



Treasurer's Report – AGM 2026

Presented by: Dave Dyer – BMSTC Treasurer

Date: 07 October 2026

Financial Performance Overview

As referred to in the Chair's report, whilst there were positives to take from the 2025 performance, not least on treatment delivery levels and winning the King's Award, 2025 was a difficult year financially. Costs rose by some £27k, partly driven by decisions made based on a successful 2024 income performance, but income fell back by over £295k. As a consequence, the surplus of £120k in 2024 was followed by a deficit of £202k in 2025. This pressure on finances is sadly not unusual in the charity sector in recent years, with many closures and even larger charities enacting cutbacks (including redundancies) to protect their sustainability.

Reserves and cash

At 2025 year-end, our free reserves stood at £337k, which equates to approximately six months of running costs and was therefore at the lower end of our target range of six to twelve months.

Cash and cash equivalents decreased from £539K to £352k by December 2025 given the deficit outcome.

Current position

Thanks to the efforts of the fundraising team in particular there have been positive results on income generation with the September year to date figure at some £482k, well ahead of budget and 92% of the 2025 full year result with 25% of 2026 remaining. On expenditure, there seems every prospect of maintaining or reducing the level experienced in 2025 and so we are quietly confident that we should significantly improve on the 2025 bottom line in 2026, albeit not necessarily produce a surplus.

As things stood at the end of September, the cash/cash equivalents position has improved to £421k, and the free reserves were at approximately £247k (ie. below our target level).

Looking Ahead

The Board recognizes that a persistent deficit is not sustainable and as such have spent much of their time together in 2026 discussing means to correct the income/cost imbalance, whilst protecting as far as possible the interests of clients, staff and volunteers.

The impacts on deficit reduction from actions taken so far have included a staff pay freeze and obtaining cover for footcare treatment expense through a generous donor, as the Chair has mentioned. Over October, a further measure to reduce the employer pension contribution from 10% to 5% (still above a more typical charity sector 3%) is being consulted on with staff. This would if implemented deliver some £20k saving per annum. The Trustees are actively reviewing proposals to increase pricing in areas such as member fees and non MS oxygen chamber fees, and have put together a “long list” of further actions on both income and costs that will be revisited over the final quarter in the light of greater certainty on full year income prospects.

It will be important, even if we cannot produce a surplus in 2026, that we can demonstrate to auditors, donors, clients, staff and volunteers that we are taking measures such as these to protect the sustainability of BMSTC.