



Bromley Healthcare Community Interest Company

**Annual Report and Financial Statements
for 12 months to 31 March 2023**

Bromley Healthcare Community Interest Company

Report and Financial Statements for the period ended 31 March 2023

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Officers and Professional Advisors

Directors

Booker, Roger Ian
Bokhari, Syed, Ali Jo (Professor)
Christie, Fiona Eleanor Morrison
Dawe, Angela Katherine
Hardman, Andrew Mark
Montgomery, Patrick William
Nutt, Michael Craig
Russell, Simon
Scott, Jacqueline Ann
Shanmuganathan, Subathra Devi (Dr)

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Auditor

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Bankers

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Solicitors

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EC4M 7RF

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Strategic Report

The directors present their Strategic Report for the year ended 31st March 2023.

Bromley Healthcare is an employee-owned social enterprise that commenced trading on the 1st April 2011. All profits of the company are reinvested into our services for the benefit of the community. Since inception, Bromley Healthcare has invested in its technology and services as well as donated funds to the Bromley Healthcare Charity to enable people to learn new skills and build their confidence.

The company's primary activities, during the year, continued to be the provision of community health and social care in South East London with contracts in Bexley, Bromley, Greenwich and Lewisham. Our health and care services provide a lifetime of care in people's homes and their communities. Community services play a vitally important role, working in tandem with our health and care partners, in keeping people well and safe in their home and community. Bromley Healthcare provides over 45 services covering Adults, Children and Urgent Community Response as well as more specialist services including Talk Together Bromley and Diabetes. Bromley Healthcare Care at Home is the trading name of the domiciliary care agency which predominantly provides home care of around 900 hours per week in defined areas in Bexley and Orpington. Domiciliary care is a complementary service to our existing adult services portfolio and supports our strategic vision 'empowering people to live their fullest lives in the heart of their communities'. The intention is to expand our service reach and offer continuing to provide care for both private and social care clients.

Bromley Healthcare continues to operate in a challenging financial health and social care system. The financial penalties attributable to our Key Performance Indicators and Outcomes have been suspended since the start of the Covid 19 pandemic. However, internally a focus has still been maintained on all contractual Key Performance Indicators (including appraisals reported at 92.2% and mandatory training reported at 94.7% above 85% target). The pandemic has resulted in some services reporting increased waiting times. The latest waiting times are published on our web-site and are closely monitored through the Executive Scrutiny Committee.

Despite the financial challenges, Bromley Healthcare delivered all of its productivity programme and was on target to achieve a small pre-tax profit in line with the financial plan. However, in May 2023, guidance was issued setting out the Agenda for Change pay award and it transpired that Bromley Healthcare had not been funded for the non-consolidated element of the pay award relating to 2022/23. The non-consolidated element of the pay award is in effect a bonus for working through the pandemic and supporting the recovery. All of our staff (except Medical and Dental) are on dynamic agenda for change contracts and worked tirelessly throughout the pandemic and therefore, following an Extraordinary Board meeting on the 23rd May 2023 a decision was taken to make a payment which has resulted in a loss of £1.16m. This has been reported in the accounts as an exceptional item.

Our patient centric Care Coordination Centre has continued to play a significant supporting role in ensuring continuity and consistency of patient care. The centre is the first point of contact for our services; a single 24/7 number for patient, families and health care professionals. The recent digital advancements in the Care Coordination Centre are in preparation of a more proactive role supporting patients and families to navigate services. There has been continued evolution focusing on adherence to best practice pathways and quality assurance facilitated by the use of

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Strategic Report continued

our 'near live' safety dashboards to proactively promote safety and improve outcomes for families and patients.

The expansion of care in the community will help unlock changes that are required right across our society to meet the current challenges experienced in the health and care system. This is through being able to reimagine service delivery using our deep knowledge about cross sections of the population supported by our strong relationships with partners and our passion for collaborating to produce the best care pathways in integrated care. Working closely with our partners we have seen in practice what integrated care can achieve:

- The new Hospital @ Home service for adults (virtual ward) was set up in October 2022 building upon the success of the Children's Hospital at Home service.
- The extension of the Proactive Care Pathway into Case Management
- The Children's hubs being set up in Greenwich and Bromley
- Appointment as a 'Test and evaluation' site for the new national Wound Care Strategy.
- Supporting the Orpington Health & Well-being Café which has been established to address isolation and health challenges.

Section 172(1) statement

The revised UK Corporate Governance Code was published in July 2018 and applies to accounting periods beginning on or after 1st January 2019. The Companies Regulations 2018 require Directors to explain how they have considered the interests of key stakeholders when performing their duty to promote the success of the Company under S172 and in doing so have regard to the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006:

- a) The likely consequence of any decision in the longer term
- b) The interest of the company's employees
- c) The need to foster the company's business relationships with suppliers, customers and others
- d) The impact of the company's operations on the community and the environment
- e) The desirability of the company maintaining a reputation for high standards of business conduct, and
- f) The need to act fairly as between members of the company.

This S172 statement explains how Bromley Healthcare's Directors seek to put its patients' best interests first, invest in its employees, support the local communities in which it operates whilst striving to continue to be financially sustainable. The level of information disclosed is proportionate to the size and the complexity of the company.

