

**British Pregnancy Advisory Service
(A Company Limited by Guarantee)
Report and Financial Statement
31 March 2019**

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

CONTENTS

COMPANY INFORMATION	3
TRUSTEES' ANNUAL REPORT	5
INDEPENDENT AUDITOR'S REPORT	15
STATEMENT OF FINANCIAL ACTIVITIES.....	19
BALANCE SHEET	20
CASH FLOW STATEMENT AND NOTES.....	21
NOTES TO THE FINANCIAL STATEMENTS	22-33

COMPANY INFORMATION

Name	British Pregnancy Advisory Service (bpas)
Directors and Trustees	Dame Professor Cathy Warwick (Chair) Amanda Callaghan John Collier David Dickson Calliope Farsides Lucy Moore Professor Anna Glasier Sanjay Shah Professor Sally Sheldon Anne Shevas Clare Gerada – Resigned 18 th March 2019
Chief Executive and Secretary	Ann Furedi
Senior Officers	Dr. Patricia Lohr (Medical Director) Andy MacDonald (Director of Organisational Development) Simon Marsh (Director of Finance & Corporate Service) - left 11 th October 2019 Clare Murphy (Director of External Affairs) Mandy Myers (Director of Operations) Michael Nevill (Director of Nursing) Charles Scott (Commercial & Finance Director) – appointed – 31 st January 2019
Registered office	20 Timothy's Bridge Road Stratford-upon-Avon CV37 9BF
Company number	01803160
Registered charity	289145
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 2QZ

Principal Solicitors

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

TRUSTEES' ANNUAL REPORT

For the year ended 31 March 2019

The directors present their report and financial statements for the year from 1 April 2018 to 31 March 2019.

Directors/Trustees

In addition to those listed on the company information section, no other directors/trustees have held office during the year.

Structure, Governance and Management

bpas is constituted as a Charity and company limited by guarantee and governed by its Memorandum and Articles. It does not have share capital and each Director/member guarantees a sum not exceeding £10 during his or her membership and for one year thereafter.

Directors, who are Members of the Board of Trustees, are selected for appointment by consideration of their expertise in their field and their known contribution to the objects of the company. They are persons of standing and seniority, who are in a position to shape strategy within the sector. The skills mix of the Board of Trustees is kept under regular review and new appointments are considered by the full Board. Board members are elected to serve up to three terms of three years, with the possibility of an additional year in exceptional circumstances. The role of the Board, and governance arrangements are reviewed periodically. The last major review of governance was undertaken in 2012, this resulted in amendments to the Memorandum & Articles of Association, which were approved by Charity Commission and accepted by the Membership at the Annual General Meeting in November 2012.

The Board of Trustees takes decisions related to the strategic direction of the company and to issues that may involve exceptional financial or reputational risk. It monitors progress through three meetings a year, with more detailed consideration of information on progress being delegated to a Clinical Governance Committee, Finance and General Purposes Committee (which also serves as the Audit Committee) and a Remuneration Committee which sets the pay and remuneration of the Charity's key management personnel. In 2018 a Board Development Committee was established to review the Boards performance and to anticipate the need for new Trustees. These committees have regular meetings during the year. Operational decisions necessary to achieve the strategic outputs are delegated to staff through the Chief Executive and managed by a senior executive team.

The statutory regulatory body for the delivery of clinical services is the Care Quality Commission and bpas continues to anticipate and address the requirements of this body.

Employee involvement and participation in the bpas consultative process is encouraged and this is assisted by the contribution of the Staff Forum, to which staff members who are not managers are elected to represent local areas. Voluntary recognition agreements are in place with 'UNITE' for Call Centre staff and the Royal College of Nursing for nursing staff.

bpas recognises its responsibilities under the Disability Discrimination Act (December 1996). These are reflected in the continuing policy of giving disabled people full and fair consideration for all job vacancies. Training and career development opportunities are available to all employees and, if necessary, endeavours are made to retrain any employee who develops a disability during employment with the company. In order to help a disabled person do their job bpas will look at changes that can be made to the workplace environment, or to the work pattern, that are appropriate and within reasonable cost.

