

**Charity Registration No. 1156320**

**Company Registration No. 08389279 (England and Wales)**

**HEALTHWATCH REDBRIDGE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

# HEALTHWATCH REDBRIDGE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr Mohammed Dedat Mrs Athena Rebecca Daniels Mr Michael Edward New Mrs Lorraine Yvonne Silver Mrs Vanda Fiona Thomas Ms Margery Rebecca Peddie
<b>Charity number</b>	1156320
<b>Company number</b>	08389279
<b>Registered office</b>	1st Floor 103 Cranbrook Road Ilford Essex United Kingdom IG1 4PU
<b>Auditor</b>	Reddy Siddiqui LLP 183-189 The Vale Acton London W3 7RW

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# HEALTHWATCH REDBRIDGE

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# HEALTHWATCH REDBRIDGE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2018

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The trustees present their report and financial statements for the Year ended 31 March 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

### Objectives and activities

The activities are to advance health by providing relief to those in need, by reason of youth, age, ill-health, disability or financial hardship by:

- Ensuring hospital discharge procedures are safe and people are provided with the right support and information to recover effectively
- Ensuring patients, users and carers with communication impairments have information provided in an accessible format so that they can read it, listen to it or have someone support them to understand it before they make a decision about their care
- Health and social care services working better together
- More information and availability of Mental Health services for children, adolescents and adults
- Better access, availability and continuity of GP services including out of hours services, as well as shorter waiting times in A&E.

The policies adopted in furtherance of these objects are:

- developing a communications strategy that enables us to increase our social media presence and to begin to identify new and powerful ways to interact with our members, stakeholders and partners
- reviewing our strategic priorities to identify and recruit staff to new roles, allowing us to better support local people
- actively seeking to gain the Volunteer Charter Mark, which has led us to make changes to the way we recruit and retain volunteers
- redesigning our Enter and View training, making it more accessible for deaf people increasing awareness of Healthwatch amongst stakeholders.

There has been no change in these during the Year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

# HEALTHWATCH REDBRIDGE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

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### **Achievements and performance**

We have recently been successful in securing the contract to continue to support Healthwatch in Redbridge from 2018-2021 with a further option of continuing from 2021-2023.

### **Setting our priorities for 2017/18**

Each year, we invite local people to help develop our work programme for the coming year.

We created an online survey and produced postcards that were promoted across Redbridge through our outreach and engagement events. We invited people to tell us what types of health and social care issues we should look at over the next twelve months.

We provided a range of issues identifying national and local health and social care concerns and asked people to rank them from 1-5. These issues were identified through the comments and concerns raised with us through our signposting information service, our Enter & View visits, engagement events and other statutory meetings, and through comments and contacts made at our outreach events across the borough. We also gave people an opportunity to tell us if they felt there were any other local priorities Healthwatch should consider. Over 450 responses were received over three months.

### **Gathering views on Health and Care**

We have developed our volunteering support this year and looked at increasing our outreach sessions at local libraries, Queens, Whipps Cross and King George Hospital and many local community events such as the Redbridge Volunteer Fair, the Redbridge Adult Institute, Health and Wellbeing Fair, Redbridge Faith Forum, Loxford Polyclinic Open Day, University of East London Volunteering Fair and the Older People's Day.

### **Intermediate Care**

Healthwatch Redbridge has been involved in engaging with local people since the proposal to reorganise intermediate care services in Redbridge began in 2014.

We have continued to work closely with our Health Scrutiny Committee and service provider, NELFT (North East London Foundation Trust), to assess the quality of the service and review patient and carer experience of rehabilitation services in the borough. Periodical reviews have taken place at six monthly intervals with the final review taking place in January 2018. Based on our recommendations, the provider has made several improvements to the Service.

### **Changes to Day Services**

Healthwatch Redbridge consulted with local people to review the proposed changes to Day Services in Redbridge. We worked with One Place East, Redbridge Carers Support Service, Age UK Redbridge and Action on Hearing Loss to run the event and engage with as many people as possible who would be affected by the proposals. Users of the services along with friends, family and the public came together to discuss possible changes along with the proposed changes to transport.

