

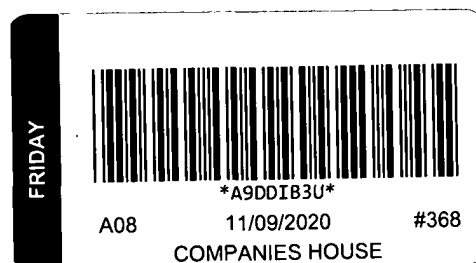
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HWLINCS

**(PREVIOUSLY HEALTHWATCH
LINCOLNSHIRE LTD)**

**ANNUAL REPORT AND UNAUDITED
FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2020**



HWLINCS (PREVIOUSLY HEALTHWATCH LINCOLNSHIRE LTD)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr David Gaskell Mr Clive Green (Vice Chairman) Mr Michael Hill Mr Paul Martin Mrs Lyndia Moulder Mrs Pauline Mountain MBE Maria Prior BSc (Hons), MSc, PhD (Chairman) Mr Paul Rhodes Dr Brian Wookey
Charity number	1154835
Company number	08336116
Principal address	Unit 12 1 - 2 North End Swineshead Boston Lincolnshire PE20 3LR
Registered office	Unit 12 1 - 2 North End Swineshead Boston Lincolnshire PE20 3LR
Independent examiner	Tracey Richardson BSc (Hons) FCA Baldwins Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP
Bankers	Yorkshire Bank 10 High Street Grantham Lincolnshire NG31 6PU
Solicitors	Wilkin Chapman llp The Maltings 11-15 Brayford Wharf East Lincoln LN5 7AY

HWLINCS (PREVIOUSLY HEALTHWATCH LINCOLNSHIRE LTD)

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HWLincs (Previously Healthwatch Lincolnshire LTD)

Trustees report (including Directors' Report)

FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their report and financial statements for the year ended 31 March 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with HWLincs governing documents, 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) (effective 1 January 2015)".

The Grant awarded by Lincolnshire County Council for the Healthwatch Lincolnshire Service is restricted under the terms of the contract to the activities of delivering this service. To protect the financial stability of our organisation we have planned unrestricted reserves at year end of £135,785 and a further £158,100 designated funds for promotional developments, structure, and support.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities we should undertake. As part of our due diligence work during the year, we agreed and implemented a number of ethical principles and income generation processes, all of which require us to first and foremost ensure activities are in line with our objects, additionally comply with conflicts and risk policies as well as follow a due diligence process.

Financial review

The annual budget was recommended for Board approval in May 2019. The Finance and Performance Committee monitored financial performance against budget during the year. The Finance and Performance Committee oversees all financial performance and its Chairman who is also our Treasurer, provides a financial report at each board meeting.

Careful financial management has ensured that budget levels have been met during the year and in a number of areas cost savings against individual budgets have been achieved. The most significant area of expenditure is staffing which is essential to enable us to deliver our core functions and objectives. Lincolnshire is a large rural county and requires a great deal of travel, therefore travel costs also remain a significant element of our expenditure.

At the year-end, our reserves were £293,885. The Trustees agreed £158,100 as designated funds (see note 16 of these annual accounts). We have budgeted our expenditure for 2020/21.

As part of the Finance and Performance Committee's responsibility it considers our future funding requirements over the longer term. Trading opportunities as well as other sources of funding are considered as part of future funding to make it less dependent on its single source of grant income, the Healthwatch contract.

During the year we prepared a business plan to set our future direction. It includes detailed operational and communication plans.

Risks

We have in place a risk policy and risk register which are kept under regular review by our 3 permanent committees, namely HR, Governance, Finance & Performance, ensuring we identify the risks to which we maybe exposed. Governance Committee is tasked with managing the risk register. The Board ensure that proper control is exercised over risk and any necessary mitigating work to reduce such risks is undertaken. The Board annually approve our risk register. The risk register along with a risk statement was formally recorded in December 2019 as approved by the Board. The Trustees have assessed the major risks to which we are exposed and is currently satisfied that systems are in place to mitigate exposure to those risks.