Employees joining bpas are auto enrolled into a qualifying defined contribution pension scheme.

Objectives and Activities

British Pregnancy Advisory Service (bpas) was established as a registered charity in 1968, shortly after the legalisation of abortion to:

- Promote education and research on the physical, medical, psychological or social effects of fertility, pregnancy and the termination of pregnancy; and
- Provide advice, treatment and assistance for women who are suffering from any physical or mental illness or distress as a result of fertility or infertility, with power to establish and operate clinics, medical and advisory centres and to perform lawful termination of pregnancy.

bpas was originally established to meet the demand for abortion services that was greater than the capacity of the National Health Service. Even today, abortion services within NHS hospitals remain limited and so bpas continues to provide affordable, high quality care for those who need it.

bpas collaborates closely with the NHS, and in areas where local arrangements allow it, bpas provides reproductive health care services, free of cost to the user, on behalf of the NHS. More than 97% of bpas clients are funded by the NHS and bpas regards itself as a partner, not a competitor to the NHS.

In 2018/19 bpas provided abortion care for more than 87,000 women at 71 clinics and local units, across England, Wales and Scotland.

bpas has a commitment to education, research and the development of good practice.

bpas supports women in the choices they face regarding pregnancy and trusts women to take responsibility for their reproductive lives, bpas understands that:

- Contraception cannot prevent all unintended pregnancies, nor are current methods of contraception suited to all women. Legal abortion is necessary if women are to regulate their fertility, plan their families and make their own choices in pregnancy;

- Contraception and abortion are an essential part of health care and should be freely available through a publicly funded NHS; and
- Women are the ones best placed to make their own decisions around pregnancy, from conception to birth, and need access to evidence-based information to support their decision-making.

bpas' mission is to be the leading UK provider of reproductive health services and champion of reproductive choice, supporting women's capacity to make their own choices about and in pregnancy, advocating for the removal of all unnecessary barriers to care and for the establishment of high quality, publicly-funded services for women to exercise those choices.

bpas exists to:

- Provide support and abortion care to women with unplanned pregnancy or a pregnancy they cannot carry to term;
- Deliver contraceptive advice and care including sterilisation and emergency contraception in collaboration with existing NHS services;
- Promote and offer services that support sexual well-being, such as testing for and of sexually transmitted infections;
- Advocate for the decriminalisation of abortion and women-centred reproductive healthcare services;
- Inform and educate policy makers, opinion formers, the media and the public about issues relating to fertility, contraception, pregnancy, abortion and birth.

bpas aims to:

- Provide services that respond to the needs of those who might wish to use them;
- Promote the development of services that are accessible, effective, innovative, safe, and confidential;
- Respect, and advocate the need for, personal autonomy in reproductive decision-making and ensure women have access to evidence-based information to make their own reproductive choices;
- Utilise its own experience to contribute to the collective knowledge of all those who provide abortion and related reproductive health care services.

The Trustees have taken regard of the Charity Commission guidance on Public Benefit when reviewing and setting the Objectives and Activities of the Charity.

Services

a) Abortion care

bpas provides support and care in 71 centres in England, Scotland and Wales. Pregnancy testing, counselling and consultation to establish appropriate and acceptable care is offered at consultation centres that refer appropriate clients to these services. bpas offers a choice

of abortion methods appropriate to the gestation of the pregnancy. In early pregnancy, bpas offers early medical abortion and vacuum aspiration procedures under local anaesthetic. After many years of campaigning, in late 2018 the Secretary of State for Health Matt Hancock approved the home use of misoprostol for early medical abortion, which has made a significant improvement to the care we are able to offer women. We also offer both surgical and medical procedures in later pregnancies, and have a dedicated pathway for women with a diagnosis of foetal anomaly who can only be offered medical induction within the maternity unit caring for them.