# HEALTHWATCH REDBRIDGE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

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Our consultation response focussed on the issues of a lack of information about the proposals, more detail regarding existing and future community services, and better support for people using Personal Budgets and Direct Payments.

### **Community Urgent Care**

The Clinical Commissioning Group (CCG) commissioned Healthwatch from Redbridge, Havering and Barking & Dagenham to conduct research on how particular groups of patients choose to use urgent and emergency care services. The findings from our report have been published by the CCG and are helping to shape future services across the three boroughs.

### **Review of Emergency Department use across Redbridge**

Working with Redbridge Health Scrutiny Committee, Healthwatch Redbridge were asked to be part of a working group which completed a comprehensive review into the use of Accident & Emergency Departments across the area. The review was in response to a number of calls for a halt to the proposed closure of King George Hospital's A&E Department due to the growing population locally.

Following the development of the Sustainability and Transformation Plan (STP) for north east London in 2016, many felt the closure was now unreasonable given the increase in the diverse and ageing population.

### **User Friendly? Reviewing communication support at GP practices in Redbridge**

For many people with communication impairments going to see your doctor can sometimes create additional issues. Not hearing your name being called, having no access to a BSL Interpreter or relying on a family member to support you, can be a frightening experience.

Over the past two years, Healthwatch Redbridge has continued its review of the development and implementation of the Accessible Information Standard (AIS). The standard is the new legal requirement that applies to all providers of NHS and publicly-funded adult social care services and came into force on 31 July 2016.

It is supported by the Equalities Act, and advises organisations how they should work to understand and support patients' communication needs. This includes making sure that people get information in accessible formats such as audio, large print, Braille, easy read and via email.

Between July and October 2017, Healthwatch Redbridge visited, assessed and reported on all 45 GP Practices in Redbridge against the requirements of the standard. In March this year we launched a comprehensive review of all the practices in our report. This report has been shared widely with CQC, Healthwatch England and the Clinical Commissioning Group (CCG). Our review of practices has led to a number of improvements already:

- **34%** more practices are providing communication handbooks
- **28%** more are providing additional disability awareness training
- **23%** more have AIS posters
- **44%** have improved their website accessibility
- **27%** of practices have improved their hearing loop systems
- Over **82%** of practices have improved information and signage.

Our local hospital trust and a number of User Led Organisations have expressed their appreciation of our work and how it has highlighted the importance of addressing communication support needs. Practices have also appreciated being able to ask questions and clarify issues.

We estimated over **84,000** people have benefitted from this project.

# HEALTHWATCH REDBRIDGE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

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### Community Cash Fund

This year we launched our Community Cash Fund where we asked local voluntary and community organisations to identify innovative ways to communicate with seldom heard groups. These projects have identified issues of real importance to particular local communities and completed research which is now being used to identify ways to improve health and social care provision across the borough.

So far we have supported the following projects:

- **One Place East** – By checking the accessibility and ease of navigation of the local health and social care hubs for people with learning disabilities; we have been able to identify a number of recommendations to make the service better.
- **Performance Art Life Skills (PALS)** – Working with local people who have lived experience of mental health services. PALS have identified a range of issues with talking therapy services through the medium of drama. Attendees have increased their confidence and found their voices. Further funding has also been secured to continue the sessions for a short time.
- **Redbridge Carers Support Service** - Enabling carers of people with dementia to socialise and reduce the risk of isolation by providing joined up, dedicated peer support/activity groups.
- **Refugee & Migrant Forum Essex & London** – A number of case studies were completed to show the effects of access to primary, secondary and mental healthcare for vulnerable migrants.
- **St Francis Hospice (SFH)** – Working with local people who use the services provided by the hospice, the hospice gathered views of people with life limiting illnesses about end of life care and treatments they have received. They have also identified gaps in End of Life care services.

**Terrence Higgins Trust (THT)** - Working with young people 16-25, THT have evaluated the current C-Card (condom distribution) scheme and Chlamydia screening services across 25 pharmacies in Redbridge

### Financial review

We continue to revisit our finances ensuring we are fully compliant with the requirements for the organisation and also to best meet the needs of our members and non-members throughout the year.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the Year.

