

Company Registration No. 08464602 (England and Wales)

EVOLVING COMMUNITIES CIC
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

WEDNESDAY



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EVOLVING COMMUNITIES CIC

COMPANY INFORMATION

Directors	S Bowen P Lefever I Price M Morgan	(Appointed 21 November 2018) (Appointed 21 November 2018)
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Company number	08464602
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Registered office	Unit 4 Hampton Park West Melksham Wiltshire SN12 6LH
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Accountants	David Owen & Co 17 The Market Place Devizes Wiltshire SN10 1HT
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Business address	Unit 4 Hampton Park West Melksham Wiltshire SN12 6LH
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EVOLVING COMMUNITIES CIC

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Statement of income and retained earnings	3
Balance sheet	4
Notes to the financial statements	5 - 9

EVOLVING COMMUNITIES CIC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Principal activities

Evolving Communities CIC was established as a new independent organisation in April 2013 to provide the role of consumer champion for health and social care.

The aim of Evolving Communities CIC is to deliver local Healthwatch services across the South West and to provide consultancy services in the health and social care sectors to organisations.

Local Healthwatch listen to the views of the public and share them with those with the power to make local services better. Evolving Communities CIC runs Healthwatch Gloucestershire (since April 2017) and Healthwatch Somerset (since October 2017).

The activities are set out in law:

- Promote and support the involvement of local people in the commissioning, provision and scrutiny of local health and social care services.
- Enable local people to monitor the quality of local health and social care services and whether and how they could and ought to be improved.
- Obtain the views of local people regarding their needs for, and experiences of, local health and social care services and importantly to make these views known.
- Make reports and recommendations about how local health and social care services ought to be improved.
- Provide advice, information and signposting about access to local health and social care services so choices can be made by local people.
- Make recommendations to Healthwatch England to advise the Care Quality Commission to conduct special reviews or investigations.

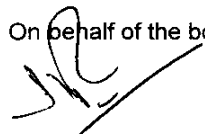
Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S Bowen	
C Graves	(Resigned 11 April 2018)
P Lefever	
A Kuber	(Resigned 23 May 2018)
D Walker	(Resigned 13 December 2018)
I Price	(Appointed 21 November 2018)
M Morgan	(Appointed 21 November 2018)

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



I Price
Director

28 October 2019

EVOLVING COMMUNITIES CIC

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF EVOLVING COMMUNITIES CIC FOR THE YEAR ENDED 31 MARCH 2019

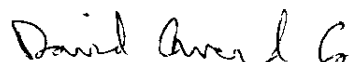
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Evolving Communities CIC for the year ended 31 March 2019 which comprise and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Evolving Communities CIC, as a body, in accordance with the terms of our engagement letter dated 1 June 2015. Our work has been undertaken solely to prepare for your approval the financial statements of Evolving Communities CIC and state those matters that we have agreed to state to the Board of Directors of Evolving Communities CIC, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at [icaew.com](http://www.icaew.com). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Evolving Communities CIC and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Evolving Communities CIC has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and deficit of Evolving Communities CIC. You consider that Evolving Communities CIC is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Evolving Communities CIC. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



David Owen & Co

Chartered Accountants

28 October 2019

17 The Market Place
Devizes
Wiltshire
SN10 1HT

EVOLVING COMMUNITIES CIC

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Income		518,503	730,291
Administrative expenses		(609,945)	(652,575)
(Deficit)/surplus before taxation		(91,442)	77,716
Tax		508	(508)
(Deficit)/surplus for the financial year		(90,934)	77,208
Retained earnings brought forward		200,910	123,702
Retained earnings carried forward		109,976	200,910

EVOLVING COMMUNITIES CIC

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		9,522		11,767
Current assets					
Debtors	4	35,967		148,385	
Cash at bank and in hand		120,452		195,185	
		156,419		343,570	
Creditors: amounts falling due within one year	5	(55,965)		(154,427)	
Net current assets			100,454		189,143
Total assets less current liabilities			109,976		200,910
Reserves					
Income and expenditure account			109,976		200,910

For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved by the board of directors and authorised for issue on 28 October 2019 and are signed on its behalf by:


P Lefever
Director

Company Registration No. 08464602

EVOLVING COMMUNITIES CIC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Evolving Communities CIC is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 4, Hampton Park West, Melksham, Wiltshire, SN12 6LH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. 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.