bpas services are typically commissioned by local NHS organisations to meet the need of local residents, however when the costs of treatment are not met by the NHS, bpas may provide services at no cost to clients dependent upon need and usually in cases of severe hardship. A schedule of loans and grants for clients facing special hardship exists. To this end grants to clients were made by waiver of fees amounting to £50,969 (2017-18 - £42,628). bpas is also contracted by the Government Equalities Office to run a Central Booking System for women from Northern Ireland, who can now access funded abortion care within England and, if they meet certain criteria, help with travel and accommodation.

b) Contraception

bpas was the first service to encourage its doctors to provide emergency 'after sex' contraceptive pills (ECPs) in advance of a woman's need to use them. It now advocates for more appropriate regulation of ECP's to allow their wider sale at a more affordable price. bpas also provides Long Acting Reversible Contraception (LARC) as part of its commitment to provide clients with a full choice of contraceptive options.

c) Vasectomy

Vasectomy is available regardless of age, parity or marital status.

d) Central Booking Service

As well as providing a call centre and booking service for bpas clients, the bpas booking and information Centre provides a central booking service to NHS clients and advises women of their entitlement to NHS-funded care.

Further to a government decision in 2017 to fund abortion treatment for women resident in Northern Ireland, bpas was commissioned to operate a CBS to book treatment (and in some cases travel).

e) Information, Education & Research

bpas provides accurate information on matters relating to reproduction, and in particular, unwanted pregnancy. Briefing papers on relevant medical, legal, demographic and ethical issues are circulated to policy makers and opinion formers. bpas seminars and symposia for

health professionals, administrators and policy makers encourage discussion on new ideas and research.

f) Policy formation

bpas collaborates with individuals and organisations responsible for reproductive health care policies including the Department of Health and the Royal Colleges, using its experience of caring for women with unwanted pregnancy, to inform their discussions.

Strategic Report

Achievements and Performance

The bpas Corporate Plan sets out four Goals and significant progress has been made towards these Goals.

Goal 1: Provide high quality, affordable sexual and reproductive health services

Goal 2: Increase the proportion of UK abortion services that meet the standards of bpas

Goal 3: Performance in line with the agreed budgets, generating the surplus required to develop and improve the service

Goal 4: Build on bpas' position as global 'thought leaders' in reproductive and sexual health to influence public policy in the UK and abroad

Ambitious Key Performance Indicators set by the Board of Trustees were mainly met despite the challenges that bpas faced in an NHS commissioning environment driven to reduce costs.

During this year, bpas has increased its capacity for advocacy, and expanded its presence and profile, with its 'We Trust Women' and Now for NI campaigns resulting in a parliamentary bill for the decriminalisation of abortion up to 24 weeks across England, Wales and Northern Ireland that achieved a majority vote.

The 'Back Off' campaign has garnered significant parliamentary and local authority support, with a buffer zone now in operation outside our Richmond clinic. The 'Just Say Non' initiative, which in 2017 achieved the halving of the price of post-coital contraception in pharmacies nationwide, continues with a strategic effort to see a progestogen product reclassified as a General Sales List product so it can be sold directly without consultation.

We were awarded £100,000 from the Wellcome Trust for our WRISK project, in collaboration with the University of Cardiff. The project aims to improve public health

messages women receive before and during pregnancy by ensuring women's voices are heard and respected in the construction of these messages.

The introduction of home use for EMA up to 69 days gestation has significantly improved the experience of women.

We have embedded services that allow us to 'switch' telephone counselling to target areas which are experiencing particular demand, thus reducing waiting times.

Active capacity management, for treatment appointments as well as consultation, and for the placement of complex clients has allowed better utilisation of appointment slots and engineered a greater sense of co-operation between units. Bpas is working closely with NHS England to improve access the hospital care for women with co-morbidities.

Key Objectives 2019/20

Our Business Plan 2019/20 sets some key aims that will move the organisation towards these goals in the coming year.

We aim to:

- Utilise our unit capacity to the fullest extent;
- Operate the best possible external affairs unit within the designated budget to safeguard BPAS reputation, promote the value of reproductive choice globally;
- Strengthen commercial direction and oversight to utilise assets and pursue diversification into assisted conception;
- Review, and where necessary, modernise internal processes (finance, HR, IT) to increase efficiency;
- Consider how to create greater patient-centricity in all aspects of the patient-pathway, and determine an implementation plan;
- Eliminate, or justify, all last- century practices; and
- Expand our capacity for clinical and non-clinical research, exploring neglected areas in women's reproductive healthcare.