Governance

Bromley Healthcare was established on the 1st April 2011 to provide out-of-hospital health services in Bromley. As a community interest company, which exists to benefit the health and well-being of its community rather than the financial return of its shareholders, it has different governance requirements from an 'ordinary' limited company. However, its legal structure also means it has different governance requirements from NHS providers.

Bromley Healthcare has an ethos which is a blend of commerciality (it is a limited company and has to make a financial surplus to survive) and total service user-focus (its community interest for which

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Strategic Report continued

it was set up), for example, through empowering frontline colleagues to make decisions about how services should be run. These two aspects of service user-focus and commerciality drive everything

Bromley Healthcare does. This is clearly mirrored in Bromley Healthcare's governance structures, along with its strong culture of focused and effective decision-making.

Typically, in large and complex companies such as Bromley Healthcare the directors discharge their duties through a robust governance framework that delegates day to day decision making to the employees of the company. This is clearly articulated in the articles, standing financial instructions and policies. All Terms of Reference have been reviewed and ratified following this review. The Board is supported by five Non-Executive director chaired committees:

- Quality, Improvement and Safety Committee – focused on clinical quality and safety.
- People and Culture Committee – focused on health and well-being and culture
- Strategy, Investment and Development committee – focused on the future and investment
- Audit and Risk Committee – focused on assurance and risk
- Appointments and Remuneration Panel – determination of the remuneration of directors

Directors are briefed on their duties and are able to access support from within the company and/or external advice if they judge this to be necessary. A formal Non-Executive Director Induction framework has been produced which was utilised to induct the two Non-Executive Directors appointed in January 2022.

The year concluded with the launch our exciting new strategy - Community First. Community First sets out our ambitious plan for the future and will guide us in delivering our purpose - our 'North Star' - 'empowering people to live their fullest lives in the heart of their communities'. Our strategy was built upon many conversations with our colleagues (through the 'Better Together' Group), our partners and our patients and service users. Through this work three strategic priorities were identified:

- Building a culture of growth and opportunity for our people
- Leader in integrated care, driven by the needs of the population
- Investing in our communities

Following board approval of the strategy an annual plan, budget, and objectives were produced. The Chief Executive is responsible for delivering the plan and strategy in conjunction with the executive directors of the company.

Key risks of the business

The directors believe that the following are the principal risks of its business:

- The failure to effectively plan for, recruit and retain staff may adversely impact on organisation's ability to deliver it's strategy and operating plans.
- Not working effectively with partners, patients and local communities in the planning and delivery of care, may lead to services not meeting the needs of local communities.
- The failure to robustly implement and embed infrastructure plans including digital, may adversely impact on our service quality and delivery, patient care and carer experience, and our ability to transform services.

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Strategic Report continued

- If the approach to value for money is not embedded and supported by robust financial controls, this may impact on the organisation's future financial sustainability in a particularly challenging financial environment.
- If our approach to environmental sustainability is not fully developed and embedded, this may impact on the achievement of the organisation's strategy.

Our management of risk

Bromley Healthcare has a robust system of risk management embedded across the organisation to effectively identify, evaluate, manage and mitigate the risks that we face. Risk registers are reviewed as part of an integral agenda item at the Board, all sub-committees and the Executive meeting. As part of our continual evolution of our risk management approach the current Datix system has been upgraded to provide greater functionality for users and improved reporting. Our internal auditors also review our risk management framework as part of their cyclical audit programme; the latest rating was 'Significant assurance with minor opportunities for improvement'. A weekly risk meeting (attended by the Chief Executive, Medical Director and Chief Nurse) reviews risks, incidents, complaints and plaudits to ensure that any immediate learning arising is disseminated quickly. The Programme Management Office monitors the implementation of all projects across the organisation and any resultant risks.

Our people

As a community interest company, Bromley Healthcare is co-owned by its employees, our people play a key role in influencing how we run the business and in shaping the organisation's future strategy. Since our inception we have encouraged our people to become shareholders and hold one ordinary share. Our aspiration is for everyone within our Bromley Healthcare team regardless of their level or their role to thrive in our organisation.

Employee Involvement

Colleagues across the organisation are actively encouraged to put forward their ideas for service improvement and to raise any concerns. All members of the Board, Executive and the senior management team undertake visible leadership spending time in front line services. There are multiple routes to feed back (anonymous intranet message board, strategy reviews, wider leadership team meetings, the staff survey and Freedom to Speak Up Guardians and Ambassadors). An Employee Collaborative enables direct communication between the Chief Executive and Team representatives. This year colleagues have refreshed our organisational values: Belonging, Health & Well-being, Continuous Learning and Innovation, and Compassion. Equality & Inclusion forums (representing BME and LGBT+ colleagues) meet regularly. A three day Equality & Inclusion conference was held virtually and in person in November for network members and allies and all of the leadership team have attended bespoke belonging sessions.

Organisational updates are provided through the newsletter (Together) and the Chief Executive's weekly update which are distributed to all employees. Awards for the 'star of the month' and 'team of the quarter' recognise colleagues for excellence in their work. The annual ball and awards ceremony took place in November and recognised the care, compassion and commitment of colleagues supporting their patients and families.

