

Company registration number: 8407721

Charity registration number: 1159968

Healthwatch Nottinghamshire

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2017

Community Accounting Plus
7 Mansfield Road
Nottingham
NG1 3FB

Healthwatch Nottinghamshire

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Healthwatch Nottinghamshire

Reference and Administrative Details

Trustees

Alan Sutton
Shirley Inskip
Juliet Woodin
Emma Challans
Jonathan Lancaster
Paula Noble
Joe Pidgeon (resigned 29 April 2016)
Michelle Livingston (appointed 6 June 2016)

Secretary

Jez Alcock

Principal Office

Unit 2-3, Byron Business Centre,
Duke Street,
Hucknall,
Nottingham
NG15 7HP

Company Registration Number

8407721

Charity Registration Number

1159968

Independent Examiner

John O'Brien, employee of
Community Accounting Plus
7 Mansfield Road
Nottingham
NG1 3FB

Healthwatch Nottinghamshire

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2017.

Trustees

Alan Sutton

Shirley Inskip

Juliet Woodin

Emma Challans

Jonathan Lancaster

Paula Noble

Joe Pidgeon (resigned 29 April 2016)

Michelle Livingston (appointed 6 June 2016)

Structure, governance and management

Nature of governing document

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 18 February 2013 and most recently amended 9 September 2014 has no share capital and the liability of each member in the event of winding-up is limited to £1.

Objectives and activities

Objects and aims

- The advancement of health and the relief of those in need by reason of youth, age, ill-health, disability or financial hardship for the benefit of the entire population of the County of Nottinghamshire and elsewhere;
- Making the views and experiences of members of the general public known to health and social care providers;
- Enabling local people to have a voice in the development, delivery and equality of access to local health and social care services and facilities; the promotion of high standards by health and social care providers; providing training and the development of skills for volunteers and the wider community in understanding, scrutinising, reviewing and monitoring local health and care services and facilities.

Healthwatch Nottinghamshire

Trustees' Report

Objectives, strategies and activities

Mental health crisis report:

In early 2016 Healthwatch Nottinghamshire in partnership with Healthwatch Nottingham were commissioned to talk to local people about their experiences of getting help and support when suffering a mental health crisis. The evidence was then collected and reported back to the Crisis Concordat Partnership Board to help inform the development of the local action plan to ensure that when people across Nottingham and Nottinghamshire have a mental health crisis they get the support they need, when they need it.

Bramcote College:

Over the past year Healthwatch Nottinghamshire has worked closely with Bramcote College to develop a project for their year 12 and 13 Health & Social Care classes. The young people taking part in the project have been involved in our Young Person's Prioritisation Panel and Youth Engagement Teams. Some of the young people at Bramcote College are also using this project as hours towards their Duke of Edinburgh award.

Dementia report:

Earlier in 2016 Healthwatch Nottinghamshire and Healthwatch Nottingham launched a joint project which aimed to evaluate patient and carer experiences of being diagnosed with dementia, particularly in terms of the information provided at the point of diagnosis.

A joint report has now been published and has found experiences to be mixed, with voluntary sector services proving to be invaluable to patients and carers.

Enter and View Programme:

Our planned programme of Enter and View visits into Care Homes has begun.

The Healthwatch Nottinghamshire Enter and View team have visited a number care homes in Nottinghamshire. The objective of the Enter and View is gather information from service users, and where possible those who visit them, by speaking with them about their experience of the care they receive. This data will then be used to make evidence-based recommendations about how to improve patient experiences going forward (if appropriate).

Healthwatch Nottinghamshire new website:

At the start of 2017 Healthwatch Nottinghamshire launched our new website. The new site makes it easier than ever for everyone across Nottinghamshire to share their experiences of local health and care services with us and help transform them, improving them for everyone that uses them. The site also contains a range of information on health and care including details of local consultations, news, publications, engagement.

Number of direct engagements: 1595

Number of experiences collected: 1522

Percentage of experiences collected from people in vulnerable or seldom heard groups: 46% (same as last year)

Volunteers have donated 383 hours and led or supported 511 activities

Healthwatch Nottinghamshire

Trustees' Report

Public benefit

We meet our public benefit needs by:

Being representative, enabling all communities to have a meaningful voice;

Supporting the long term sustainability of quality health and social care services;

Being responsive to current concerns and issues raised;

We are accountable to the public by ensuring we are transparent in everything we do;

We add value by adopting best practice approaches and ensuring our professional standards at all times.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Healthwatch Nottinghamshire

Trustees' Report

Financial review

Policy on reserves

Initially Healthwatch Nottinghamshire's core function is to deliver the statutory role and responsibilities of Healthwatch. These activities are funded through a grant from the Department of Health, and commissioned by Nottinghamshire County Council. However it is the aim of the Board of Directors that Healthwatch Nottinghamshire will broaden its activities over time to deliver additional services within its aims and objectives and to generate an additional income to help to sustain the organisation's core aims and objectives.