During 2019-20 we will continue to provide leadership and stability in the UK sector while consolidating our clinical services and improving the client pathway from booking through to aftercare and post abortion support.

We will develop and expand our capacity for clinical research, and create a structure to conduct non-clinical 'advocacy' research alongside our existing risk communication and legal projects

We will campaign rigorously for the decriminalisation of abortion, providing thought leadership, in the UK and overseas.

In our back-office we will make some significant infrastructural improvements to support our increased operations functions and to modernise and restructure our general finance and administrative areas.

Particular internal priorities will be the development of our IT platforms.

Additionally, we will take forward the three strategic priorities set by the Board of Trustees, utilising a proportion of our Reserves.

In line with a revised Reserves Policy we will commit investment to:

- An increased programme of Clinical Research;
- Establish a framework for, and initiate a programme of, non-clinical research and communication;
- Support a one-time investment in a programme to re-engineer the client pathway; and
- Establish a means to engage in the provision of the treatment of infertility.

Financial Results

Funding is received through fees charged for abortion and other sexual health services provided to NHS and individual paying clients. The total number of consultations and abortion treatments in 2018/19 was 161,867 (2017/18 146,487).

The financial results of the company's activities are summarised on pages 19 to 33.

The Net Income for the year amounted to £161,000. Total Income was £34,383,000, representing a 10.0% increase over 2017/18 (£31,253,000). This was achieved through an increase in fee income of 8.9%, and increase in grant income (£389,000) and stable investment income. Operating costs (Total Resources Expended) were £34,222,000 (2017/18 £30,972,000), an increase of 10.5% on a like for like basis. This increase was due to further investment in service delivery, people, unit equipment and infrastructure.

Net cash provided by operating activities was an inflow of £935,000 compared to an inflow of £1,394,000 in the prior year. This cash inflow together with the proceeds from the sale of Fixed Assets of £21,000 contributed to capital expenditure totalling £1,772,000. Details of all the acquisitions and disposals of fixed assets during the year are recorded in the notes to the Financial Statements.

Total funds £14,311,000 (2017/18 - £13,991,000) increased as a result of net income of £161,000 (2017/18 - £281,000) reduced by a loss on the sale of Fixed Assets £6,000 (2017/18 £3,000) and a gain on revaluation of properties £165,000 (2017/18 - £486,000).

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 General reserves is more than adequate to mitigate cash flows and seasonality of income. £2,437,000

is held in General Reserve (2018 – £2,884,000), and £Nil in Restricted Reserves (2018 £21,000).

The remaining reserves (Revaluation and Designated Reserves) totalling £11,874,000 (2018 - £11,086,000) are associated with Fixed Assets. These Assets are necessary to deliver bpas services. The bpas Board have adopted a policy to designate reserves equal to the historic value of Fixed Assets used for the provision of the charity's services. This policy is consistent with the general guidance of the Charity Commission to ensure a charity's continuing ability to fulfil its charitable objectives.

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 2018/19.

Going Concern

The Trustees have concluded that the charity is a going concern, on the basis that the reserves are at a reasonable level, the business plan for the next year is robust and they have reviewed the future cash flows, which are also supported by the overdraft facility which is in place.

Fundraising

Section 162 of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fund raising as "soliciting or otherwise procuring money or other property for charitable purposes" Such amounts receivable are presented in our accounts as "voluntary income" and includes legacies.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fundraisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustees.

The Charity is not bound by any undertaking to be bound by any regulatory scheme (however the charity is registered with the fundraising regulator and complies with the relevant codes of practice).

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds we do not have to particularise this to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

Training

The training and induction provided for new trustees will depend upon their existing experience. Where necessary induction will be provided on charity, legal and financial matters.

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.

Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Directors are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of the resources of the charity for that period. In preparing those financial statements, the Directors are required to:

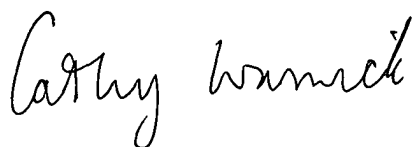
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare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

The Directors are responsible for keeping adequate accounting records that show and explain the charity's transactions; disclose with reasonable accuracy at any time the financial position of the charity, and to enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the Director's 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, incorporating the Strategic Report, was approved by the Board and signed on its behalf by



Cathy Warwick

Chair

30th November 2019

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

For the year ended 31 March 2019

Opinion

We have audited the financial statements of bpas ("the Charitable Company") for the year 31 March 2019 ended 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability

to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. The Trustees are responsible for the other information.

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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

Matters on which we are required to report by exception

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;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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.

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.

BDO LLP

Kyla Bellingall (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Birmingham

Date: 17 December 2019

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

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted	Restricted	Total	Total
		<u>2019</u>	<u>2019</u>	<u>2019</u>	<u>2018</u>
		£'000	£'000	£'000	£'000
INCOME:					
Incoming from:					
Donations and Legacies		27	-	27	27
Investment Income		6	-	6	2
Grants		-	639	639	250
Incoming from charitable activities:					
Fees for services		33,711	-	33,711	30,974
Total Income		<u>33,744</u>	<u>639</u>	<u>34,383</u>	<u>31,253</u>
EXPENDITURE ON:					
Charitable Activities:					
Advice, Treatment and Care	2	30,646	639	31,285	28,641
Education and Research	2	2,916	21	2,937	2,331
Total Resources Expended		<u>33,562</u>	<u>660</u>	<u>34,222</u>	<u>30,972</u>
Net Income/(Expenditure)		182	(21)	161	281
(Loss)/Profit on the sale of Fixed Assets		(6)	-	(6)	(3)
Gains on revaluation:					
Unrealised	12	165	-	165	486
Net movement in funds		<u>341</u>	<u>(21)</u>	<u>320</u>	<u>764</u>
Fund Balances brought forward 1 April		13,970	21	13,991	13,227
Fund Balances carried forward 31 March		<u>14,311</u>	<u>-</u>	<u>14,311</u>	<u>13,991</u>

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 22 to 33 form part of these financial statements.

BALANCE SHEET (COMPANY NO. 01803160)

AS AT 31 MARCH 2019

			<u>2019</u>	<u>2018</u>
	<u>Notes</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
<u>FIXED ASSETS</u>				
Tangible Assets	5	11,873	11,085	11,085
			<u>11,873</u>	<u>11,085</u>
<u>CURRENT ASSETS</u>				
Stock	6	892	791	
Debtors	7	5,320	4,379	
Cash at bank & in hand		759	1,569	
		<u>6,971</u>	<u>6,739</u>	
<u>CREDITORS</u>				
Amounts falling due within one year	8	4,533	3,800	
<u>NET CURRENT ASSETS</u>				
			<u>2,438</u>	<u>2,939</u>
<u>TOTAL ASSETS LESS</u>			<u>14,311</u>	<u>14,024</u>
<u>CURRENT LIABILITIES</u>				
<u>CREDITORS</u>				
Amounts falling due over one year	9	-	-	33
<u>NET ASSETS</u>			<u>14,311</u>	<u>13,991</u>
<u>RESERVES</u>				
Revaluation	12		4,910	4,789
Designated	13		6,964	6,297
General	14		2,437	2,884
Restricted	15		-	21
<u>TOTAL FUNDS</u>			<u>14,311</u>	<u>13,991</u>

The notes on pages 22 to 33 form part of these financial statements.

Approved by the Board on 30 November 2019 and signed on its behalf:



Cathy Warwick
Chair

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

	2019 £'000	2018 £'000
Net cash provided by (used in) operating activities	935	1,394
Cash flows from investing activities		
Dividends, interest and rents from investments	6	2
Purchase of property, plant and equipment	(1,772)	(1,356)
Proceeds from sale of property, plant and equipment	21	38
Net cash provided by (used in) investing activities	(810)	78
Change in cash and cash equivalents in the year	<u>(810)</u>	<u>78</u>
Cash and cash equivalents at the start of the year	1,569	1,491
Cash And cash equivalents at the year end	759	1,569

The notes on pages 22 to 33 form part of these financial statements.