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Strategic Report continued

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees where appropriate.

Our customers

Enabling outstanding care for our patients, carers and families, closer to home, in their community is the sole reason for our existence. We aim to deliver truly outstanding patient experience and critical to this is patient feedback. Bromley Healthcare actively elicits feedback from patients and service users to help improve our services through: the National Friends and Family Test, Care Opinion, individual service surveys, complaints and compliments. The patient reference group, chaired by the Chief Executive, also plays an active role in supporting Bromley Healthcare to improve and develop their services. This has involved 'mystery shopping' of the patient centric 24/7 Care Co-ordination Centre and reviews of patient information and the website.

Our stakeholders

Bromley Healthcare works closely with all commissioner and provider organisations across Bromley and the South East London Integrated Care System. As a key member of the 'One Bromley' Local Care Partnership there is full engagement in the Executive meetings and supporting work streams to design and develop new care pathways.

Our community

As a community interest company any profits that we make are reinvested back into the local community either directly or by improving our community services.

Bromley Healthcare through its charity has also supported a number of local clubs with the objective to help people to 'get better and stay well' or to 'keep well.' This was mainly through assisting and supporting people in a 'club environment' providing a range of both specific clinical and general social support. The charity has had a number of successes supporting a range of initiatives.

In line with its strategic objective to invest in the local communities served, Bromley Healthcare has supported a number of new apprenticeship roles in the Care Coordination Centre and across a number of services including nurse apprentices from local schools. Bromley Healthcare offers work experience opportunities to students.

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Strategic Report continued

Streamlined Energy and carbon reporting

In accordance with the government's Streamlined Energy and Carbon Reporting (SECR) programme, introduced in April 2019 the following disclosure is made to outline the consumption of gas and electric energy during the 2022/23 financial year. During the 2022/23 financial year Bromley Healthcare consumed:

- 1,002,973 kwh of electricity (1,034,485 kWh in 2021/22); and
- 694,616 kwh of gas (837,111 kWh in 2021/22); and
- 995,542 miles of transport fuel (816,606 in 2021/22)

The equivalent Carbon Dioxide (CO₂e) emission for Bromley Healthcare was therefore 1,115,996 tonnes (1,023,010 tonnes in 2021/22); resulting in an Intensity ratio of 11.15 per £100k (10.23 per £100k in 2021/22). The CO₂e per employee was calculated at 974 based on the average headcount of 1,146 (963 based on the average headcount of 1,062 in 2021/22). To calculate the total energy consumption for the period, supplier invoices were analysed. This data was subsequently converted into Tonnes of CO₂e utilising the Government Department for Business, Energy and industrial strategy figures.

Over the last year, the following initiatives have been introduced to reduce our carbon footprint:

- We have formed an internal 'green group',
- Identified an internal board lead for sustainability
- Added sustainability scoring and assessment to all new tenders
- added the need for providers to have sustainability plans and Carbon Reduction Plans (where applicable) within our contracts with suppliers
- Introduced a salary sacrifice scheme for staff with deals on ultra-low emissions vehicles (electric and hybrid)
- appointed a cycle to work lead
- started engagement with staff on how to develop and deliver a new green strategy for the organisation
- NHS PS have confirmed their energy suppliers are now renewable and backed by REGOs
- designated an internal intranet area for green initiatives for staff, including sustainable quality improvement, access to salary sacrifice schemes, suggestions and ideas for how teams and individuals can support green initiatives in Bromley Healthcare.

Approved by the Board of Directors and signed by:

Jacqui Scott

Jacqueline Ann Scott
Chief Executive
Company No. 06815987

Date: 7/12/2023

Bromley Healthcare Community Interest Company

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Directors' Report

The directors have pleasure in presenting their annual report and the audited financial statements of Bromley Healthcare for the period ended 31st March 2023. Bromley Healthcare Community Interest Company was incorporated on the 11th February 2009 and was dormant until 1st April 2011. At 31st March 2023 Bromley Healthcare Community Interest Company had 936 ordinary shares issued at their nominal value of £1. Information in respect of the likely future developments of the business, employee information and Streamlined Energy and Carbon Reporting are not shown in the Directors' report because they are presented in the Strategic Report in accordance with s414c(ii) of the Companies Act 2006.

The company made a pre-tax profit of £719k excluding the exceptional item (or a £1.56m loss including it), and at the year-end it had a net asset position of £4.2m, which includes £21.5m of cash. As a provider of healthcare services, since the year end it has not seen a decline in the demand for its services or a decline in its financial performance as a result of the global pandemic.

Going Concern

After making enquiries and having considered the economic uncertainties inherent in the current market place, the directors have formed the judgement that, at the time of approving the financial statements there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. On the basis of the information available and the 12 month financial forecast up to the 31st December 2024, the directors continue to adopt the going concern basis in preparing the financial statements. The three primary contracts commissioned through the South East London ICB are being extended until the 30th November 2026.

Principal objective

Bromley Healthcare provides community health and care services in South East London; services that range from District Nursing and Health Visiting, to services designed to minimise the numbers of people who go to hospital and then to minimise their length of stay, to increasingly sophisticated services in areas such as wound care. No political donations have been made.