Investment policy

Our funding is mainly from government sources and is for expenditure on its activities in the short term. The funding is received on a quarterly basis to meet immediate expenditure. As set out in our 'Reserves policy' we have worked towards building longer term reserves to fund exceptional requirements and planned business opportunities. These reserves are currently held in immediate accessible cash deposits. The Finance and Performance Committee continues to review our investment policy to distinguish short and longer term reserve requirements, in light of current financial conditions and reflecting the need to preserve capital value with minimum level of risk whilst seeking to produce a satisfactory financial return.

Reserves policy

The Trustees believe that to operate effectively and be a responsible employer we should have at our disposal reserves of funds that can be used in extraordinary circumstances. The Trustees consider that they must balance this requirement against the duty to utilise funds in pursuit of our objectives. The reserves policy considers the circumstances for which reserves should be held, the amounts required, and sets limits on these amounts.

We strive to ensure unrestricted funds are maintained at a level of no less than 6 months expenditure. The Trustees consider that reserves at this level will ensure that in the event of a loss of or significant drop in funding we will be able to continue with our activities while the Trustees implement ways to provide additional funds.

The Finance and Performance Committee has reviewed the Reserves Policy and has made the necessary changes to ensure we are operating reserves in line with Charity Commission Guidance and are reflecting our needs.

Designated funds

The Trustees have utilised some of the designated funds during the year and agreed where further designated and unrestricted funds will be allocated for use with future projects, activities, or commitments. Details are set out in note 16 to the annual accounts.

Salary policy

To ensure the charity is providing a transparent policy of paying and reviewing its staff, our HR Committee has a Base Salary Structure and devolved annual action plan which sets out the timetable for annual reviews, pay structures, and identify the principles which guide pay decisions.

New financial year – 2020/21

Our next phase will be to continue our migration of support for everyone involved in HWLincs and to ensure that we bring everyone on the journey. We want to grow our work and activities to support our growth, sustainability, and sector. This will enable us to enhance our work and bring continued long-term benefits to our community's general wellbeing.



These steps during 2020/21 will include:

- Continued delivery of the Healthwatch Lincolnshire contract and implement Healthwatch Annual Plan
- Work in new environments and with new audiences, particularly rising to the COVID19 challenge
- Horizon scanning and development of new project ideas
- Delivery of the Citizen Panel recruitment contract for Lincolnshire
- Completion of the Voluntary Engagement Team (VET) Health, Care and Wellbeing Strategy for Lincolnshire
- A review of training and develop feasibility and delivery models; implement new CPD training for employees, trustees, and volunteers
- Implement HWLincs Business Plan
- Proactive review of funding opportunities for 2020/21
- Apply for Trusted Charity Mark to ensure our Charity has an all-round approach to quality and renew our Investors in Volunteers (IiV) standard.

Structure, governance, and management

HWLincs is a registered charity and company limited by guarantee and is governed by Articles of Association. During the year, the Board formally met 6 times, 5 being planned Board meetings and one being a Special General Meeting in July to approve change to the Articles of Association and charity name. There are 3 permanent committees that have been given devolved responsibilities (by the Board), these committees include Governance, Finance & Performance and HR each of these committees has a Terms of Reference and met a minimum of 4 times during the year.

In accordance with the new requirement to have a register of persons or entities with significant control over the charity, the Trustees have examined the membership and considered whether any member, Trustee, employee, or other body has such control. Our register has recorded no such party presently existing. The Trustees monitor this on an on-going basis.

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 John Bains (Resigned 3 September 2019)

Mr David Carmichael OBE (Resigned 11 February 2020)

Mrs Barbara Dempster (Resigned 3 September 2019)

Mr David Gaskell

Mr Clive Green (Vice Chairman)

Mr Michael Hill

Mr Paul Martin

Mrs Lyndia Moulder

Mrs Pauline Mountain MBE

Maria Prior BSc (Hons), MSc, D (Chairman)

Mr Paul Rhodes

Dr Brian Wookey

At the Annual General Meeting (AGM) on 3 September 2019 held in Sleaford, in accordance with the governing documents (see paragraph below for more information), 3 Trustees stood down for election, 2 made the decision to resign from the Board with Mike Hill standing and being duly elected by the members. The Additional Director Paul Rhodes was required to stand for election and was duly elected by members.

