

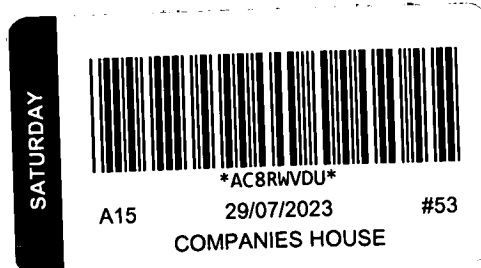
THE OXFORDSHIRE CARE PARTNERSHIP

Annual Report and Financial Statements

Year Ended 31 March 2023

Charity No: 1087554

Company No: 04152545



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Report of the Trustees for the year ended 31 March 2023

The Trustees, who are also directors of the Charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2023.

Reference and Administrative Details

Director/Trustees

Millie Wentworth-Stanley (The Orders of St John Care Trust) (Chairperson) (resigned 2 February 2023)
Daniel Hayes (The Orders of St John Care Trust)
Kerry Dearden (The Orders of St John Care Trust) (resigned 31 May 2023)
Mark Lee (The Orders of St John Care Trust) (appointed 1 June 2023)
Michael Stredder (The Orders of St John Care Trust) (appointed 3 March 2023)
Tracey Wardle (The Orders of St John Care Trust)
Kevin Bolt (bpha) (resigned 30 April 2023)
Richard Hill (appointed 1 May 2023)
Paul Cook (appointed 22 March 2023)
Julian Pearce (bpha)
Anna Humphries (bpha) (resigned 31 March 2023)
Philippa Spratley (bpha)

Secretary Philippa Spratley

Registered Office Eyre Court
Whisby Way
Lincoln
LN6 3LQ

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

Bankers Barclays Bank Plc
Midland Corporate Banking
P.O. Box 3333
15 Colmore Row
Birmingham
B32 4TN

Report of the Trustees for the year ended 31 March 2023 (continued)

Strategic Report

Structure, Governance and Management

The Oxfordshire Care Partnership (the Charity) is a charitable company limited by guarantee (registered company number 04152545, registered Charity number 1087554) and was established on 1 February 2001. It is governed by articles of association which were last amended on 8 June 2001.

Organisation

A Board of Trustees, which meets periodically, administers the Charity. Each member has the power to appoint up to four Trustees to the Board and the Board is able to appoint up to two independent Trustees. During the year to 31 March 2023, both The Orders of St John Care Trust (OSJCT) and bpha had four Trustees and there were no independent trustees. Trustee induction and training includes ensuring all Trustees have a working knowledge of the Charity and its charitable purpose, any current issues the Charity is facing and an overview of the financial position. The Trustees jointly take all key decisions regarding contractual and other commercial arrangements of the Charity, and there are working groups on which both members are represented. OSJCT manage the day-to-day care service provision obligations of the Charity under a management contract dated 20 December 2001.

Investment Powers

Under the memorandum and articles of association, the Charity has the power to make any investments which the Trustees see fit.

Objectives and Public Benefit

The Charity's objectives are to carry out in the County of Oxfordshire the following activities:

- To provide care to elderly people through care homes specialising in residential, mental health and nursing care, together with intermediate, domiciliary and day care;
- To provide housing, accommodation and assistance to help house people who are elderly or disabled and associated facilities and amenities for such people or for the relief of the aged, disabled, handicapped (whether physically or mentally) or chronically sick people and provision of care in the community and in hospitals and at home; and
- To further such general charitable objects as the Trustees may determine.

The Trustees have reviewed the Charity Commission guidance on Public Benefit and consider that the Trust objectives are for the public benefit. The main reasons are:

- 100% of our service users are contracted by Local Authorities.
- Surpluses are reinvested in subsidising improved services or accommodation for our service users.
- Other services are provided at either low or no cost to certain service users.
- Our services are available to any eligible person.