Bromley Healthcare is committed to the advancement of equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it. As part of this, the organisation gives full and fair consideration to applications for employment made by disabled persons, making reasonable adjustments to support candidates and selecting individuals against objective recruitment criteria based on the requirements of the role they have applied for. Disabled employees are supported in their roles by supportive organisational wellbeing provisions and equal access to training and development opportunities. As far as possible, where appropriate or required, reasonable adjustments are also applied to support disabled employees in the course of their work and in ensuring they can access training, career development and promotion opportunities.

Financial risk management

The company's activities expose it to a number of financial risks including credit risk and liquidity risk.

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Credit risk

The company's financial assets are interest bearing bank deposit accounts and debtors.

The company's predominant risk is trade debtors. The predominant customer is South East London Integrated Care System which accounts for 72% of its income. There are penalties for contract performance against agreed KPIs and Outcome measures.

The credit risk on liquid funds is limited because the counterparties are banks which are supported and underwritten by the UK government.

Liquidity risk

The company has no external borrowings and relies upon careful management of its own cash funds to ensure it has sufficient funds for ongoing operations and future developments.

Directors

The present membership of the Board is set out on page 1. The current members and changes to the Board are set out below:

Directors

Booker, Roger Ian

Bokhari, Syed, Ali Jo (Dr) (Appointed 1st January 2023)

Christie, Fiona Eleanor Morrison

Dawe, Angela Katherine

Ettridge, Janet Christine (Appointed 1st July 2022; Resigned 1st June 2023)

Hardman, Andrew Mark

Montgomery, Patrick William (Appointed 1st April 2023)

Naish, Andrew Michael (Resigned 4th May 2023)

Nutt, Michael Craig

Russell, Simon (Appointed 1st April 2023)

Scott, Jacqueline Ann

Shanmuganathan, Subathra Devi (Professor)

Directors' indemnities

As permitted by the Companies Act 2006, the Company has indemnified the directors in respect of proceedings brought by third parties and qualifying third party indemnity insurance was in place throughout the year and up to the date of approval of the financial statements.

Post balance sheet event

An exceptional item relating to the non-pensionable element of the 2022/23 pay award is incorporated within the accounts; the estimated cost is £2.283m. Following agreement at an extraordinary board meeting on the 23rd May 2023, the pay award was paid in June 2023, to permanent staff on dynamic Agenda for Change terms and conditions. This element is awarded in recognition of colleagues' commitment working throughout the pandemic and its recovery. A payment for staff not on dynamic Agenda for Change terms and conditions is still under

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consideration. Bromley Healthcare is actively pursuing reimbursement and has submitted an application to the government's new scheme released in November 2023.

Statement of Directors Responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the Financial Statements in accordance with the applicable law and regulations.

Company law requires the directors to prepare the financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law including FRS102; "The Financial Reporting Standard applicable in the UK and the Republic of Ireland"). Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these 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, 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 are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements of the company 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.

Auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board of Directors and signed by:

Jacqui Scott

Jacqueline Ann Scott
Chief Executive
Company No. 06815987

Date: 7/12/2023

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Independent Auditor's Report to the members of Bromley Healthcare Community Interest Company

Opinion

We have audited the financial statements of Bromley Healthcare Community Interest Company (the 'company') for the year ended 31 March 2023, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cashflows, 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 company's affairs as at 31 March 2023 and of its loss 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

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

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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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report and Financial Statements other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Report and Financial Statements. 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 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 strategic report and the directors' report 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 have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

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.

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Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 10 the directors 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and industry in which it operates through our general commercial and sector experience, discussions with management, inspection of legal correspondence and reviewing Care Quality Commission public reporting. We determined that the following laws and regulations were most significant:
 - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland',
 - Companies Act 2006
 - Care Quality Commission (Registration) Regulations 2009
 - Health and Social Care Act 2008 (Regulated Activities) Regulations 2014
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the revaluation of the risk of management override of controls. We determined that the principal risks were in relation to:
 - Journal entries that increased revenues, journals by senior management personnel and unusual account combinations in the revenue cycle
- Our audit procedures involved:
 - Evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;

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- Journal entry testing, with a focus on journals with material impact on profit.
- In addition, we completed audit procedures to conclude on the compliance of disclosures in the financial statements with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - Knowledge of the industry in which the client operates
 - Understanding of the legal and regulatory requirements specific to the entity
- Team communications in respect of potential non-compliance with laws and regulations and fraud included the potential fraud in revenue recognition through the inflation of revenue
- In assessing the potential risk of material misstatement, we obtained an understanding of:
 - The company's operations, including the nature of its revenue sources and services to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risk of material misstatement; and
 - The company's control environment, including:
 - Management's knowledge of relevant laws and regulations and how the company is complying with those laws and regulations;
 - The adequacy of procedures for authorisation of transactions;
 - Made inquiries to internal audit and reviewed any relevant internal audit reports relevant to the financial year; and
 - Procedures to verify that possible breaches of law and regulations are appropriately resolved.