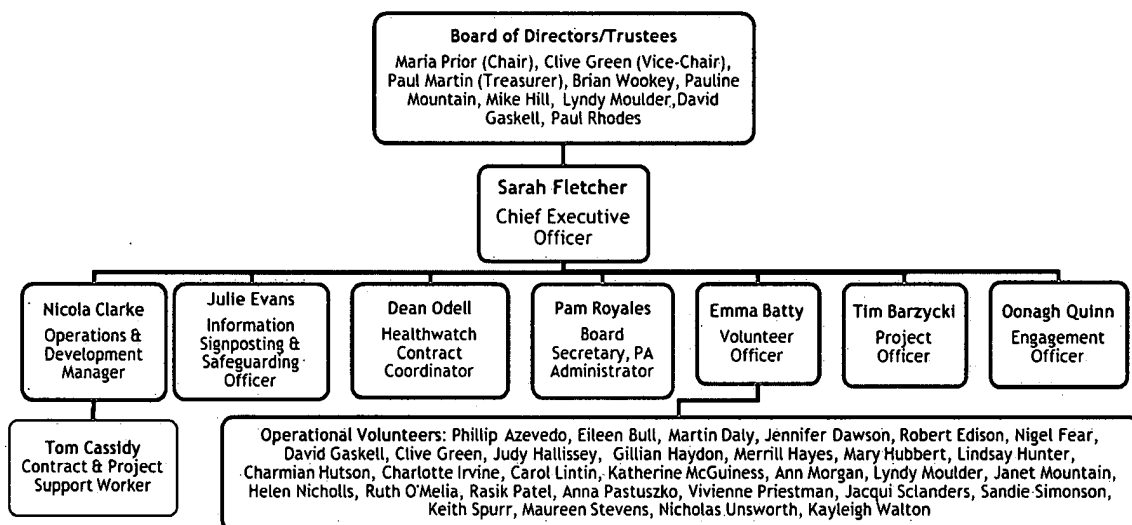
The Trustees have the power to co-opt individuals onto the Board to fill vacancies which arise. One third of the elected Trustees and all co-opted trustees are required to retire from office at the AGM after the date on which they came into office but may, if they wish, stand for re-election or re-appointment by the members.

The process for the selection and election of Trustees is set down in the articles and byelaws. Trustees serve for a period not exceeding 3 years but may, if they wish, stand for re-election or re-appointment by the members. The Trustees have the authority to appoint additional Trustees to fill vacancies which arise during the period

between AGMs; such additional directors are required to retire from office at the AGM following the date on which they took office and may stand to be elected by the members. Trustees have equal status and authority within the board and no permanent committee has any additional powers that would result in the participants having any additional controls over the charity. The Board has in place Terms of Reference for all permanent committees which sets out the scope of their devolved responsibilities. All final decisions which have either a significant financial or legal requirement must be approved by the Board.

Details of organisational structure

Day to day operational activities are delivered by the employee team. The Board together with the Chief Executive Officer have set clear lines of decision making, responsibilities and accountability. The employee team includes Chief Executive Officer, Contract and Development Manager, Engagement Officer, Project Officer, Information, Signposting & Safeguarding Officer, Healthwatch Contract Co-ordinator, Volunteer Officer, PA to the Board and CEO.



Details of related parties

Payments made to the Trustees are set out in note 8. These relate to reimbursement of expenses specifically travelling expenses. Trustees provide a significant amount of representational support during the year at Lincolnshire Health and Wellbeing Board, Health Scrutiny and 4 Clinical Commissioning Groups, as well as several other one-off meetings, across the county and region.

How our activities deliver Public Benefit

All our activities are open to every resident of Lincolnshire and focus on the improvements, safety and quality of all statutory funded health and care services in Lincolnshire. We provide support to residents by signposting them to navigate the right health and care services to meet their needs.