The principal sources of income remain grants received from London Borough of Redbridge. The charity also receive income during the year from Health Education England, North Central and East London (HENCEL).

At the outset of each financial year the trustees discuss risks associated with undertaking activities and to the extent possible, work towards mitigating these risks. The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Healthwatch Redbridge Board priorities for the future are:

- i) Build on our reputation
- ii) Establish meaningful working relationships with our partners
- iii) Review our structure/ resources
- iv) Scrutinise the health and Wellbeing Strategy and other key documents
- v) Seek external funding opportunities
- vi) Support the development of our Authorised Representatives
- vii) Develop and support an effective Advisory Committee
- viii) Develop and support Enter and View capacity and training

### Structure, governance and management

The charity is a company limited by guarantee and was registered with the Charity Commission for England and Wales on 5th February 2013.

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# HEALTHWATCH REDBRIDGE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

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The trustees, who are also the directors for the purpose of company law, and who served during the Year and up to the date of signature of the financial statements were:

Mr Mohammed Dedat  
Mrs Athena Rebecca Daniels  
Mr Michael Edward New  
Mrs Lorraine Yvonne Silver  
Mrs Vanda Fiona Thomas  
Ms Margery Rebecca Peddie

Mrs Vanda Fiona Thomas is Chairwoman of the charity.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up, as stated in the dissolution clause of the memorandum and articles of association adopted on 5th February 2013. The trustees are appointed by election to post.

Healthwatch Redbridge has a board of trustees comprising of members from a wide range of backgrounds. The trustees meet regularly. Day to day responsibility is currently delegated to the Chief Executive Officer, Ms Cathy Turland.

The Trustees do not consider there to be any related party matters requiring disclosure.

### **Employee involvement**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

### **Disabled persons**

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.



# HEALTHWATCH REDBRIDGE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

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### **Statement of trustees' responsibilities**

The trustees, who are also the directors of HEALTHWATCH REDBRIDGE for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that Year.

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

- select suitable accounting policies and then 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Reddy Siddiqui LLP be reappointed as auditor of the company will be put at a General Meeting.

### **Disclosure of information to auditor**

In accordance with Section 418(2) of the Companies Act 2006, each trustee in office at the date the Trustees' Report is approved confirms that:

- so far as the trustees' are aware there is no relevant audit information of which the charity's auditor is unaware; and
- He/She has taken all the steps that he/she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information

The report of the trustees has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006

The trustees' report, including the strategic report, was approved by the Board of Trustees.

**Mrs Vanda Fiona Thomas**

Trustee

Dated: 6 December 2018

# HEALTHWATCH REDBRIDGE

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF HEALTHWATCH REDBRIDGE

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#### Opinion

We have audited the financial statements of HEALTHWATCH REDBRIDGE (the 'charity') for the Year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, for the Year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The 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.

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

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 included within the trustees' report have been prepared in accordance with applicable legal requirements.

# HEALTHWATCH REDBRIDGE

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF HEALTHWATCH REDBRIDGE

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within 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 trustees' 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 statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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**

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

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

**Seema Siddiqui (Senior Statutory Auditor)**  
for and on behalf of Reddy Siddiqui LLP

6 December 2018

**Chartered Accountants**  
**Statutory Auditor**

183-189 The Vale  
Acton  
London  
W3 7RW

# HEALTHWATCH REDBRIDGE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	-	153,408	153,408	245,078
Other income	4	3,580	-	3,580	37
<b>Total income</b>		<u>3,580</u>	<u>153,408</u>	<u>156,988</u>	<u>245,115</u>
<b><u>Expenditure on:</u></b>					
Raising funds	5	180	1,005	1,185	12,109
Charitable activities	6	34,789	145,024	179,813	189,097
<b>Total resources expended</b>		<u>34,969</u>	<u>146,029</u>	<u>180,998</u>	<u>201,206</u>
<b>Net (outgoing)/incoming resources before transfers</b>		(31,389)	7,379	(24,010)	43,909
Gross transfers between funds		45,681	(45,681)	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<u>14,292</u>	<u>(38,302)</u>	<u>(24,010)</u>	<u>43,909</u>
Fund balances at 1 April 2017		<u>27,264</u>	<u>62,687</u>	<u>89,951</u>	<u>46,040</u>
<b>Fund balances at 31 March 2018</b>		<u><u>41,556</u></u>	<u><u>24,385</u></u>	<u><u>65,941</u></u>	<u><u>89,949</u></u>