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

Bromley Healthcare Community Interest Company **Report and Financial Statements for the period ended 31 March 2023**

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Christian Heeger BSc FCA

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Crawley

Date: 7/12/2023

Bromley Healthcare Community Interest Company

Report and Financial Statements for the period ended 31 March 2023

Statement of Comprehensive Income

	NOTE	2022-23 £	2021-22 £
Turnover	2	74,334,797	65,203,119
Cost of Sales		<u>(56,300,863)</u>	<u>(50,028,088)</u>
Gross Profit		18,033,934	15,175,031
Administrative Expenses		(18,301,769)	(14,730,147)
Other operating income	9	930,003	-
Exceptional Item	8	<u>(2,282,924)</u>	-
Total Administrative Expenses		(19,654,690)	(14,730,147)
Operating (Loss) / Profit	3	(1,620,756)	444,884
Interest Receivable	5	<u>56,932</u>	<u>677</u>
(Loss) / Profit on ordinary activities before taxation		(1,563,824)	445,561
Tax on (Loss) / Profit on activities	6	400,757	(351,381)
(Loss) / Profit & total comprehensive income for the year		<u>(1,163,067)</u>	<u>94,180</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The accompanying accounting policies and notes on pages 20 to 32 form part of these financial statements.

Bromley Healthcare Community Interest Company

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Statement of Financial Position

		At 31 March 2023	At 31 March 2022 <i>Restated</i>
	NOTE	£	£
Fixed assets			
Tangible assets	10	1,171,769	1,554,349
Current assets			
Stocks - Finished goods		128,559	36,407
Debtors	11	10,816,327	6,833,381
Cash at bank and in hand	16	21,548,261	22,681,533
		<u>32,493,147</u>	<u>29,551,321</u>
Creditors: amounts falling due within one year	12	<u>(28,471,655)</u>	<u>(24,665,995)</u>
Net current assets		<u>4,021,492</u>	<u>4,885,326</u>
Total assets less current liabilities		<u>5,193,261</u>	<u>6,439,675</u>
Provision for liabilities	13	<u>(1,026,772)</u>	<u>(1,110,107)</u>
Net assets		<u><u>4,166,489</u></u>	<u><u>5,329,568</u></u>
Financed by:			
Equity :			
Profit & Loss account		4,163,846	5,326,958
Capital redemption reserve		1,707	1,662
Called Up equity share capital	14	936	948
		<u>4,166,489</u>	<u>5,329,568</u>

The financial statements and notes to the financial statements were approved and authorised for issue by the Board and signed on its behalf by:

Jacqui Scott

Jacqueline Ann Scott
Chief Executive
Company No. 06815987

Date: 7/12/2023

The accompanying accounting policies and notes on pages 20 to 32 form part of these financial statements.

Bromley Healthcare Community Interest Company

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Statement of Changes in Equity

	Called-up share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2022	948	1,662	5,326,958	5,329,568
(Loss) for the financial year	-	-	(1,163,067)	(1,163,067)
Issue of ordinary share capital	33	-	-	33
Purchase of ordinary share capital	(45)	45	(45)	(45)
At 31 March 2023	936	1,707	4,163,846	4,166,489

	Called-up share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2021	924	1,545	5,232,895	5,235,364
Profit for the financial year	-	-	94,180	94,180
Issue of ordinary share capital	141	-	-	141
Purchase of ordinary share capital	(117)	117	(117)	(117)
At 31 March 2022	948	1,662	5,326,958	5,329,568

The accompanying accounting policies and notes on pages 20 to 32 form part of these financial statements

Bromley Healthcare Community Interest Company

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Statement of Cashflows

	NOTE	2022-23 £	2021-22 <i>Restated</i> £
Cashflows from operating activities			
(Loss) / Profit for the financial year		(1,163,067)	94,180
Adjustments for:			
Depreciation		641,093	634,068
Interest receivable	5	(56,932)	(677)
Taxation	6	(400,757)	351,381
(Increase)/decrease in Stock		(92,152)	-
(Increase)/decrease in debtors		(3,982,946)	(1,160,368)
Increase/(decrease) in creditors		4,052,322	11,228,930
Increase/(decrease) in provisions		308,116	(375,391)
Cash from operations		(694,323)	10,772,123
Income taxes paid		(237,356)	6,038
Cash generated from operating activities		(931,679)	10,778,161
Cashflows from investing activities			
Purchase of tangible assets	10	(258,513)	(528,926)
Interest received	5	56,932	677
Net cash from investing activities		(201,581)	(528,249)
Cashflows from financing activities			
Issue of ordinary share capital	14	33	141
Repurchase of ordinary share capital	14	(45)	(117)
Net cash used in financing activities		(12)	24
Net (decrease) / increase in cash and cash equivalents		(1,133,272)	10,249,936
Cash and cash equivalents at the beginning of the year		22,681,533	12,431,597
Cash and cash equivalents at the end of the year		21,548,261	22,681,533

All the cash and cash equivalents are related to cash at bank and in hand.

The accompanying accounting policies and notes on pages 20 to 32 form part of these financial statements.

Bromley Healthcare Community Interest Company

Report and Financial Statements for the period ended 31 March 2023

Notes to the financial statements

1. Accounting policies

Company Information

Bromley Healthcare is a Public Benefit Entity limited by shares, incorporated in England. The address of the registered office is Central Court, 1b Knoll Rise, Orpington, Kent, BR6 0JA.