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

	2019 £'000	2018 £'000
I <u>Reconciliation of net income (expenditure) to net cash flow from operating activities</u>		
Net income (expenditure) for the year	155	278
Adjustments for:		
Depreciation	1,122	909
Dividends, interest and rents from investments	(6)	(2)
Decrease/(Increase) in stocks	(101)	(120)
Decrease/(Increase) in debtors	(941)	685
(Decrease)/Increase in creditors	700	(359)
Loss/ (Profit) on sale of Fixed Assets	6	3
Net cash provided by (used in) operating activities	<u>935</u>	<u>1,394</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

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 trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b) Income & Expenditure Account

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

All income is derived in the United Kingdom.

c) Incoming Resources & Resources Expended

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

Resources expended are analysed according to the activity to which it relates on an accruals basis. Governance costs include audit costs, governance meeting expenses and legal advice to the trustees.

Grants are accounted for on an accruals basis.

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

d) Land and Buildings

FRS 102 requires fixed assets that are carried at re-valued amounts to be shown at their current value at the balance sheet date. To achieve this land and buildings are

subject to valuations carried out on a rolling basis, by an independent valuer over a five-year period, unless a more frequent valuation is required to reflect material changes in the property market.

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

e) Fixed Assets and Depreciation

bpas has a policy of capitalising individual equipment purchases over £1,000 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	2 years
IT Hardware	2 years
Freehold Buildings & Long Leaseholds	50 years

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

Freehold land is not depreciated.

f) Stocks

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

g) Debtors

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

h) Repairs and Renewals

Repairs and renewals are charged to the Statement of Financial Activities in the year in which expenditure is incurred.

i) Foreign Exchange

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

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

j) Pensions Costs

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

k) Fund Accounts

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

l) Leased Assets

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

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

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

m) 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 a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis, and to whether any dilapidations are required as a result of these leases. Any dilapidations that are considered necessary by the Trustees at this time, are included in these accounts.
- Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic value in use, whether there are expected future cash flows to be created by the entity, and whether there is any evidence of obsolescence or damage.

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.

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 to activities on the basis of staff time incurred in support of the activity, costed on a full cost basis.

Advice, treatment and care costs include the following:

	2019 £'000	2019 £'000	2019 £'000	2018 £'000	2018 £'000	2018 £'000
	Service Provision	Head office & Support	Total	Service Provision	Head Office & Support	Total
Salaries, Fees & Related Staff Costs	15,865	4,269	20,134	14,982	3,550	18,532
Consumables	4,086	39	4,125	3,813	37	3,850
Infrastructure Costs	3,248	3,778	7,026	2,979	3,280	6,259
	23,199	8,086	31,285	21,774	6,867	28,641

Education and Research costs include:

	2019 £'000	2019 £'000	2019 £'000	2018 £'000	2018 £'000	2018 £'000
	Service Provision	Head Office & Support	Total	Service Provision	Head Office & Support	Total
Salaries, Fees & Related Staff Costs	652	1,140	1,792	594	952	1,546
Consumables	78	55	133	80	27	107
Infrastructure Costs	62	950	1,012	61	617	678
	<u>792</u>	<u>2,145</u>	<u>2,937</u>	<u>735</u>	<u>1,596</u>	<u>2,331</u>

	2019 £'000	2018 £'000
Governance Costs Included in above		
Audit/Legal	28	26
Meeting expenses	46	60
	<u>74</u>	<u>86</u>

Amounts paid under operating leases was £1,028,000 (2018 £1,010,000)

3. STAFF COSTS

	2019 £'000	2018 £'000
Wages & Salaries	16,639	14,925
Social Security Costs	1,497	1,354
Other Pension Costs	526	329
	<u>18,662</u>	<u>16,608</u>