Report of the Trustees for the year ended 31 March 2023 (continued)

Related Parties

The Charity is a charitable care trust established in 2001 by OSJCT, a leading national provider of care service for older people and bpha, a major regional registered social landlord, to take transfer of operational care homes for older people from Oxfordshire County Council (OCC). The transfer of the 19 care homes was completed in December 2001. Central to the contract with OCC is the principle that the 10 existing homes will be replaced in the life of the contract, in which the physical standards of the accommodation fall short of agreed requirements, with eight larger new build homes developed to the most modern standards. In all significant matters, including the provision of services to OCC and the replacement of homes, the Charity acts as the principal obligor but as detailed below has subcontracted certain matters to OSJCT and bpha who each take some of the risks and rewards. The net balance of surplus / deficit after sub-contractual commitments arising on operations in the County of Oxfordshire is retained within the Charity.

The Charity wholly subcontracts the care of residents in the care homes to OSJCT. OSJCT is the registered operator of the care homes and employs the employees working in the homes and at a support level in the county office. Similarly, the Charity subcontracts the development and capital funding of the new care homes to bpha.

The existing care homes and County Council controlled development sites are leased from OCC to the Charity on 60-year operating leases with the exception of one site. The development sites are underlet by the Charity to bpha with a contractual commitment to develop and fund the new care homes. Upon satisfactory completion, the new homes are leased back to the Charity for operation by OSJCT.

Funding Sources and Expenditure

The principal funding source is fees for residential and nursing care from OCC; the Charity also receives income from the NHS for property rental at the Chipping Norton site (2023: £0.36m; 2022: £0.36m); expenditure is all related to providing care, and maintaining the properties and equipment.

The accounting treatment adopted since the Charity was first established reflects the intention of the partners, OSJCT and bpha, and of the other stakeholders principally including OCC, that all activity in relation to provision of services in the homes operated by the Charity should be reflected in the Charity's financial statements. This is reflected in the occupancy key performance indicators. However, self-fund income is treated as agency income and so is not included in the accounts. Beds which are not purchased by OCC and beds that fall outside of the contract with OCC are made available to private self-funding residents in a direct contract with OSJCT. As in previous years the private self-funder income does not form part of the financial statements of the Charity. In previous years the Charity's strategic report made some reference to the key performance metrics of the homes. The Trustees recognise that it is not possible by reference to the OCP financial statements for external stakeholders to understand the underlying performance of the homes since most of the operating costs and all of the self-funder income are borne by OSJCT and are only recognised in OSJCT's financial statements. The Trustees have agreed on the accounting treatment and this is consistent with the prior year, they will however keep this under review for appropriateness.

The Trustees recognise that more than 20 years have elapsed since the Charity commenced operations. During that period the operating environment, including the needs and expectations of elderly people has changed. The original intentions of the partners have in some cases been superseded with some homes continuing to operate beyond their originally anticipated lifespan.

Report of the Trustees for the year ended 31 March 2023 (continued)

During 2022/23 draft financial modelling for lifecycle maintenance were completed to the end of the contract utilising previously commissioned building condition surveys. These are now being reviewed by the property teams with the aim of finalising at an OCP Board during the early part of 2023/24. These models will compare demand versus the balances in the sinking fund held by bpha on behalf of OCP. Any shortfall will be discussed by the OCP Board in conjunction with Oxfordshire County Council.

Compliance with Charity Governance Code

The Board notes its support of the code of governance for charities, including the requirements for larger, more complex charities. Both members have adopted codes of governance relevant to their sectors: bpha applies the principles of good governance outlined in the National Housing Federation Code of Governance 2020 and OSJCT applies the Charity Governance Code. A review was undertaken during 2020 to assess OCP's compliance with the code and this was reported on in the 2020 annual report. It was found that although the key outcomes in respect of each of the principles are met, full compliance with all recommended practices within the code was not achievable. Certain parts of these practices are not applicable, for instance in relation to staffing as OCP itself does not employ any staff. Practice diverges in other areas, sometimes as a direct consequence of the charity's joint venture structure which mainly affects the Board Effectiveness and the Equality, Diversity & Inclusion principles. There has been no change in compliance since last year.