Basis of accounting

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

Going Concern

After making enquiries and having considered the economic uncertainties inherent in the current market place, the directors have formed the judgement that, at the time of approving the financial statements there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. On the basis of the information available and the 12 month financial forecast up to the 31st December 2024, the directors continue to adopt the going concern basis in preparing the financial statements. The three primary contracts commissioned through the South East London ICB are being extended until the 30th November 2026.

Significant judgements and estimates

In preparation of the financial statements management has not made any significant judgements or estimates.

Turnover

The turnover shown in the statement of comprehensive income represents the services provided during the year. Income in respect of services provided is recognised when, and to the extent that, performance occurs in accordance with delivery of services, or in accordance with contractual arrangements.

Where income has been received for a specific activity to be delivered in the following financial year, that income will be deferred.

Business Combinations

Acquisitions of businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquiree plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill.

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If the net fair value of the identifiable assets and liabilities acquired exceeds the cost of the business combination the excess is recognised separately on the face of the consolidated statement of financial position immediately below goodwill.

Tangible fixed assets

Tangible fixed assets are initially recognised at cost and will be capitalised in the following circumstances:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to the company;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably and:
- the item has a cost of:
 - at least £2,000 or
 - collectively, a number of items have a cost of at least £2,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control.

The estimated useful lives are:

Fixture & Fittings/Medical Equipment	5 Years
IT Equipment	4 Years
Motor Vehicles	8 Years

Depreciation

Depreciation is charged to write off the cost of the asset, less any residual value, over their estimated useful lives.

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Investment Income

Investment income represents the interest on short term deposits which are made in accordance with the company's policy.

Pension Costs

The company is a member of the NHS Pension Scheme which is an unfunded final salary scheme administered by the NHS Pensions Agency. The company also operates 'defined contribution

Bromley Healthcare Community Interest Company

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schemes' administered by Scottish Widows and NEST. Contributions are paid for staff members of the scheme and are charged to the profit and loss accounts as incurred.

Operating leases

Rentals applicable to operating leases when substantially all the risks and rewards of ownership remain with the lessor. Operating lease payments are charged against profits on a straight-line basis over the lease term.

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Financial instruments

Financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities, including trade and other payables are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the payment is due within one year or less. If not they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Grants

Grants received are recognised as other operating income in the period where the related costs are incurred and for which the grant is intended to compensate.

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Called up equity capital and reserves

Called up equity capital represents the nominal value of ordinary shares that have been issued.

The capital redemption reserve represents transfers of shares repurchased and cancelled during the year.

The profit and loss account includes all current and prior year retained profits and losses.

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company which is wholly undertaken in the United Kingdom.

3. Operating (Loss) / Profit

	2022-23	2021-22
	£	£
Operating (Loss) / Profit is stated after charging:		
Depreciation (Note 10)	641,093	634,068
Lease Payments (Note 4)	3,816,249	3,582,784
Auditor's remuneration:		
- Audit fee	70,558	47,760
- Other fees - taxation	9,817	8,700

4. Operating Lease Rentals

4.1 Operating lease rentals

	2022-23	2021-22
	£	£
Property	3,459,637	3,261,724
Plant, machinery and vehicles	356,612	321,060
Total	<u>3,816,249</u>	<u>3,582,784</u>

4.2 Total commitments under non - cancellable operating leases are:

Operating Lease commitments payable within:

	2022-23	2021-22
	£	Restated £
Within 1 year:		
Property	2,128,633	2,112,543
Plant, machinery and vehicles	136,146	107,165
	<u>2,264,779</u>	<u>2,219,708</u>
Between 2 and 5 years:	£	£
Property	1,648,004	2,334,451
Plant, machinery and vehicles	0	0
	<u>1,648,004</u>	<u>2,334,451</u>
Total	<u>3,912,783</u>	<u>4,554,159</u>

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5. Interest receivable	2022-23	2021-22
	£	£
Bank interest	56,932	677
	56,932	677

6. Tax on (Loss) / Profit on ordinary activities

6.1 Analysis of current charge

<u>Current tax</u>	2022-23	2021-22
	£	£
UK corporation tax on profits for the period	-	247,316
Adjustments in respect of prior periods	(9,306)	(162,770)
Total current tax	(9,306)	84,546
 <u>Deferred tax</u>		
Origination and reversal of timing differences	(390,484)	(28,127)
Adjustments in respect of prior periods	(967)	159,445
Effect of tax rate change on opening balance	-	135,517
Total deferred tax	(391,451)	266,835
 Tax on (Loss) / Profit on ordinary activities	 (400,757)	 351,381

6.2 Factors affecting tax charge for the period	2022-23	2021-22
	£	£
(Loss) / Profit on ordinary activities before tax	(1,563,824)	445,561
Profit on ordinary activities multiplied by the standard rate of UK corporation tax	(297,127)	84,657
Effects of:		
Expenses not deductible for tax purposes	6,045	161,499
Other permanent differences	489	-
Adjustments to tax charge in respect of prior periods	(9,306)	(162,770)
Adjustments to tax charge in respect of previous periods - deferred tax	(967)	159,445
Fixed assets differences	(6,175)	(20,216)
Remeasurement of deferred tax for changes in tax rates	(93,716)	128,766
 Total tax for the period	 (400,757)	 351,381

The standard rate of corporation tax is 19% for 2022-23 and 2021-22.