Included in the above are redundancy payments of £95,000 (2018- £66,000)

	2019	2018
Average monthly number of full and part time employees during the year:		
Advice Treatment & Care	692	657
Education & Research	52	48
	<u>744</u>	<u>705</u>

Due to the large number of part time employees of the charity this equates to 451 399

contracted whole time equivalents:

	<u>2019</u>	<u>2018</u>
Average staff cost per whole time equivalent:	£41,379	£41,624

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

	<u>2019</u>	<u>2018</u>
£60,001 - £70,000	2	3
£70,001 - £80,000	5	1
£80,001 - £90,000	2	4
£90,001 - £100,000	3	3
£100,001 - £110,000	4	1
£110,001 - £120,000	1	1
£120,001 - £130,000	0	1
£130,001 - £140,000	2	2
£140,001 - £150,000	1	0
£150,001 - £160,000	1	1
£160,001 - £170,000	0	1
£170,001 - £180,000	1	0

Pension contributions for the above staff amounted to £106,201 (2018 - £83,939).

During the year no Trustees, or any persons connected with them (other than those disclosed in Note 20), have received any remuneration during the year. During the year the Company made no pension payments on behalf of the Trustees. Aggregate remuneration of key management personnel was £863,797 (2018-£748,073) with pension contributions of £51,756 (2018-£44,389) Re-imbursement of expenses, which are subsistence costs, incurred by all the Trustees in attending meetings totalled £32,469 (2018 - £15,854).

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 £526,115 (2018 - £329,464). 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 £87,060 (2018 - £57,729) 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
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Cost or Valuation					
At 1 April 2018	8,604	2,148	445	7,048	18,245
Additions	-	121	111	1,540	1,772
Disposals	-	-	(84)	(209)	(293)
Revaluations	100	-	-	-	100
At 31 March 2019	8,704	2,269	472	8,379	19,824
Depreciation					
At 1 April 2018	517	1,459	260	4,924	7,160
On disposals	-	-	(74)	(192)	(266)
Charge for the year	82	168	87	785	1,122
Revaluations	(65)	-	-	-	(65)
At 31 March 2019	534	1,627	273	5,517	7,951
Written Down Values					
At 31 March 2018	8,087	689	185	2,124	11,085
At 31 March 2019	8,170	642	199	2,862	11,873

Land and Buildings included at valuation would have been included on an historical value basis at £3,261,000 (2018 - £3,299,000).

Three of the freehold land and buildings were re-valued in the year. These valuations were undertaken by a professional firms of chartered surveyors; KWB Property Management.

6. STOCKS

	2019 <u>£'000</u>	2018 <u>£'000</u>
Medical Consumables	<u>892</u>	<u>791</u>

7. DEBTORS

	2019 <u>£'000</u>	2018 <u>£'000</u>
Trade Debtors	4,453	3,493
Prepayments & Accrued Income	867	886
	<u>5,320</u>	<u>4,379</u>

All amounts fall due within one year, property proceeds were received in April 2017.

8. CREDITORS

	2019 <u>£'000</u>	2018 <u>£'000</u>
Amounts falling due within one year:		
Trade Creditors	2,234	1,897
Taxation & Social Security	424	369
Accruals and deferred income	1,843	1,470
Obligation under Finance leases	32	64
	<u>4,533</u>	<u>3,800</u>

100% of the income deferred at the start of the year has been recognised in the SOFA during 2018/19

9. CREDITORS FALLING DUE AFTER ONE YEAR

	2019 <u>£'000</u>	2018 <u>£'000</u>
Obligations under Finance leases	-	33
	<u>-</u>	<u>33</u>

10. BANK ACCOUNT

An extended Overdraft facility agreed by the Charity with its bankers was not utilised, this facility is secured by mortgages held by the HSBC Bank Plc by way of a debenture comprising fixed and floating charges over all of the assets and undertaking of the Charity, as well as first legal mortgage over one of freehold properties.

11. TAXATION

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

12. REVALUATION RESERVE

During the year the revaluation reserve has increased from £4,789,000 to £4,910,000. During the year 3 properties were re-valued in accordance with the company policy.

