES	11		4,719	4,863
Revaluation	12		7,181	6,050
Designated	13		136	2,790
General				
TOTAL FUNDS			<u>12,036</u>	<u>13,703</u>

The financial statements were approved and authorised for issue by the Trustees on 21st March 2023.

And signed on its behalf by



Cathy Warwick, Chair of Trustees

These notes on pages 19 to 27 form part of these financial statements.

Cash Flow Statement

For the year ending 31st March 2022

	2022 £'000	2021 £'000
Net cash used in operating activities	(1,801)	(1,438)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(2,518)	(1,606)
Proceeds from sale of property, plant and equipment	<u>3,593</u>	<u>2,423</u>
	1,075	817
Cash flow from financing activities:		
Bank loans	-	2,319
Repayment of loans	<u>(2,319)</u>	<u>-</u>
Net (decrease) / increase in cash	<u>(3,045)</u>	<u>1,698</u>
Cash and cash equivalents at the start of the year	1,827	129
Cash and cash equivalents at the year end	<u>(1,218)</u>	<u>1,827</u>
(Decrease)/Increase in cash and cash equivalents in the year	<u>(3,045)</u>	<u>1,698</u>

Notes for the Cash Flow Statement

For the year ending 31st March 2022

	2022 £'000	2021 £'000
Reconciliation of net (expenditure) to net cash flow from operating activities	(2,909)	(1,398)
Net (expenditure) for the year		
Adjustments for:	1,310	1,061
Depreciation	-	-
Dividends, interest and rents from investments	394	(58)
Decrease/(increase) in stocks	(987)	(128)
(Increase) in debtors	916	(256)
Increase/(decrease) in creditors	(525)	(659)
(Profit) on sale of Fixed Assets	<u>(1,801)</u>	<u>(1,438)</u>
Net cash used in operating activities		

Analysis of Net Debt

	1st April 2021 £'000	Cash flows £'000	Other non cash changes £'000	31st March 2022 £'000
Cash at bank and in hand	1,827	(1,784)	-	43
Bank Overdraft	-	(1,261)	-	(1,261)
Bank loans	<u>(2,319)</u>	<u>2,319</u>	-	-
Total	<u>(492)</u>	<u>(726)</u>	-	<u>(1,218)</u>

	1st April 2020 £'000	Cash flows £'000	Other non cash changes £'000	31st March 2021 £'000
Cash at bank and in hand	129	1,698	-	1,827
Bank loans	-	<u>(2,319)</u>	-	<u>(2,319)</u>
Total	<u>129</u>	<u>(621)</u>	-	<u>(492)</u>

1. Accounting Policies

A) Basis of accounting

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

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

The Trustees have revisited their going concern assessment in June and November 2022 particularly assessing the effects of the aftermath of Covid-19 and its impact on the business up until those dates, including the investment in telemedical services to ensure women's continued access to care, as well as the investment required to meet regulatory standards following CQC inspections and regulatory action that followed, a review of the fledgling IVF business effect up until March 2024 including the impacts on income streams was undertaken. A Business Improvement plan was drawn up to focus the organisation on its core abortion service. This plan involved the organisation divesting itself of the IVF business, saving £1,200,000 per annum, reducing its back office costs by £1,200,000 per annum, the sale of a further property and a comprehensive review of its pricing across its customer base. This recovery plan was approved by the board on September 1st 2022.

A number of different scenarios were modelled between +5% and -10% income over the forecast period and their effect on financial results, cash flow and cash requirements reviewed. The Trustees feel that within the most likely range of scenarios that continuing prudent financial control together with the continued support of its bankers, who have recently renewed the overdraft facility until February 2024, will ensure that BPAS continues to operate within its current financial resources. The Trustees consider that the headroom on the current available bank overdraft facility, which is due for renewal in February 2024 (and is expected to be renewed), should be sufficient and that whilst uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue to operate and meet its liabilities as they fall due for payment throughout the forecast period, which is a period of at least 12 months from signing of the accounts.

The scenarios outside of that range are extremely unlikely but as a precaution the Trustees have agreed that a cost saving review that commenced in 2022 will continue. Our abortion income is higher than ever, however non-abortion income streams, such as contraceptive fitting and STI testing, have reduced as these are essentially face to face services, although these have been recovering since the end of most of the Covid-19 related restrictions in July 2021, and are planned to recover further in 23/24 when we will see a return to more face to face contact with our clients.