On behalf of the board of trustees



Dr Maria Prior (Chairman)

Trustee

Dated: 26/08/2020

HWLINCS
(PREVIOUSLY HEALTHWATCH LINCOLNSHIRE LTD)
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF HWLINCS

I report to the trustees on my examination of the financial statements of HWLincs (the charity) for the year ended 31 March 2020.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Tracey Richardson BSc (Hons) FCA

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Dated: 10/9/20

HWLINCS
(PREVIOUSLY HEALTHWATCH LINCOLNSHIRE LTD)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	2019 £
<u>Income and endowments from:</u>			
Grants receivable	3	299,600	306,507
Income from investments	4	517	433
Other income	5	11,061	29,351
Total income and endowments		311,178	336,291
<u>Expenditure on:</u>			
Expenditure on charitable activities	6	332,127	357,920
Total expenditure		332,127	357,920
Net expenditure for the year/ Net movement in funds		(20,949)	(21,629)
Fund balances at 1 April 2019		314,834	336,463
Fund balances at 31 March 2020		293,885	314,834

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

HWLINCS
(PREVIOUSLY HEALTHWATCH LINCOLNSHIRE LTD)
BALANCE SHEET
AS AT 31 MARCH 2020

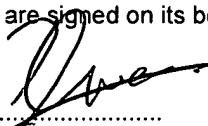
	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	10		2,097		973
Investments	11		1		1
			<u>2,098</u>		<u>974</u>
Current assets					
Debtors	13	17,074		25,441	
Cash at bank and in hand		278,161		366,655	
		<u>295,235</u>		<u>392,096</u>	
Creditors: amounts falling due within one year	14	(3,448)		(78,236)	
Net current assets			291,787		313,860
Total assets less current liabilities			<u>293,885</u>		<u>314,834</u>
Income funds					
<u>Unrestricted funds - general</u>					
Designated funds	16	158,100		140,000	
General unrestricted funds		135,785		174,834	
		<u>293,885</u>		<u>314,834</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020.


The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the board of directors and authorised for issue on 26/8/20 and are signed on its behalf by:



 Mr Clive Green (Vice Chairman)
 Trustee



 Dr Maria Prior (Chairman)
 Trustee

Company Registration No. 08336116

HWLINCS
(PREVIOUSLY HEALTHWATCH LINCOLNSHIRE LTD)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

HWLinCS is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 12, 1 - 2 North End, Swineshead, Boston, Lincolnshire, PE20 3LR.

1.1 Accounting convention

The accounts have been prepared in accordance with 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 charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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.

All grants and voluntary income are included in the Statement of Financial Activities in the year in which they are receivable, except for monies which are for specific periods crossing over the year end.

1.5 Resources expended

All resources expended are accounted for gross, and in the period in which they are incurred. VAT is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

HWLINCS
(PREVIOUSLY HEALTHWATCH LINCOLNSHIRE LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	33% per annum on a straight line basis
Furniture and fixtures	25% per annum on a reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 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.

1.10 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.

HWLINCS
(PREVIOUSLY HEALTHWATCH LINCOLNSHIRE LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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.

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.

1.11 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.

1.12 Retirement benefits

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

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

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.

HWLINCS
(PREVIOUSLY HEALTHWATCH LINCOLNSHIRE LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

3 Grants receivable

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Donations and gifts	-	6,707
Grants receivable	299,600	299,800
	<u>299,600</u>	<u>306,507</u>
Grants receivable for core activities		
Lincolnshire County Council	299,600	299,800
	<u>299,600</u>	<u>299,800</u>

4 Income from investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Interest receivable	517	433
	<u>517</u>	<u>433</u>

5 Other income

	Unrestricted funds general 2020 £	Total 2019 £
Net gain on disposal of intangible fixed assets	-	9,111
Other income	11,061	20,240
	<u>11,061</u>	<u>29,351</u>

HWLINCS
(PREVIOUSLY HEALTHWATCH LINCOLNSHIRE LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

6 Expenditure on charitable activities

	2020 £	2019 £
Staff costs	260,783	257,929
Depreciation and impairment	916	324
Locality groups and hubs	2,722	3,181
Travel expenses	14,014	16,008
Premises costs	20,822	20,327
Advertising and promotion	1,589	12,945
Telephone	5,374	6,277
Printing, postage and stationery	6,240	7,625
Computer costs	6,628	9,887
Training costs	361	355
Professional fees	2,440	7,539
Bank charges	231	229
Other costs	3,095	2,113
	<u>325,215</u>	<u>344,739</u>
Share of governance costs (see note 7)	6,912	13,181
	<u>332,127</u>	<u>357,920</u>