Statement of adherence to the Fundraising Regulator Code

The Charity seeks to comply fully with all regulation and relevant codes of practice. Fundraising is not a material income stream for the Charity and therefore is not required to report under section 162A of the Charities Act 2011.

Activities and Performance

The Charity currently operates 16 care homes across Oxfordshire with a total of 878 beds (2022: 878). The homes operate with 100% CQC compliance and are all rated as good.

The Charity (OCP) continues to have a strong relationship with OCC and strategic discussions are ongoing around the future estate strategy including performance of some older homes and development of alternative commissioning models that meet the needs of OCC and future residents alike.

The Charity subcontracts the provision of care to OSJCT which means all operating risk sits with OSJCT rather than OCP. OSJCT, as care provider, put in place infection control protocols and other operating protocols needed to ensure residents and employees were kept safe throughout the pandemic.

Central Government, via the Local Authorities provided funding support to the social care sector during the pandemic. The contractual arrangements for this funding were between OSJCT and the Local Authorities.

The pandemic continued to impact occupancy throughout 2022/23 as some homes were closed to admissions at the beginning of the year. The UK employment market continues to be a challenge, which limited bed availability during the year due to staffing constraints. OSJCT, who employs all staff providing the care services, worked with third party agencies to secure resource from abroad during the year which has greatly reduced the reliance on agency workers during the end of the financial

Report of the Trustees for the year ended 31 March 2023 (continued)

year. For the second consecutive year, the Charity (OSJCT) has implemented a minimum pay rate equal to the Real Living Wage to remain competitive and to attract more employees who may work in other sectors.

The Charity (OCP) will continue to work with its partners and stakeholders to ensure the sustainability of OCP.

Financial Review

	2023 (£'000)	2022 (£'000)
Financial KPIs		
Income	25,756	24,446
Net income/(expenditure)	123	(47)
Cash flow	531	1,337
Operational KPIs		
Occupancy as % of total places	87.4%	87.5%
Average block beds	496	511

Financial performance for the 12 months has increased in terms of income (income from charitable activities increased by 5.0% to £25.7m in the year to 31st March 2023) due principally to increased fee rates partly offset by the impact of a fall in the occupancy of OCC block beds where a lower void bed rate is charged. The average occupancy for the year (OCC funded residents and self-funders) was 87.4% (2022: 87.5%). This equates to 767 (2022: 769) residents in total. The average number of occupied block beds decreased to 496 funded by OCC (2022: 511). Local Authority fee increases for the year were 6.0% (2022: 4.3%). Fee increases are linked to contractual indexation.

Contractual payments to OSJCT increased in line with the increase in income as a consequence of the mechanism used to calculate care fees.

Interest received in the year has increased to £77k (2022: £1k) due to rising interest rates and has contributed to the surplus position for the financial year.

Trustees agreed to use some of the Charity's reserves to fund the removal of a badger set at Isis Court during the year. £37k of these costs are included in exceptional items. (2022: £69K of costs related to the closure of Glebe House).

Despite the continued challenges of Coronavirus for a third year, the occupancy in the homes reflects the continued demand in the sector for elderly residential and nursing care. Trustees remain confident this demand will continue though it expects demand to shift towards more specialised nursing services and short stay services which reduce admissions to hospitals. OCP homes already provide many of these services and, are well placed to continue to develop services in line with local health economy needs as the next year progresses.

Report of the Trustees for the year ended 31 March 2023 (continued)

Going Concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future from the date of signing of these reports and financial statements. Trustees have reviewed the 24-month trading performance and cashflows and are satisfied the Charity is sustainable. Therefore, the Charity will continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Trustees have considered a number of scenarios with relation to occupancy and the impact on OCP. The contractual structure of OCP is such, that the void mechanism ensures OCP can continue to cover all contractual payments. Operating risk sits with the care provider, OSJCT, and therefore Trustees are assured there is limited risk to OCP.