The statement of financial activities includes all gains and losses recognised in the Year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HEALTHWATCH REDBRIDGE

## BALANCE SHEET

AS AT 31 MARCH 2018

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	Notes	2018 £	£	2017 £	£
<b>Current assets</b>					
Debtors	12	2,478		10,400	
Cash at bank and in hand		82,108		102,412	
		<u>84,586</u>		<u>112,812</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(18,645)</u>		<u>(22,863)</u>	
Net current assets			<u>65,941</u>		<u>89,949</u>
<b>Income funds</b>					
Restricted funds - general			24,385		56,442
Unrestricted funds			41,556		33,507
			<u>65,941</u>		<u>89,949</u>

The financial statements were approved by the Trustees on 6 December 2018

Mrs Vanda Fiona Thomas  
**Trustee**

**Company Registration No. 08389279**

# HEALTHWATCH REDBRIDGE

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

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	Notes	2018 £	£	2017 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	17	(20,304)		(21,900)	
<b>Net cash used in investing activities</b>			-		-
<b>Net cash used in financing activities</b>			-		-
<b>Net decrease in cash and cash equivalents</b>		(20,304)		(21,900)	
Cash and cash equivalents at beginning of Year		102,412		124,312	
<b>Cash and cash equivalents at end of Year</b>		82,108		102,412	
Short term deposits included in current asset investments			-		-
Bank overdrafts included in creditors payable within one year			-		-

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# HEALTHWATCH REDBRIDGE

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2018**

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### 1 Accounting policies

#### Charity information

HEALTHWATCH REDBRIDGE is a private company limited by guarantee incorporated in England and Wales. The registered office is 1st Floor, 103 Cranbrook Road, Ilford, Essex, IG1 4PU, United Kingdom.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purpose and uses of the restricted funds are set out in the notes to the accounts.

Unrestricted funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

# HEALTHWATCH REDBRIDGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

##### Expenditure

Liabilities are recognized as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

##### 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 the direct pay and non-pay costs and support costs relating to those activities.

##### Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity, and include its audit fees and costs linked to the strategic management of the charity including trustee expenses.

##### Allocation and apportionment of costs

Support costs include administrative office functions and premises costs. These have been allocated to activity cost categories on a basis consistent with the use of resources: allocating premises costs on floor areas, staff costs by the time spent and other costs on a measure of usage.

#### 1.6 Cash and cash equivalents

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

#### 1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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 assets classified as receivable within one year are not amortised.



# HEALTHWATCH REDBRIDGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### 1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# HEALTHWATCH REDBRIDGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 3 Donations and legacies

	2018	2017
	£	£
Services provided under contract	153,408	245,078
<b>Grants receivable for core activities</b>		
Healthwatch	150,934	165,999
Hencel	2,474	49,884
CEPN	-	2,884
STP	-	11,886
Other	-	14,425
	<u>153,408</u>	<u>245,078</u>

### 4 Other income

	2018	2017
	£	£
Other income	3,580	37
	<u>3,580</u>	<u>37</u>

### 5 Raising funds

	Unrestricted funds	Restricted funds general	Total 2018	Total 2017
	£	£	£	£
<u>Fundraising and publicity</u>				
Advertising	180	1,005	1,185	12,109
	<u>180</u>	<u>1,005</u>	<u>1,185</u>	<u>12,109</u>
<b>For the Year ended 31 March 2017</b>				
Fundraising and publicity	-	12,109		12,109
	<u>-</u>	<u>12,109</u>		<u>12,109</u>