7 Support and governance costs

	Support costs £	Governance costs £	2020 £	2019 £
Legal and professional fees	-	-	-	4,654
Board travel costs *	-	140	140	583
Board meeting costs	-	3,783	3,783	4,576
Board training costs	-	176	176	836
Independent examiner fees	-	2,813	2,813	2,532
	<u>-</u>	<u>6,912</u>	<u>6,912</u>	<u>13,181</u>
Analysed between				
Charitable activities	<u>-</u>	<u>6,912</u>	<u>6,912</u>	<u>13,181</u>

* This includes travel costs to external meetings as well as board meetings.

8 Trustees

Eight trustees were reimbursed a total of £3,783 (2019 - Eight trustees reimbursed a total of £4,576) for travelling expenses.

HWLINCS
(PREVIOUSLY HEALTHWATCH LINCOLNSHIRE LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
	8	9
	<u> </u>	<u> </u>
Employment costs	2020	2019
	£	£
Wages and salaries	234,058	232,909
Social security costs	19,715	18,197
Other pension costs	7,010	6,823
	<u> </u>	<u> </u>
	<u>260,783</u>	<u>257,929</u>

There were no employees whose annual remuneration was £60,000 or more.

The total amount of employee benefits received by key management personnel is £53,429 (2019 - £51,622). The charity considers its key management personnel comprises of the Chief Executive Officer.

10 Tangible fixed assets

	Office equipment	Furniture and fixtures	Total
	£	£	£
Cost			
At 1 April 2019	19,244	4,210	23,454
Additions	2,040	-	2,040
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2020	21,284	4,210	25,494
	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment			
At 1 April 2019	19,244	3,237	22,481
Depreciation charged in the year	673	243	916
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2020	19,917	3,480	23,397
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 31 March 2020	1,367	730	2,097
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2019	-	973	973
	<u> </u>	<u> </u>	<u> </u>

11 Fixed asset investments

		2020	2019
	Notes	£	£
Other investments comprise:			
Investments in subsidiaries	20	1	1

	2020 £	2019 £
Carrying amount of financial assets		
Other debtors	17,074	25,441
Bank and cash	278,161	366,655
	<hr/>	<hr/>
Measured at cost	295,235	392,096
	<hr/> <hr/>	<hr/> <hr/>
Carrying amount of financial liabilities		
Measured at fair value through profit or loss		
Trade creditors	670	558
Accruals and deferred income	2,778	2,778
	<hr/>	<hr/>
Measured at cost	3,448	3,336
	<hr/>	<hr/>

	2020	2019
Amounts falling due within one year:	£	£
Other debtors	17,074	25,441

HWLINCS
(PREVIOUSLY HEALTHWATCH LINCOLNSHIRE LTD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

14 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Deferred income	15	-	74,900
Trade creditors		670	558
Accruals and deferred income		2,778	2,778
		<u>3,448</u>	<u>78,236</u>

15 Deferred income

	2020 £	2019 £
Other deferred income	-	74,900
	<u>-</u>	<u>74,900</u>

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2019	Movement in funds			Balance at 31 March 2020
	£	Incoming resources £	Resources expended £	New designations/ (released) £	£
Promotional developments	5,500	-	(2,000)	-	3,500
Structure and support fund	131,100	-	-	3,500	134,600
Informatics and report	3,400	-	-	(3,400)	-
IT replacement	-	-	-	20,000	20,000
	<u>140,000</u>	<u>-</u>	<u>(2,000)</u>	<u>20,100</u>	<u>158,100</u>

Promotional developments – these funds are earmarked for the development of seeking host organisations for promotional activities and promoting HWLincs name.

Structure and support fund - includes support for HWLincs development, contingency for any future grant reduction and other specialist work we identify during the year.

Informatics and reporting - these funds are no longer required due to the transfer of ownership of IMP system to HWL Services Ltd.

IT replacement - these funds are required to enable upgrade to old IT equipment and systems during the coming year/s.