Factors that may affect future tax charges

The Finance Bill 2021 was substantively enacted on 10 June 2021, as a result the main rate of corporation tax will rise from 19% to 25% from 1 April 2023. On this basis deferred tax has been calculated at the future rate of 25%.

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7. Information regarding directors and employees

The average number of staff, including executive directors, employed by the company during the year can be analysed as follows:

	2022-23	2021-22
	Number	Number
		<i>Restated*</i>
Staff	1,137	1,053
Executive directors	4	5
Non-Executive directors	5	4
	1,146	1,062

*Headcount comparative has been adjusted to accurately reflect a yearly average.

The aggregate payroll costs were:

	£	£
Wages and salaries	44,049,364	37,692,924
Social security	4,625,959	3,532,017
Pension costs	3,946,779	3,586,536
Total	52,622,102	44,811,477

The directors' aggregate remuneration was:

	£	£
Remuneration	517,173	577,405
Pension	49,588	74,411
Total	566,761	651,816

Director's remuneration reduced temporarily due to vacancies within the Executive Directors. All posts are now recruited to.

	2022-23	2021-22
	Number	Number
Number of directors who were members of company pension schemes	5	8

Remuneration of highest paid director

	2022-23	2021-22
	£	£
Remuneration	158,356	159,305
Pension	21,943	22,368
Total	180,299	181,673

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8. Exceptional Item

An exceptional item relating to the non-pensionable element of the 2022/23 pay award is incorporated within the accounts; the estimated cost is £2.283m. Following agreement at an extraordinary board meeting on the 23rd May 2023, the pay award was paid in June 2023, to permanent staff on dynamic Agenda for Change terms and conditions. This element is awarded in recognition of colleagues' commitment working throughout the pandemic and its recovery. A payment for staff not on dynamic Agenda for Change terms and conditions is still under consideration. Bromley Healthcare is actively pursuing reimbursement and has submitted an application to the government's new scheme released in November 2023.

9. Other Operating Income

	2022-23	2021-22
	£	£
Other Operating income	930,003	-
	930,003	-

Other operating income consists of grant and IT income received and recognised in the period where the related costs are incurred and for which the grant is intended to compensate.

10. Tangible fixed assets

	Medical Equipment £	Motor Vehicles £	IT Equipment £	Fixtures & Fittings £	Total £
Cost					
At 31 March 2022	687,273	-	2,329,336	1,073,768	4,090,377
Additions	49,733	26,100	99,577	83,103	258,513
Disposals	-	-	-	-	-
At 31 March 2023	737,006	26,100	2,428,913	1,156,871	4,348,890
Depreciation					
At 31 March 2022	490,041	-	1,419,306	626,681	2,536,028
Charge for the period	80,639	2,447	369,153	188,854	641,093
Disposals	-	-	-	-	-
At 31 March 2023	570,680	2,447	1,788,459	815,535	3,177,121
Net Book Value					
As at 31 March 2022	197,232	-	910,029	447,088	1,554,349
At 31 March 2023	166,326	23,653	640,454	341,336	1,171,769

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11. Debtors	2022-23	2021-22
	£	£
		<i>Restated</i>
Trade Debtors	5,996,128	3,145,192
Accrued Income	924,943	410,147
Other Debtors*	1,479,323	1,092,595
Prepayments**	2,415,933	2,185,447
	10,816,327	6,833,381

*Other Debtors include £1,457,000 relating to One Bromley invoices (2021/22 £1,053,000)

*For 2021/22, previously omitted unpaid One Bromley related invoices have now been included in the Other Debtors total (£1,053,000).

**Prepayments include accelerated pension contributions relating to 2022/23 totalling £1,300,000 (2021/22 totalled £1,300,000).

12. Creditors falling due within one year	2022-23	2021-22
	£	£
		<i>Restated</i>
Trade Creditors	4,681,367	3,347,193
Other Creditors*	11,384,079	11,111,084
Payroll Creditors	1,752,531	1,646,831
Accruals & Deferred Income**	10,653,096	8,313,643
Corporation Tax	582	247,244
	28,471,655	24,665,995

*Other Creditors includes £10.88m funding held on behalf of One Bromley alliance (2021/22 £10.15m).

*For 2021/22, previously omitted unpaid One Bromley related invoices have now been included in the Other Creditors total (£1,053,000).

**Deferred income includes £2.27m grant funding relating to Frontline Digitalisation (2021/22 £3.14m).

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13. Provisions for liabilities

Provisions are recognised when Bromley Healthcare Community Interest Company has a present legal or constructive obligation as a result of a past event, it is probable that Bromley Healthcare Community Interest Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties.