# HEALTHWATCH REDBRIDGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 6 Charitable activities

	2018 £	2017 £
Staff costs	125,760	129,940
Insurance	1,012	996
Postage, printing & stationeries	6,635	10,505
Telephone and fax	1,526	751
Travelling	2,819	4,264
Consultancy	960	960
Sundry expenses	3,141	3,086
Staff training	11,287	5,332
Computer expenses	3,579	878
Legal and professional	(1,000)	1,000
	<u>155,719</u>	<u>157,712</u>
Share of support costs (see note 7)	21,094	28,385
Share of governance costs (see note 7)	3,000	3,000
	<u>179,813</u>	<u>189,097</u>
<b>Analysis by fund</b>		
Unrestricted funds	34,789	
Restricted funds - general	145,024	
	<u>179,813</u>	
<b>For the Year ended 31 March 2017</b>		
Restricted funds - general		189,097
		<u>189,097</u>

# HEALTHWATCH REDBRIDGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 7 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Premises	17,722	-	17,722	21,144	
Accountancy fees	3,372	-	3,372	7,241	
Audit fees	-	3,000	3,000	3,000	Governance
	<u>21,094</u>	<u>3,000</u>	<u>24,094</u>	<u>31,385</u>	
Analysed between Charitable activities	<u>21,094</u>	<u>3,000</u>	<u>24,094</u>	<u>31,385</u>	

Governance costs includes payments to the auditors of £3000 (2017- £3000) for audit fees.

### 8 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

#### Fees payable to the aw11 and associates:

	2018 £	2017 £
Audit of the annual accounts	3,000	2,100
<b>Non-audit services</b>		
All other non-audit services	-	900

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the Year.

# HEALTHWATCH REDBRIDGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 10 Employees

#### Number of employees

The average monthly number employees during the Year was:

2018 Number	2017 Number
-	5
<u>          </u>	<u>          </u>

#### Employment costs

	2018 £	2017 £
Wages and salaries	125,760	120,062
Social security costs	-	7,971
Other pension costs	-	1,907
	<u>125,760</u>	<u>129,940</u>

### 11 Financial instruments

#### Carrying amount of financial assets

	2018 £	2017 £
Debt instruments measured at amortised cost	2,478	10,400
	<u>          </u>	<u>          </u>

#### Carrying amount of financial liabilities

	2018 £	2017 £
Measured at amortised cost	14,031	16,328
	<u>          </u>	<u>          </u>

### 12 Debtors

#### Amounts falling due within one year:

	2018 £	2017 £
Trade debtors	131	7,101
Other debtors	2,347	3,299
	<u>2,478</u>	<u>10,400</u>

### 13 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Other taxation and social security		3,113	2,560
Deferred income	14	1,501	3,975
Trade creditors		8,648	7,168
Other creditors		5,383	6,160
Accruals and deferred income		-	3,000
		<u>18,645</u>	<u>22,863</u>

# HEALTHWATCH REDBRIDGE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 14 Deferred income

	2018 £	2017 £
Arising from government grants	-	3,975
Other deferred income	1,501	-
	<u>1,501</u>	<u>3,975</u>
	<u><u>1,501</u></u>	<u><u>3,975</u></u>

### 15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:			
Current assets/(liabilities)	(4,125)	70,066	65,941
	<u>(4,125)</u>	<u>70,066</u>	<u>65,941</u>
	<u><u>(4,125)</u></u>	<u><u>70,066</u></u>	<u><u>65,941</u></u>

### 16 Related party transactions

There were no disclosable related party transactions during the Year (2017 - none).

### 17 Cash generated from operations

	2018 £	2017 £
(Deficit)/surplus for the Year	(24,008)	43,909
Movements in working capital:		
Decrease in debtors	7,922	13,446
(Decrease) in creditors	(1,744)	(14,947)
(Decrease) in deferred income	(2,474)	(64,308)
<b>Cash absorbed by operations</b>	<u>(20,304)</u>	<u>(21,900)</u>
	<u><u>(20,304)</u></u>	<u><u>(21,900)</u></u>