Reserves Policy and Risk Management

The Charity is currently building a reserve and at the year-end held total reserves of £3.7m (2021/22: £3.5m) with free reserves of £3.3m (21/22: £3.1m). The current policy is to continue to build reserves in the Charity until such time that a decision is made around utilisation of those reserves. The Trustees are targeting reserves in excess of £4m for the financial stability of the Charity. The Charity is committed to using reserves for reinvestment in services for older people in Oxfordshire in line with the Charity's objectives.

The Trustees have identified and implemented risk management strategies for the risks to which the charity could be exposed and have established controls and action plans over these.

The principal risks to which the Charity may be subject:

- **Governance and Management** - the strategic objectives of the Charity are reviewed on a regular basis, to set clear goals for the current year in line with long term aspirations and Charity Commission guidelines, in order to continue to deliver quality care services.
- **Operational Control** – there are established systems to manage and report operating performance to all stakeholders in the Trust, which are reviewed regularly.
- **Financial Controls** – Operational financial management of the Charity is undertaken by OSJCT which is overseen by a Board of Trustees.
- **Legal and Compliance Risks** - OSJCT as Care Provider complies with all care homes legislation and other applicable laws relating to the homes or to the provision of services including (without limitation) those relating to health and safety, hygiene, fire, employment and data protection.
- **Estate risk** - delays to the capital investment programme (due to Covid-19) and strategic discussions around the future estate strategy may lead to a degradation in property standards and consequential drop in occupancy.

Report of the Trustees for the year ended 31 March 2023 (continued)

Trustees' Responsibilities

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

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

In preparing these financial statements, the Trustees are required to:

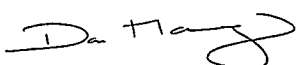
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;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

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

The Trustees confirm that:

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

The Trustees Annual Report, incorporating the Strategic Report, was approved by the Board on 28 June 2023.



Daniel Hayes
Trustee

Independent auditor's report to the members of The Oxfordshire Care Partnership

Opinion on the financial statements

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 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The Oxfordshire Care Partnership ("the Charitable Company") for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Conclusions related to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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.

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 Trustees' 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 Trustees' 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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charitable Company and the sector in which it operates;
- Discussion with management and those charged with governance;
- Obtaining an understanding of the Charitable Company's policies and procedures regarding compliance with laws and regulations; and

We considered the significant laws and regulations to be Companies Act 2006, UK GAAP, Charities SORP and tax legislation.

The Charitable Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety, employment law and data protection.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;

- Review of financial statement disclosures and agreeing to supporting documentation;

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charitable Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the areas most susceptible to fraud to be posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's

THE OXFORDSHIRE CARE PARTNERSHIP

report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Kyla Bellingall

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Kyla Bellingall (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Birmingham, UK
Date 26 July 2023

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

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31 March 2023

	Notes	2023 Unrestricted Funds £'000	2022 Unrestricted Funds £'000
Income from:			
Charitable activities	2	25,679	24,445
Investments (Interest)		77	1
Total Income		25,756	24,446
Expenditure on:			
Charitable Activities	3	25,633	24,493
Total Expenditure		25,633	24,493
Net income/(expenditure) for the year		123	(47)
Reconciliation of funds:			
Total funds brought forward		3,533	3,580
Total funds carried forward at 31 March		3,656	3,533

All of the above results are derived from continuing activities.

All gains and losses recognised in the year are included above.

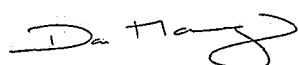
The notes on pages 18 to 23 form part of these financial statements.

Balance Sheet as at 31 March 2023

	Notes	2023 Unrestricted Funds £'000	2022 Unrestricted Funds £'000
Fixed Assets			
Tangible assets	5	400	455
Current assets			
Debtors: due within one year	6	227	172
Cash and cash equivalents		5,223	4,692
		<u>5,450</u>	<u>4,864</u>
Current liabilities			
Creditors: amounts falling due within one year	7	(2,194)	(1,786)
Net current assets		<u>3,256</u>	<u>3,078</u>
Total assets less current liabilities		<u>3,656</u>	<u>3,533</u>
Net assets		<u>3,656</u>	<u>3,533</u>
Funds:			
Unrestricted funds		3,656	3,533
Total funds	10	<u>3,656</u>	<u>3,533</u>

The notes on pages 18 to 23 form part of these financial statements.