HWLINCS
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

17 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Total £
Fund balances at 31 March 2020 are represented by:			
Tangible assets	2,097	-	2,097
Investments	1	-	1
Current assets/(liabilities)	133,687	158,100	291,787
	<u>135,785</u>	<u>158,100</u>	<u>293,885</u>

18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	-	1,536

19 Related party transactions

During the year a donation of £nil (2019 - £6,707) was received from HWL Services Limited, a subsidiary company.

Included in other debtors is £17,074 (2019 - £25,441) due from HWL Services Limited

20 Subsidiaries

These financial statements are separate company financial statements for HWLincs

Details of the charity's subsidiaries at 31 March 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
HWL Services Limited	England and Wales	Consultation services	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
HWL Services Limited	(5,753)	1

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21 Control

No one individual has overall control of the charitable company.

Background

In early 2019, HWLincs Trustees and Chief Executive Officer began in earnest talking about how to move our charity from a sole contract provider to one that has more flexibility in terms of meeting its wider purpose, that of supporting communities in a wider health, care and wellbeing agenda.

The process to rebrand our charity started in October 2018, when we reapplied for the Healthwatch Lincolnshire contract. The realisation at this point that if we had not been successful, we could not have continued to operate under our then charity name of Healthwatch Lincolnshire Ltd. This alone jeopardised the very essence of the charity and destabilised its capacity to ensure longevity and support to the communities it was set up to support. So, at this point, discussions relating to a change of name and addition to our objects commenced resulting in a move towards an exciting and more sustainable future.

A New Day - Mobilisation from Healthwatch Lincolnshire to HWLincs

In July 2019, a plan was formed to start the process of moving the charity from 'Healthwatch Lincolnshire Ltd' to 'HWLincs'.

What was recognised in the early planning stages was the significant impact of Healthwatch on the charity, and what was needed was a change in thinking that has been embedded since incorporation.

The Healthwatch contract for Lincolnshire County Council has been central to our success, a privilege and pleasure to deliver, and has provided the organisation with an excellent reputation for strategic and operational effectiveness.

July through December 2019 was spent ensuring the legal processes were followed. Whether that be communication with our charity members, through to working with the Charities Commission and Wilkin Chapman solicitors to ensure that HWLincs applied the correct processes at each stage of the transition.

At the same time, we set about reviewing the purpose of the charity, its structure and how we would market ourselves. For these, we set-up various task and finish groups as set out below. The purpose of the groups was to work at pace to achieve recommendations which would ultimately form the charity infrastructure.

Mobilisation Task and Finish Groups:

- Charity Business Structure
- Strategic Direction and Priorities
- Business Planning
- Policies and Procedures
- Ethics
- New structures for Healthwatch statutory requirements

We agreed that an important aspect of our mobilisation work would be to ensure that business as usual was maintained for the Healthwatch contract but develop a model that would refocus the Board to charity rather than solely Healthwatch contract.

Due to the importance and commitment to our delivery of the Healthwatch Lincolnshire contract we developed 2 further task and finish groups these were.

- Healthwatch Steering Group – set up to provide, guidance, oversight, support, and assurance in the delivery of the Healthwatch contract.
- Healthwatch Annual Planning Group – annually setting of our priorities and direction for the operational business of the contract is a requirement of Healthwatch. Our work is in line with public feedback and representational information gathering and planning.

What was evident from the beginning was the step change from being a sole contract provider to one which seeks alternative funding to support in the short, medium and longer term the work with our communities, as well as Healthwatch, was one that required an internal shift for everyone. Whether that be Trustees, charity members, volunteers, employees, through to our stakeholders. As part of the process we facilitated several internal awareness and information sessions which encouraged participation and queries to be raised throughout the process.

Vision and Priorities

Our new HWLincs brand, vision and values has been designed to impact and provide clarity for everything we do. This includes strategic thinking through to operational delivery, our policies and procedures and the reason for our existence.