All of these changes have enabled us to maintain our financial position, and will signal a return to reserve growth in 23/24 and ensure the financial viability of the charity in the foreseeable future.

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

B) Income & Expenditure account

BPAS has not produced a separate Income and Expenditure Account as the Statement of Financial Activities complies with FRS102 and is equivalent.

All income is derived in the United Kingdom.

C) Incoming resources & resources expended

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

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

Governance costs include Audit costs, governance meeting expenses and legal advice to the Trustees.

Grants are accounted for on an accruals basis.

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

D) Land and Buildings

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

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

E) Fixed Assets and Depreciation

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

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

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

The estimated lives in use are as follows:

- Motor Vehicles - 5 years
Medical equipment -10 years
- Fittings & Office equipment - 5 years
IT Infrastructure - 5 Years
- IT Hardware – 5 Years
- Freehold Buildings – 50 years
Freehold Land is not depreciated
- Short leasehold premises improvements are depreciated over the term of the lease.

F) Stocks

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

G) Debtors

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

H) Repairs and renewals

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

I) Foreign exchange

BPAS accepts payment in both sterling and euros. Translation of euro transactions is undertaken monthly with foreign exchange gains and losses being recognised when realised.

Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the Statement of Financial Activities.

J) Pension Costs

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

K) Fund Accounts

The charity has created designated funds in order to safeguard the capital of the business whilst allowing strategic investment to diversify, develop and futureproof the business. Restricted funds have been created in relation to grants received for specific purposes.

L) Leased Assets

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

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

All other leases are treated as operating leases. Their annual rentals are charged to the income and expenditure account.

M) Judgements in applying accounting policies and key sources of estimation

In preparing these financial statements the Trustees have made the following judgements:

- Determine whether leases entered into by the charity either as a lessor or lessee are operating or finance leases. These decisions depend upon an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis, and whether any dilapidations are required as a result of these leases, any dilapidations that are considered necessary by the Trustees at this time, are included in these accounts.
- Determine whether there are indications of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic value in use, whether there are expected future cash flows to be created by the entity, and whether there is any evidence of obsolescence or damage.
- Due to the COVID-19 lock down restrictions a stocktake was not possible in March 2020 and at that stage an analytical review of the expectations of stock values held at March 2020 was carried out and the carrying value deemed in that basis not to be materially mis-stated. As at both March 2021 and March 2022 however a full and comprehensive stocktake was carried out at all locations along with a line by line valuation of all stock counted and deemed not to be out of date or no longer used. The valuation of stock at both March 2021 and March 2022 disclosed in these financial statements is therefore deemed to be accurate on the basis of both the count and valuation.
- As described in note 1 D) above the charity obtained independent third party property valuations from KWB Property Management Limited. On the basis of the information provided, and a post year end property sale the Trustees consider that there is sufficient information available to measure the value of freehold land and buildings at the balance sheet date.

N) Financial Instruments

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

Notes to the Financial Statements

2. Charitable expenditure

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

Advice, treatment and care costs include:

	2022 £'000 Service Provision	2022 £'000 Head office & Support	2022 £'000 Total	2021 £'000 Service Provision	2021 £'000 Head office & Support	2021 £'000 Total
Salaries, Fees & Related Staff Costs	21,174	11,231	32,405	20,950	4,894	25,844
Consumables	3,922	-	3,922	2,832	-	2,832
Infrastructure Costs	2,913	1,711	4,624	5,609	3,027	8,636
	<u>28,009</u>	<u>12,942</u>	<u>40,951</u>	<u>29,391</u>	<u>7,921</u>	<u>37,312</u>

Education and Research costs include:

	2022 £'000 Service Provision	2022 £'000 Head office & Support	2022 £'000 Total	2021 £'000 Service Provision	2021 £'000 Head office & Support	2021 £'000 Total
Salaries, Fees & Related Staff Costs	1,016	737	1,753	973	976	1,949
Consumables	28	42	70	33	42	75
Infrastructure Costs	18	321	339	13	597	610
	<u>1,062</u>	<u>1,100</u>	<u>2,162</u>	<u>1,019</u>	<u>1,615</u>	<u>2,634</u>

Amounts paid under operating leases was £2,029,000 (2021 - £2,080,000).

	2022 £'000	2021 £'000
Governance costs		
Included in the above		
Audit/Legal	55	85
Meeting expenses	17	18
	<u>72</u>	<u>103</u>

3. Staff costs

Wages & Salaries	22,715	21,527
Social security costs	2,150	1,982
Other Pension Costs	1,364	922
	<u>26,229</u>	<u>24,431</u>

Included in the above are redundancy payments of £121,000 (2021- £337,000).