The financial statements of The Oxfordshire Care Partnership (Company Number 04152545) were approved by the Trustees on 28 June 2023 and signed on their behalf by:



Daniel Hayes
Trustee

Statement of Cash Flows for the year ended 31 March 2023

	2023 £'000	2023 £'000
Cashflows from operating activities:		
Net cash provided by operating activities	454	1,351
Cash inflows/(outflows) from investing activities:		
Interest received	77	1
Purchase of fixed assets	-	(15)
Net cash provided by/(used in) investing activities	77	(14)
Change in cash and cash equivalents in the year	531	1,337
Cash and cash equivalents at the beginning of the year	4,692	3,355
Cash and cash equivalents at the end of the year	5,223	4,692
Net income/(expenditure) for the year	123	(47)
Adjustments for:		
Depreciation charges	55	94
(Increase)/decrease in debtors	(55)	347
Increase in creditors	408	958
Interest received	(77)	(1)
Net cash provided by operating activities	454	1,351

The notes on pages 18 to 23 form part of these financial statements.

Notes forming part of the financial statements for the year ended 31 March 2023

The company is a private company limited by guarantee and is registered in England and Wales. The company's registered address is Eyre Court, Whisby Way, Lincoln, LN6 3LQ. The company's registered number is 04152545.

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared in accordance with Charities SORP (FRS 102) (second edition October 2019) Accounting and Reporting by Charities Statement of Recommended Practice – applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Financial Statements of the Charity, which is a public benefit entity under FRS102, have been prepared on the historical cost basis. The principal accounting policies adopted in the preparation of the accounts are set out below and any changes restated in the previous year. The accounts are presented in £ sterling.

The financial statements have been prepared up to 31 March 2023 which is within 7 days of the accounting reference period of 27 March 2023.

b. Going Concern

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

Trustees have considered a number of scenarios with relation to occupancy and the impact on OCP including a full reforecast of the financial position and cashflows for the period to March 2025 and stress testing the cash position to the extreme of zero occupancy. The contractual structure of OCP is such, that the void mechanism ensures OCP can continue to cover all contractual payments. Operating risk sits with the care provider, OSJCT, and therefore Trustees are of the view that there is limited risk to OCP.

Based on the reforecasts and the available liquid resource, the Trustees believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the charity's ability to continue as a going concern for the foreseeable future, being a period of at least 12 months after the date on which the report and Financial Statements are signed. The Trustees, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

c. Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 3 as well as The Orders of St John Care Trust and bpha. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

Accounting Policies (continued)

d. Fund accounting

General funds are unrestricted funds, which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Investment income and gains are allocated to the appropriate fund.

e. Income from charitable activities

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenue is accounted for on the basis of invoiced charges for residential and related care services, raised in accordance with Local Authority or residents' personal contracts and recognised over the period in which provided. Income excludes charges to private self-funding residents who occupy beds in the Charity's homes.

f. Expenditure on charitable activities

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they are allocated to activities on a basis consistent with use of the resources.

Residential care costs are contractual payments to OSJCT in relation to the operation of the care homes. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include rent and planned maintenance.

g. Significant Accounting Estimates and Judgements

In determining the carrying amounts of certain assets and liabilities, the Charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The Charity's estimates and assumptions are based on historical experience and expectation of future events and are periodically reviewed.

Management consider the judgment applied to revenue recognition to be significant, in relation to whether OCP acts as principal or agent in its contractual arrangements. OCP is considered to act as principal in the contractual arrangements with OCC. Accordingly, income received from OCC is recognised in full. OCP is not considered to act as principal in the contractual arrangements with self-funded residents. Accordingly, income received from self-funded residents is not recognised.

Management considered the classification of leases between finance and operating leases, and took the judgement that all leases should be classified as operating leases.

h. Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

i. Taxation status

As a Charity, it is exempt from taxation on its charitable activities.