Our vision - Supporting positive change to improve people's wellbeing

Our priorities

Supporting positive change

- Proud to deliver Healthwatch Lincolnshire
- Work in partnership with all sectors to influence
- Capitalise and showcase our skills and experiences

Sustainability; today, tomorrow, and beyond

- Income generation through horizon scanning
- Using resources efficiently
- Building infrastructure, talent, and skills

Getting our messages across

- Creating a recognisable brand
- Marketing and promoting HWLincs
- Effective elevator pitches; promoting success

Our values

Passionate About driving positive change with people and communities

Innovative Improving and changing in a dynamic way

Diligent We care about getting it right

Inclusive Here to help everyone

Honest Trustworthy and fair

Our objects

Our plans to extend HWLincs objects were realised and approved by Charity Commission during the year and are specifically restricted to the following:

The advancement of health and social care and the relief of those in need by reason of youth, age, ill-health, disability or financial hardship by:

- (a) providing information and advice to the general public about local health and social care services;
- (b) making the views and experiences of members of the general public known to health and social care providers;
- (c) enabling local people to have a voice in the development, delivery and equality of access to local health and care services and facilities; and
- (d) 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;

The preservation and protection of good health for the public benefit by supporting activities provided by:

- (a) local authorities' adult and children's social services; and/or
- (b) charities registered in England & Wales which carry out activities which supplement, complement, or have replaced local authorities' adult and children's social services.

We have a comprehensive range of policies and procedures in place adopted in furtherance of these objects.

Achievements and performance

Throughout the change from Healthwatch to HWLincs we have sought to demonstrate that as a charity we are clearly focussed and determined on making the organisation sustainable and responsive to the needs of the customer base. We are aiming to build on the reputation that Healthwatch has enabled us to gain and ensure that this work is recognised as a charitable achievement.

Healthwatch Lincolnshire

healthwatch
Lincolnshire

Our greatest success to date is our continued performance of delivering the Healthwatch Lincolnshire contract. Through our staff team of employees and volunteers, we annually reach out

to over 200,000 Lincolnshire people, with over 2,000 of these directly sharing their personal experiences with us.

We have a statutory requirement to produce a separate Healthwatch Lincolnshire Annual Report, which can be accessed via our Healthwatch Lincolnshire website <https://www.healthwatchlincolnshire.co.uk/report/2020-06-29/healthwatch-lincolnshire-annual-report-2019-2020>

Below are a few highlights from our successful Healthwatch year:

- **NHS Long Term Plan** – following up on our completed survey work and report, Lincolnshire Sustainability Transformation Plan (STP) used the intelligence we shared with them (and cited it) to support the writing of the Lincolnshire NHS Long Term Plan.
- **8-day removal of patients from GP lists** – our continued work to follow up concerns with NHS England and the Lincolnshire Medical Committee highlighted serious failings and changes as a result, improved patient outcomes.
- **Peterborough Fast Track Discharge** – our directed piece of work to highlight inconsistencies for South Lincolnshire patients requiring Fast Track Discharge from Peterborough Hospital, raised the need to change its process and it was recognised that all CCGs across Lincolnshire needed to re-evaluate their processes
- **Volunteer involvement** - we are supported by 40 volunteers who help us to find out what people think is working and what people would like to see improved in their health and care services being provided to their community.
- **National award** - Healthwatch Lincolnshire received highly commended recognition at National Healthwatch Network Awards - The engagement work undertaken was recognised as 'Highly Commended' in last year's Healthwatch Network Awards in the 'Championing Diversity and Inclusion' category.

- **COVID-19** – whilst the pandemic lockdown came at the very tail end of our year, to ensure continuity of the service we were not only able to mobilise our staff team very quickly, we also immediately planned how we were going to meet our statutory requirements and most importantly enable the people of Lincolnshire to 'have a say'. We were proud to have got our campaign up, running and live by 8 April.

Let's Move Lincolnshire – Over 55s Social Change Survey



We supported Social Change UK who were working with Active Lincolnshire to conduct research to understand what activities residents in Lincolnshire do on a day-to-day basis, the opportunities to encourage more activity and what factors motivate or demotivate activity. Social Change was able to access our local skills, knowledge, and expertise to reach local populations.

This piece of work included our staff and our volunteers who were instrumental in ensuring we reached our engagement target. Our success here not only lay in working collaboratively with other partners but also that we met our engagement target within 2 weeks rather than the anticipated 4.