Healthwatch Nottinghamshire's current funding agreement runs from April 2016 – March 2018, with a possible two additional years, depending on the financial settlement received by the County Council from the Government.

Purpose of Reserves

The Healthwatch Board believes that the funding it receives should be used for the benefit of the people of Nottinghamshire and that it should not build up a level of reserves over and above the level needed. However, the Directors acknowledge the need to build up a level of reserves that will ensure that the organisation can meet its legal and statutory responsibilities and ensure the sustainability of the organisation.

It is the intention of the Board to build up reserves to ensure that it can:

- Fund the development of costs of new activities that will add value to the work of Healthwatch Nottinghamshire;
- Respond to anticipated additional expenses e.g. covering long term sickness or parental leave for a member of staff;
- Maintain Healthwatch Nottinghamshire activities for a period of time if funding is reduced or comes to an end;
- Close down in a planned way, meeting all its obligations to staff and creditors.

The calculation of the required level of reserves is an integral part of the organisation's planning, budget and forecast cycle. It takes into account:

- Risks associated with each stream of income and expenditure being different from that budgeted;
- Planned activity level;
- Healthwatch Nottinghamshire's commitments.

Reserves Policy

It is the aim of the Healthwatch Nottinghamshire Board that the organisation moves to a position that it holds the following level of reserves:

- A general reserve equivalent to three months running costs to ensure that the organisation could continue to operate during a period of an unexpected reduction or cut to its core funding. In 2016/17 three months running costs is equivalent to £92,000.

The remainder of Healthwatch Nottinghamshire's reserves will be made available to cover shortfalls in Healthwatch Nottinghamshire's income generating activities, subject to trustee approval.

Review of the Reserves Policy

Board members will review the Reserves Policy and the funds allocated to reserves annually as part of the business and financial planning cycle.

Healthwatch Nottinghamshire

Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Healthwatch Nottinghamshire for the purposes of company law) are responsible for preparing the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the Charity on 13/9/17 and signed on its behalf by:

Juliet Woodin
Trustee

Healthwatch Nottinghamshire

Independent Examiner's Report to the trustees of Healthwatch Nottinghamshire

I report on the accounts of the company for the year ended 31 March 2017 which are set out on pages 8 to 16.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member and Fellow of the Association of Charity Independent Examiners.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me a reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

John O'Brien MSc, FCCA, FCIE
Employee of Community Accounting Plus

7 Mansfield Road
Nottingham
NG1 3FB

Date: 27/9/17

Healthwatch Nottinghamshire

Statement of Financial Activities for the Year Ended 31 March 2017 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2017 £	Total 2016 £
Income and Endowments from:				
Donations and legacies		301,940	301,940	335,000
Charitable activities		40	40	30
Investment income	2	40	40	362
Total Income		302,020	302,020	335,392
Expenditure on:				
Charitable activities	3	(318,526)	(318,526)	(341,161)
Total Expenditure		(318,526)	(318,526)	(341,161)
Other recognised gains and losses				
Net movement in funds		(16,506)	(16,506)	(5,769)
Reconciliation of funds				
Total funds brought forward		255,154	255,154	260,923
Total funds carried forward		238,648	238,648	255,154

All of the Charity's activities derive from continuing operations during the above two periods.

These are the figures for the previous accounting period and are included for comparative purposes

	Note	Unrestricted funds £	Total 2016 £
Income and Endowments from:			
Donations and legacies		335,000	335,000
Charitable activities		30	30
Investment income	2	362	362
Total Income		335,392	335,392
Expenditure on:			
Charitable activities	3	(341,161)	(341,161)
Total Expenditure		(341,161)	(341,161)
Other recognised gains and losses			
Net movement in funds		(5,769)	(5,769)
Reconciliation of funds			
Total funds brought forward		260,923	260,923
Total funds carried forward		255,154	255,154

Healthwatch Nottinghamshire

(Registration number: 8407721)
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	8	370	1,978
Current assets			
Debtors	9	1,166	87,411
Cash at bank and in hand		<u>248,953</u>	<u>177,723</u>
		250,119	265,134
Creditors: Amounts falling due within one year	10	<u>(11,841)</u>	<u>(11,958)</u>
Net current assets		<u>238,278</u>	<u>253,176</u>
Net assets		<u>238,648</u>	<u>255,154</u>
Funds of the Charity:			
Unrestricted income funds			
Unrestricted income funds		<u>238,648</u>	<u>255,154</u>
Total funds		<u>238,648</u>	<u>255,154</u>

For the financial year ending 31 March 2017 the Charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 8 to 16 were approved by the trustees, and authorised for issue on 13/9/17 and signed on their behalf by:

Shirley Inskip
Trustee

Healthwatch Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2017

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Healthwatch Nottinghamshire meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

It is anticipated that Healthwatch Nottinghamshire and Nottingham Healthwatch will merge on 31/3/2018