These financial statements for the year ended 31 March 2019 are the first financial statements of Evolving Communities CIC prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2017. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

1.3 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:

Computer equipment	3 years straight line
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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 credited or charged to surplus or deficit.

EVOLVING COMMUNITIES CIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.6 Financial instruments

The company 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 company's balance sheet when the company 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.

EVOLVING COMMUNITIES CIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 business 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The company's core activities are not considered to be trading for corporation tax purposes, any surplus on funds received for core activities are not subject to corporation tax.

1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.8 Retirement benefits

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

1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.10 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

EVOLVING COMMUNITIES CIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

2 Employees

The average monthly number of persons (including directors under a deemed contract of employment) employed by the company during the year was 17 (2018 - 19).

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2018	27,001
Additions	2,516
	<hr/>
At 31 March 2019	29,517
	<hr/>
Depreciation and impairment	
At 1 April 2018	15,234
Depreciation charged in the year	4,761
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At 31 March 2019	19,995
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Carrying amount	
At 31 March 2019	9,522
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At 31 March 2018	11,767
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4 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Service charges due	24,704	140,729
Corporation tax recoverable	508	-
Other debtors	5,335	4,932
Prepayments and accrued income	5,420	2,724
	<hr/>	<hr/>
	35,967	148,385
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5 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	2,973	4,770
Taxation and social security	6,382	6,784
Other creditors	46,610	142,873
	<hr/>	<hr/>
	55,965	154,427
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EVOLVING COMMUNITIES CIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

6 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

7 Operating lease commitments

Lessee

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

2019	2018
£	£
22,550	37,275
<u>22,550</u>	<u>37,275</u>

CIC 34

Community Interest Company Report

For official use
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Please complete in typescript, or in bold black capitals.

Company Name in full

Evolving Communities CIC

Company Number

08464602

Year Ending

31 March 2019

Please ensure the company name is consistent with the company name entered on the accounts.

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)

PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

Evolving Communities CIC helps local people and organisations shape the way health and care services are run in their communities, by supporting the work of three Healthwatch organisations in the South West. Evolving Communities CIC also provides a professional consultancy service specialising in research, evaluation and public engagement.

Copies of the 2018-19 Impact Reports are attached for information. This gives full details of the Healthwatch activities during that period.

(If applicable, please just state "A social audit report covering these points is attached").

(Please continue on separate continuation sheet if necessary.)

PART 2 – CONSULTATION WITH STAKEHOLDERS – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

Details of the company's stakeholders and consultation activities are included in the attached copies of the Impact Reports for 2018-19:

- Healthwatch Gloucestershire
- Healthwatch Somerset
- Healthwatch Dorset*

*Evolving Communities was successful in their tender for Healthwatch Dorset in April 2019. The 2018-19 Healthwatch Dorset Impact Report was produced by the previous contract provider – Help and Care.

(If applicable, please just state "A social audit report covering these points is attached").

PART 3 – DIRECTORS' REMUNERATION – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

£2,566 was included in the accounts as Directors Remuneration for the period 2018-2019.

There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed.

PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below.

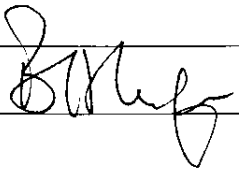
No transfer of assets other than for full consideration had been made.

(Please continue on separate continuation sheet if necessary.)

PART 5 – SIGNATORY

The original report must be signed by a director or secretary of the company

Signed



Date

17.12.19

Office held - Director

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Paul Lefever	
Evolving Communities CIC	
Unit 4 Hampton Park West, Melksham, SN12 6LH.	
Tel01225 701851	
DX Number	DX Exchange

When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38
Linenhall Street, Belfast, BT2 8BG

The accounts and CIC34 **cannot** be filed online

(N.B. Please enclose a cheque for £15 payable to Companies House)