Average monthly number of full and part time employees during the year:

Advice Treatment & Care	793	697
Education & Research	39	63
	<u>832</u>	<u>760</u>

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

574	531
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The number of employees earning over £60,000 p.a. excluding pension contributions was:

	2022	2021
£60,001 - £70,000	4	5
£70,001 - £80,000	2	5
£80,001 - £90,000	5	-
£90,001 - £100,000	3	1
£100,001 - £110,000	2	5
£110,001 - £120,000	3	2
£120,001 - £130,000	3	-
£130,001 - £140,000	2	3
£140,001 - £150,000	-	4
£150,001 - £160,000	1	-
£160,001 - £170,000	1	-
£170,001 - £180,000	1	1
£180,001 - £190,000	-	1

Pension contributions for the above staff amounted to £178,794 (2021 - £183,674).

During the year no Trustees, or any persons connected with them (other than those disclosed in Note 19), have received any remuneration. During the year, the company made no pension payments on behalf of the Trustees.

Aggregate remuneration of key management personnel was £1,430,000 (2021-£1,129,000) with pension contributions of £106,000 (2021-£94,000).

Re-imbursement of expenses, which are subsistence costs, incurred by all the Trustees in attending meetings totaled £1,000 (2021 - £Nil).

4. Pensions

The Charity operates a defined contribution scheme. The assets are held separately from those of the Charity in independently administered funds. Contributions payable by the Charity to the fund amounted to £1,364,000 (2021 - £923,000). Employee group personal pension contributions between 1% and 5% attract an employer contribution between 1% and 7% with BPAS covering the administration expenses and the cost of death in service benefits. This scheme is stakeholder compliant and is open to all contracted members of staff. Contributions amounting to £185,000 (2021- £149,000) were payable to the fund and are included in creditors.

5. Tangible Fixed Assets

	Freehold Land & Buildings	Short Leasehold Land & Buildings	Motor Vehicles	Equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost or Valuation					
At 1 April 2021	7,554	2,546	495	10,615	21,210
Additions	-	1,095	77	1,614	2,786
Disposals	(3,000)	(95)	(47)	(1,043)	(4,185)
Revaluations	1,196	-	-	-	1,196
At 31 March 2022	5,750	3,546	525	11,186	21,007
Depreciation					
At 1 April 2021	-	1,923	320	6,298	8,541
On disposals	(10)	(95)	(35)	(977)	(1,117)
Charge for the year	56	197	66	991	1,310
Revaluations	(46)	-	-	-	(46)
At 31 March 2022	-	2,025	351	6,312	8,688
Written down values					
At 31 March 2021	7,554	623	175	4,317	12,669
At 31 March 2022	5,750	1,521	174	4,874	12,319
Right of use assets written down value included above					
At 31 March 2021	-	-	-	-	-
At 31 March 2022	-	-	-	313	313

Land and Buildings included at valuation would have been included on an historical value basis at £1,217,000 (2021- £2,690,000).

All of the freehold land and buildings were re-valued in the year. These valuations were undertaken by a professional firm of chartered surveyors, Bromwich Hardy LLP.

6. Stocks

	2022 £'000	2021 £'000
Medical Consumables	1,068	1,462

7. Debtors

	2022 £'000	2021 £'000
Trade Debtors	3,843	2,976
Prepayments & Accrued Income	1,565	1,445
	5,408	4,421

All amounts fall due within one year.

8. Creditors

	2022 £'000	2021 £'000
Amounts falling due within one year		
Trade Creditors	2,213	2,119
Taxation & Social Security	838	669
Other creditors and accruals	2,222	1,569
Bank overdraft	1,261	-
Bank Loans	-	2,319
Finance leases	107	-
	6,641	6,676

Amounts falling due after more than one year

	2022 £'000	2021 £'000
Finance leases	161	-

9. Bank account

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

10. Taxation

The entity is a Charity within the meaning of paragraph 1 schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains under part 10 of The Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the year.