	2019 £'000	2018 £'000
Balance at 1 April	4,789	4,343
Movement in Funds		
Depreciation of Buildings 2018/19	(44)	(40)
Revaluation of Properties	165	486
Balance at 31 March	<u>4,910</u>	<u>4,789</u>

13. DESIGNATED RESERVE

The bpas Board have adopted a policy to designate reserves equal to the historic value of Fixed Assets used for the provisions of the charity's services.

	2019 £'000	2018 £'000
Balance at 1 April 2018	6,297	5,851
Movement in Funds		
Transfer From General Reserve	667	446
Balance at 31 March 2019	<u>6,964</u>	<u>6,297</u>

14. GENERAL RESERVES

	2019 £'000	2018 £'000
Balance at 1 April	2,884	3,033
Realised surplus for the year	176	257
Transfer from revaluation reserve (note 12)	44	40
Transfer to designated reserve (note 13)	(667)	(446)
Balance at 31 March	<u>2,437</u>	<u>2,884</u>

15. RESTRICTED RESERVE

The Restricted Reserve related to the balance on a grant received from the Burdett Trust to train our Nurse leaders, which was spent this year. We also received £639,000 (2017/18 £209,000) from The Department of Health and Social Care but this was all spent in the year on the booking and treatment of women from Northern Ireland.

	2019 £'000	2018 £'000
Balance at 1 April	21	-
Grants Received	639	250
Resources expended	(660)	(229)
Balance at 31 March	-	21

16. INDEMNITY INSURANCE

bpas carries indemnity insurance cover for all employees providing protection for bpas against mainly medical negligence claims up to a limit of £5 million at a cost of £255,108p.a. A separate policy provides Directors and Officers indemnity cover of £3 million at a cost of £3,360 p.a.

17. MEMBERS' LIABILITY

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

18. COMMITMENTS UNDER OPERATING LEASES

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

	Land & Buildings 2019 £'000	Others 2019 £'000	Land & Buildings 2018 £'000	Others 2018 £'000
Operating leases which expire:				
Within one year	1,052	10	931	10
In two to five years	2,788	11	1,830	4
After five years	330	-	444	-
	<u>4,170</u>	<u>21</u>	<u>3,205</u>	<u>14</u>

19. AUDITOR REMUNERATION

Auditor's remuneration for the year was £22,000 (2018-£22,000) for audit services and £Nil (2018-£Nil) for non-audit services.

20. RELATED PARTY TRANSACTIONS

The charity purchased goods and services to the value of £64,000 (2018-£54,000) from GAS LLP (a supplier of anaesthetic services) and £4,000 (2018-£2,000) from Dover Croft Ltd (a supplier of anaesthetic services) in which one of the Trustees (David Dickson) has an interest.

All transactions are on an arms-length basis.

Amounts outstanding to GAS LLP of £3,600 (2018 £4,000) were included in trade creditors at the year end.

21. FINANCE LEASES

Maturity of debt:

	2019 £'000	2018 £'000
In one year or less, or on demand (note 8)	32	64
In more than one year but not more than two years	-	33
	<u>32</u>	<u>97</u>

22. FINANCIAL INSTRUMENTS

	2019 £'000	2018 £'000
Financial assets		
Cash at bank & in hand	759	1,569
Trade & other receivables	5,320	4,379
	<u>6,079</u>	<u>5,948</u>
 Financial liabilities		
Trade & other payables	4,533	3,833
	<u>4,533</u>	<u>3,833</u>

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2019

	Unrestricted Funds	Restricted Funds	Total
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Tangible Fixed Assets	11,708	-	11,708
Net Current Assets	2,438	-	2,438
Liabilities due more than one year	-	-	-
	<u>14,146</u>	<u>-</u>	<u>14,146</u>

2018

	Unrestricted Funds	Restricted Funds	Total
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Tangible Fixed Assets	11,085	-	11,085
Net Current Assets	2,918	21	2,939
Liabilities due more than one year	(33)	-	(33)
	<u>13,970</u>	<u>21</u>	<u>13,991</u>