Accounting Policies (continued)

j. Fixed Assets

Expenditure incurred on assets held on a continuing basis for the activity of the company is capitalised where appropriate and included in fixed assets at cost. Depreciation is provided to write off the cost less residual value on a straight line basis over the useful economic life of the asset concerned.

The following rate applies:

Fixtures, fittings and equipment: 5 years.

Leasehold improvements: remainder of lease.

k. Financial Instruments

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

l. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

2. Income from charitable activities

Incoming resources from charitable activities include fees for residential care from OCC and charges for the provision of services to the National Health Service.

3. Expenditure on charitable activities

	2023 £'000	2022 £'000
Contractual payments to OSJCT	17,261	16,532
Operating lease rentals – land & buildings	6,365	5,980
Planned maintenance	853	805
Management fees	1,031	973
Professional fees	3	18
Other	4	6
Depreciation	55	94
Governance costs (audit fee)	24	16
Exceptional items	37	69
Total charitable activities	25,633	24,493

4. Trustees' remuneration

The Trustees neither received nor waived any emoluments during the year.

No out of pocket expenses were reimbursed to Trustees

5. Fixed Assets

	Furniture & Equipment £'000
Cost	
At 31 March 2022	847
At 31 March 2023	<u>847</u>
Depreciation	
At 31 March 2022	392
Depreciation charge	55
At 31 March 2023	<u>447</u>
Net Book Value	
At 31 March 2022	455
At 31 March 2023	<u>400</u>

6. Debtors

	2023 £'000	2022 £'000
Trade debtors	67	35
Other debtors and accrued income	152	129
Amounts due from related undertakings	8	8
Total	<u>227</u>	<u>172</u>

7. Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Trade creditors	142	142
VAT	15	15
Accruals and deferred income	1,887	1,492
Amounts due to related undertakings	150	137
Total	<u>2,194</u>	<u>1,786</u>

8. Operating Lease commitments

At 31 March 2023 the company had total commitments under non-cancellable operating leases as follows:

	2023 Land and Buildings £'000	2022 Land and Buildings £'000
Due within 1 year	6,365	5,981
Due within 1-5 years	25,459	23,923
Due in more than 5 years	205,163	199,199
	236,987	229,103

9. Analysis of net assets between funds

	2023 Unrestricted Funds £'000	2022 Unrestricted Funds £'000
Funds balances are represented by:		
Fixed assets	400	455
Current assets	5,450	4,864
Current liabilities	(2,194)	(1,786)
Total net assets	3,656	3,533

10. Related Party Transactions

bpha

The income and expenditure account includes the following transactions between the Charity and bpha, which is one of two equal members in the company:

	2023 £'000	2022 £'000
Expenditure:		
Property lease rentals	3,888	3,888
Management fee	145	137
Planned maintenance	853	805
	4,886	4,830

No amounts were due to or from bpha at the year-end.

Related Party Transactions (continued)

The Orders of St John Care Trust (OSJCT)

The income and expenditure account includes the following transactions between the Charity and OSJCT, which is one of the two equal members in the company:

	2023 £'000	2022 £'000
Expenditure:		
Management fees	886	836
Care services costs	17,261	16,409
Other related costs	38	124
	18,185	17,369

The amounts due to or from OSJCT at the year-end are:

	2023 £'000	2022 £'000
Payable:		
Salary recharge	1	1
Unitary charge	11	11
Care service costs	128	117
Property lease rentals	10	8
	150	137

Receivable:

Property lease rentals	8	8
	8	8

Under the terms of the care services contract Oxfordshire County Council are contracted to purchase a minimum number of bed spaces in the OCP homes with the balance being available to OSJCT. In the event purchasing falls below these levels the Council either pay a 'void' rate or OSJCT has the rights to offer the bed space to the NHS, other Local Authorities or private fee payers. Any such placements by OSJCT are at nil consideration to OCP.

All income directly received by OSJCT and any associated risk e.g. providing required care at premium rates (agency), being exposed to doubtful debt or rising costs above contractual inflation that may arise, is the direct responsibility of OSJCT as care provider.