11. Revaluation reserve

During the year the revaluation reserve has decreased from £4,863,000 to £4,719,000 due to the sale of one of the Freehold Properties. During the year all of the freehold properties were re-valued

	2022 £'000	2021 £'000
Balance at 1 April	4,863	5,531
Movement in Funds		
Depreciation of Buildings	(36)	(50)
Disposal of revalued property	(1,350)	(1,237)
Revaluation of Properties	1,242	619
Balance at 31 March	<u>4,719</u>	<u>4,863</u>

12. Designated reserve

Balance at 1 April	6,050	6,846
Transfer from/(to) General Reserve	1,131	(796)
Balance at 31 March	<u>7,181</u>	<u>6,050</u>

13. General reserves

In accordance with Charity Commission guidance the BPAS Board operates a Risk Based policy that enables the Charity to safely reduce designated reserves in order to invest in solutions and projects recommended in the Strategic Risk Register.

	2022 £'000	2021 £'000
Balance at 1 April	2,790	2,105
Realised (deficit) for the year	(2,909)	(1,398)
Transfer from revaluation reserve (Note 11)	1,386	1,287
Transfer from (to)/from designated reserve (Note 12)	(1,131)	796
Balance at 31 March	<u>136</u>	<u>2,790</u>

14. Restricted reserve

Balance at 1 April	115	240
Grants Received	(115)	(240)
Resources expended	-	-
Balance at 31 March	<u>-</u>	<u>-</u>

15. Indemnity insurance

BPAS carries indemnity insurance cover for all employees providing protection for BPAS against mainly medical negligence claims up to a limit of £5 million (2022/23 - £10 million) at a cost of £245,000 (2021 -£254,000) p.a. A separate policy provides Directors and Officers indemnity cover of £3 million at a cost of £6,000 (2021 - £4,000) p.a.

16. Members' liability

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

17. Commitments under operating leases

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

	Land & Buildings 2022 £'000	Others 2022 £'000	Land & Buildings 2021 £'000	Others 2021 £'000
Operating leases which expire:				
Within one year	1,744	104	1,843	146
In two to five years	3,601	-	3,347	106
After five years	1,858	-	1,383	-
	<u>7,203</u>	<u>104</u>	<u>6,573</u>	<u>252</u>

18. Auditor's remuneration

Auditor's remuneration for the year was £39,000 (2021 - £32,000) for audit services and £nil (2021 - £nil) for non-audit services.

19. Related party

The Charity purchased goods and services to the value of £53,000 (2021 - £18,000) from GAS LLP (a supplier of anaesthetic services) in which one of the Trustees who served during the year (David Dickson) has an interest.

Amounts outstanding to GAS LLP at 31 March 2022 was £nil (2021 - £nil).

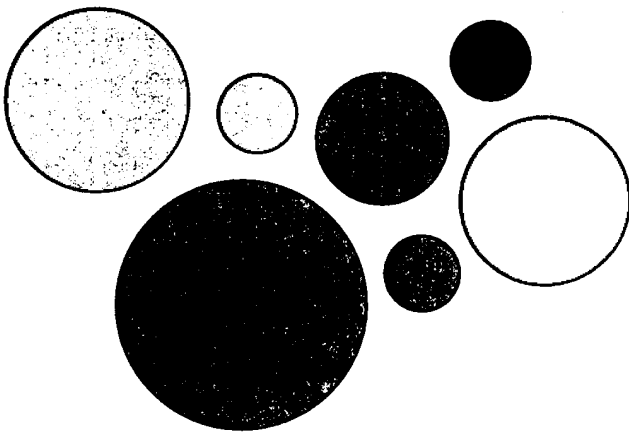
David Dickson resigned as a Trustee on 30 July 2021.

20. Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000
Financial assets	12,319	-	12,319
Tangible Fixed Assets	(283)	-	(283)
Net Current Liabilities	<u>12,036</u>	<u>-</u>	<u>12,036</u>
			2021
Financial assets	12,669	-	12,669
Tangible Fixed Assets	1,034	-	1,034
Net Current Assets	<u>13,703</u>	<u>-</u>	<u>13,703</u>

21. Post balance sheet event

On September 1st the Trustees approved the sale of the BPAS Fertility business, to include all the assets connected to that business. A buyer was subsequently found and the business is in the process of being sold for £600,000 (net £300,000 after legal and finders fees). The assets that will be disposed of have a net book value of £1.9Million. On the same date the Trustees approved the sale of one of the properties which has a net book value of £850,000, a sale was subsequently agreed in December for £875,000 less costs.



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Registered Charity 289145 as British Pregnancy Advisory Service

BPAS is registered and regulated by the Care Quality Commission

PRI-DEC-150

March 2023