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Healthwatch Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2017

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows: IT equipment 33.3%; Fixtures & fittings 10.0%.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors 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 Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

Healthwatch Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2017

2 Investment income

	Unrestricted funds	Total 2017	Total 2016
	General £	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	40	40	362

3 Expenditure on charitable activities

	Unrestricted funds	Total 2017	Total 2016
	General £	£	£
Wages	214,468	214,468	226,392
Travel & subsistence	6,079	6,079	9,888
Volunteer expenses	7,258	7,258	881
Recruitment	598	598	1,832
Training	2,056	2,056	2,490
Rent & room hire	18,950	18,950	19,147
Utilities	870	870	732
Insurance	3,268	3,268	6,271
Telephone & postage	2,532	2,532	6,072
Printing & stationery	5,115	5,115	4,735
Publicity & website	7,405	7,405	4,439
Legal & professional	3,596	3,596	8,993
Equipment repairs & renewals	662	662	13,140
Events & activities	717	717	1,336
Bank charges	151	151	84
Depreciation	1,608	1,608	7,124
Social Security costs	13,658	13,658	16,025
Pensions	11,565	11,565	10,840
IT Software	17,395	17,395	-
Bad debts	575	575	-
Refreshments	-	-	688
Sundry expenditure	-	-	2
Publications & subscriptions	-	-	50
	<u>318,526</u>	<u>318,526</u>	<u>341,161</u>

Healthwatch Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2017

4 Trustees remuneration and expenses

During the year the Charity made the following transactions with trustees:

Alan Sutton

Alan Sutton received remuneration of £1,000 (2016: £Nil) and £739 (2016: £258) of expenses were reimbursed to Alan Sutton during the year.

travel expenses of £739. Acting Chairman fee £1,000

Shirley Inskip

£Nil (2016: £258) of expenses were reimbursed to Shirley Inskip during the year.

travel expenses

Paula Noble

£161 (2016: £258) of expenses were reimbursed to Paula Noble during the year.

travel expenses

Michelle Livingston

Michelle Livingston received remuneration of £6,476 (2016: £Nil) and £Nil (2016: £258) of expenses were reimbursed to Michelle Livingston during the year.

travel expenses & salaries

Juliet Woodin

£Nil (2016: £258) of expenses were reimbursed to Juliet Woodin during the year.

travel expenses

Emma Challans

£146 (2016: £261) of expenses were reimbursed to Emma Challans during the year.

travel expenses

James George

£Nil (2016: £261) of expenses were reimbursed to James George during the year.

travel expenses

Joe Pidgeon

Joe Pidgeon received remuneration of £533 (2016: £11,333) during the year.

salaries

Healthwatch Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2017

5 Staff costs

The aggregate payroll costs were as follows:

	2017 £	2016 £
Staff costs during the year were:		
Wages and salaries	214,468	226,392
Social security costs	13,658	16,025
Pension costs	11,565	10,840
	<u>239,691</u>	<u>253,257</u>

The monthly average number of persons (including senior management team) employed by the Charity during the year expressed as full time equivalents was as follows:

	2017 No	2016 No
Average number of employees during the year was	<u>11</u>	<u>11</u>

Contributions to the employee pension schemes for the year totalled £11,565.(2016 - £10,840).

No employee received emoluments of more than £60,000 during the year.

Healthwatch Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2017

6 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2017 £	2016 £
Independent examination	1,200	1,200
Other financial services	723	1,957
	<u>1,923</u>	<u>3,157</u>

7 Taxation

No tax was charged in the year (2016 - £00).

8 Tangible fixed assets

	Computer equipment £	Fixtures & fittings £	Total £
Cost			
At 1 April 2016	<u>21,187</u>	<u>618</u>	<u>21,805</u>
At 31 March 2017	<u>21,187</u>	<u>618</u>	<u>21,805</u>
Depreciation			
At 1 April 2016	19,641	186	19,827
Charge for the year	<u>1,546</u>	<u>62</u>	<u>1,608</u>
At 31 March 2017	<u>21,187</u>	<u>248</u>	<u>21,435</u>
Net book value			
At 31 March 2017	<u>-</u>	<u>370</u>	<u>370</u>
At 31 March 2016	<u>1,546</u>	<u>432</u>	<u>1,978</u>

9 Debtors

	2017 £	2016 £
Prepayments	-	2,167
Other debtors	<u>1,166</u>	<u>85,244</u>
	<u>1,166</u>	<u>87,411</u>

Healthwatch Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2017

10 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	3,088	4,724
Tax & Social security	5,514	5,153
Other creditors	3,239	1,440
Accruals	-	641
	<u>11,841</u>	<u>11,958</u>

11 Charity status

The Charity is a Charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the Charity in the event of liquidation.

12 Commitments

Other financial commitments

The charity has two operating leases which can be terminated by a notice period of 3 months.

The total amount of other financial commitments not provided in the financial statements was £Nil (2016 - £Nil).