Bromley Healthcare Community Interest Company has made provisions as follows:

	Disputes £	Annual Leave £	Deferred Tax £	Total £
Opening balance at 1st April 2022	(205,149)	(368,431)	(536,527)	(1,110,107)
Additions in year	(188,245)	(577,464)	-	(765,709)
Utilised in year	74,070	43,377	391,451	508,898
Reversed unutilised in year	15,092	325,054	-	340,146
	(304,232)	(577,464)	(145,076)	(1,026,772)

13.1 Deferred tax

The provision for deferred tax as provided in the financial statements is:

	2022-23 £	2021-22 £
Fixed asset timing differences	195,907	296,904
Short term timing differences	239,560	239,623
Losses and other deductions	(290,391)	-
	145,076	536,527

14. Share Capital

	2022-23 £	2021-22 £
Allocated, called up and paid up		
Total - Ordinary Shares of £1 each	936	948
Issued	33	141
Returned	(45)	(117)
Net Change	(12)	24

During the year, the company issued 33 ordinary shares to new employees at £1 each at par. Employees returned 45 ordinary shares on leaving the organisation at £1 each at par. No dividends can be paid in respect of these shares and the capital of £1 will be payable upon an employee leaving the organisation.

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15. Analysis of changes in net debt

	2022-23	Cash flows	2021-22
	£	£	£
Cash and cash equivalents	<u>21,548,261</u>	<u>(1,133,272)</u>	<u>22,681,533</u>

16. Cash and cash equivalents

	At 31 March 2023	At 31 March 2022
	£	£
Cash at bank and in hand	<u>21,548,261</u>	<u>22,681,533</u>

Cash at bank and in hand includes £9.42m funding held on behalf of One Bromley Local Care Partnership (2021/22 £9.09m).

17. Pension costs

NHS Pension Scheme

Pension costs

Past and present employees are covered by the provisions of the two NHS pension schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both pension schemes are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2023, is based on valuation data as 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HM Treasury published valuation directions dated 7 October 2021 (see [Amending Directions 2021](#)) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at <https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports>.

Scottish Widows Pension Scheme

The Company operates a defined contribution pension scheme for the benefit of the employees and the directors. The assets of the scheme are held separately from those of the company in independently administered funds. At the end of March 2023 20% (March 2022 20%) of substantive employees were members of the scheme.

National Employment Savings Trust (NEST)

The Company introduced the auto-enrolment pension scheme on the 27th September 2013. This is a defined contribution pension scheme for the benefit of the employees and the directors and is operated by the National Employment Savings Trust (NEST). At the end of March 2023 22% (March 2022 19%) of employees are members of the scheme. The assets of the scheme are held separately from those of the company in independently administered funds. At the end of March 2023 the liability was £34k (March 2022 £28k).

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18. Transactions with related parties

Bromley Healthcare has no related parties which it transacts with.

19. Controlling Party

Bromley Healthcare has no controlling party as not one person has a majority of shares. It is run by the Board of Directors.

20. Post balance sheet event

An exceptional item relating to the non-pensionable element of the 2022/23 pay award is incorporated within the accounts; the estimated cost is £2.283m. Following agreement at an extraordinary board meeting on the 23rd May 2023, the pay award was paid in June 2023, to permanent staff on dynamic Agenda for Change terms and conditions. This element is awarded in recognition of colleagues' commitment working throughout the pandemic and its recovery. A payment for staff not on dynamic Agenda for Change terms and conditions is still under consideration. Bromley Healthcare is actively pursuing reimbursement and has submitted an application to the government's new scheme released in November 2023.

21. Capital Redemption Reserve

A total of £45 (2021/22 £117) has been transferred from the profit & loss account to the capital redemption reserve. This is in respect of the transfer of shares repurchased and cancelled to the capital redemption reserve.

22. Prior Year Adjustments

22.1 Inclusion of unpaid One Bromley invoices

Outstanding One Bromley related invoices were previously omitted from the Debtors and Creditors total. An adjustment has been made to include these values. The below explains the changes made:

Debtors - For 2021/22, previously omitted unpaid One Bromley related invoices have now been included in the Trade Debtors total (£1,053,000).

Creditors - For 2021/22, previously omitted unpaid One Bromley related invoices have now been included in the Accruals & Deferred Income total (£1,053,000).

22.2 Reclassification of Deferred income to Other creditors

For 2021/22, One Bromley related income totalling £9,092,701 has been reclassified from Deferred Income to Other Creditors.

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22.3 Headcount comparative

The headcount comparative has been adjusted to accurately reflect a yearly average. The below shows the changes made to the 2021/22 value:

	2021-22	2021-22
	Number	Number
	<i>Original</i>	<i>Restated</i>
Staff	1,133	1,053
Executive directors	5	5
Non-Executive directors	4	4
	1,142	1,062

22.4 Operating Leases commitments

The Operating Lease commitments total for 2021/22 has been adjusted to reflect the actual lease commitment period.

Operating leases commitments payable within:

	2021-22	2021-22
	Original	Restated
	£	£
Within 1 year:		
Property	815,431	2,112,543
Plant, machinery and vehicles	107,165	107,165
	922,596	2,219,708
Between 2 and 5 years:		£
Property	0	2,334,451
Plant, machinery and vehicles	0	0
	0	2,334,451
Total	922,596	4,554,159