Insight Report for the Care Quality Commission (CQC) – Engaging with people with autism and learning disabilities during service inspections

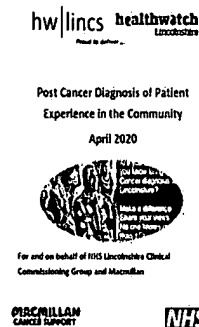
This work was commissioned by the CQC. Its aim was to run a pilot with specific community groups to better understand how CQC inspections could be more inclusive and representative of the service user voice. This work came on the back of some serious service failures in community settings which had not been recognised and addressed. The work with local Lincolnshire residents with autism and learning disabilities highlighted through a concluding report the work that needed to nationally take place to effectively communicate with vulnerable and sometimes hard to reach people. The report was well received and has subsequently fed into 7 priority areas and workstreams for the CQC, shaping policy and pathways for inspections.

INSIGHT REPORT FOR THE CARE QUALITY COMMISSION

**“YOUR VOICE
COUNTS”**



Post Cancer Diagnosis of Patient Experience in the Community



This work was commissioned by a local NHS Clinical Commissioning Group who wanted to understand how people who had received a cancer diagnosis experienced life and care in the community. This work engaged with over 207 local people which enabled us to provide a consistent and reflective view of collective experiences of people who had been, or who were in this situation. Our final report was used by the CCG to inform their longer-term plan and strategy, and to add further real time data and insight to what was historically known.

Current commissioned activities which started in 2019/20 and have continued into 2020/21 include:

Voluntary Engagement Team (VET) Strategy for the Voluntary and Community Sector

This work is based on the drive from numerous organisations within the voluntary community sector to ultimately provide a level playing field for supporting the provision of health and care in Lincolnshire, making opportunities and procurement open to all. HWLincs has been instrumental in supporting this activity after being commissioned to develop the VET strategy. This work has relied on good engagement with the voluntary and community sector and maximising our experience of the sector over many years. The strategy is due for completion in August 2020.

Priority Services Register – A Digital Approach

We have been working with Anglian Water and Western Power utility companies to support the awareness and sign up of people to their Priority Services Register. The register is



available to support people with long or short term needs to get extra help, and in the event of a service outage get priority support. We have developed a rolling digital campaign with the aim of increasing awareness and signup through digital engagement. This is work in progress, and we are excited to see how our Lincolnshire public engages and where there are challenges how they can be addressed to ensure to the best of everyone's ability that residents don't miss out on free support mechanisms.

Emerging Activities for 2021

We are now moving into a new contracting phase and are excited to have tendered for and been awarded the **NHS Lincolnshire Citizen Panel** contract for the first 12 months of its existence from July 2020. The formation of a Citizens Panel aims to be an NHS tool which supports strategic engagement for the health and care system providing a representative overview of public views.

Moving forward, we are aware that there is a shortfall of certain types of training and development provision within the health, care, voluntary and community sector, that is affordable and accessible. We are working to **develop training and support packages** (virtual or face to face), which will offer support, guidance, and expertise without excessive costs.

Unsuccessful Projects – The Learning Curve and New Horizons

As with the successful projects we also have unsuccessful projects. This is by no means a negative, but instead a useful reflection of how we approach our business going forward.

We have had opportunities to explore funding but have turned them down either because we were not able to meet the criteria in the timeframe or because they realistically offered the charity nothing by way of contribution.

Others such as a Digi-health Lottery bid, although not successful with that funder is still work in progress and we know there is a need for digital intelligence within our local communities. We will strive to make delivery of this service a reality of the forthcoming year.

Promotional Activities

We have predominately been known for our Healthwatch name and branding, but now as we emerge into the new era of HWLincs we wanted to make sure that we are also clear that we differentiate our business between Healthwatch and HWLincs.

We have therefore undertaken the following actions:

- Developed a HWLincs Webpage – www.hwlincs.co.uk
- Ensure bespoke HWLincs Email Contact – enquiries@hwlincs.co.uk
- HWLincs Facebook Page and active content
- Banners for displays at corporate events
- Leaflets and posters to allow for promotional activities

The branding we feel is clear and differentiates HWLincs as a generic wellbeing brand as opposed to Healthwatch which has specified legal duties and responsibilities.

Contact us

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