

Income and Expenditure Account

(incorporating an Income and Expenditure Account)
For the year ended 31 March 2017

	Notes	Unrestricted Funds £	Restricted Funds £	2017 Total £	2016 Total £
Income from					
Donations	2	9,815	200,000	209,815	227,784
Charitable activities	3				
Influencing policy		-	244,355	244,355	179,446
Representation and voice		87,120	-	87,120	90,394
Improving practice		66,015	72,000	138,015	290,732
Other trading activities		9,750	-	9,750	3,000
Investment income		699	-	699	902
Total income		173,399	516,355	689,754	792,258
Expenditure on					
Charitable activities					
Influencing policy		14,317	330,127	344,444	244,763
Representation and voice		67,112	44,013	111,125	142,709
Improving practice		36,222	173,480	209,702	210,296
Total expenditure	6	117,651	547,620	665,271	597,768
Net movement in funds		55,748	(31,265)	24,483	194,490
Reconciliation of funds					
Total funds brought forward		232,876	190,965	423,841	229,351
Total funds carried forward		288,624	159,700	448,324	423,841

National Voices Balance Sheet

As at 31 March 2017

		31 Mar 2017 £	31 Mar 2016 £
	Notes		
Tangible fixed assets	11	12,498	11,033
Current assets			
Debtors	12	269,384	58,396
Cash at bank and in hand		<u>242,831</u>	<u>473,425</u>
		512,215	531,821
Creditors: amounts due within 1 year	13, 14		
Deferred membership		(26,541)	(32,183)
Other creditors		<u>(49,848)</u>	<u>(86,830)</u>
		(76,389)	(119,013)
Net current assets		<u>435,826</u>	<u>412,808</u>
Total net assets		<u><u>448,324</u></u>	<u><u>423,841</u></u>
The funds of the charity	16		
Restricted funds		159,700	190,965
Unrestricted funds			
Designated funds		24,003	86,033
General funds		<u>264,621</u>	<u>146,843</u>
Total funds		<u><u>448,324</u></u>	<u><u>423,841</u></u>

The financial statements were approved and authorised for issue by the board and signed on its behalf by:

Hilary Newiss
Chair

Jean Appleyard
Treasurer

Company Registration No.3236543

The notes on the following pages form part of these financial statements.

National Voices

Statement of cash flows

For the year ended 31 March 2017

	Note	2017 £	2016 £
Net cash (used in)/provided by operating activities	17	(219,134)	294,396
Cash flows from investing activities:			
Bank interest		699	902
Purchase of fixed assets		(12,159)	(13,178)
Cash used in investing activities		(11,460)	(12,276)
Change in cash and cash equivalents in the year		(230,594)	282,120
Cash and cash equivalents at the beginning of the year		473,425	191,305
Cash and cash equivalents at the end of the year	18	242,831	473,425

National Voices

Notes to the Financial Statements

For the year ended 31 March 2017

1 Accounting policies

a Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 - effective 1 January 2015) - (Charities SORP FRS 102) and the Companies Act 2006.

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

b Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

Membership income is recognised over the year to which it relates and the proportion of subscriptions received during the year that relate to a subsequent financial accounting period is carried forward as a creditor in the balance sheet and shown as subscriptions received in advance. Creditors at the end of 2017 included £26,541 of membership subscriptions carried forward.

d Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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Notes to the Financial Statements

For the year ended 31 March 2017

1 Accounting policies (continued)

e Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise of trading costs and the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services and other activities undertaken to further the purposes of the charity and their associated support costs. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with their use of resources.

Premises and office overheads are allocated on a per capita basis as follows:

Influencing policy	52.9%
Representation and voice	18.6%
Improving practice	27.9%
Governance	0.2%
Support costs	0.4%

- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs comprise the salary and overhead costs of the central function.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

Influencing policy	53.2%
Representation and voice	18.7%
Improving practice	28.1%

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Notes to the Financial Statements

For the year ended 31 March 2017

1 Accounting policies (continued)

i Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Fixtures, fittings & equipment	- Over three years
Computers & other equipment	- Over three years

k Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

l Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

m Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

o Pension funds

The charitable company operates a stakeholder defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities.

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Notes to the Financial Statements

For the year ended 31 March 2017

2 Income from donations

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Department of Health	-	200,000	200,000	200,000
Pfizer	9,500	-	9,500	10,000
Baxter Healthcare	-	-	-	10,000
Merck Sharp & Dohme	-	-	-	7,784
Various	315	-	315	-
Total income from donations 2017	9,815	200,000	209,815	227,784
Total income from donations 2016	27,784	200,000		

3 Income from charitable activities

	Unrestricted £	Restricted £	2017 Total	2016 Total
Influencing policy				
People and communities board (NHS England)	-	235,150	235,150	172,246
Volunteering Matters	-	9,205	9,205	-
Gift in kind (BIG Assist vouchers)	-	-	-	4,000
Research and publications	-	-	-	3,200
Total influencing policy 2017	-	244,355	244,355	179,446
Total influencing policy 2016	3,200	176,246		
Representation and voice				
Membership subscriptions	87,120	-	87,120	90,377
Support to members	-	-	-	17
Total representation and voice 2017	87,120	-	87,120	90,394
Total representation and voice 2016	90,394	-		
Improving practice				
Wellbeing our way (Health Foundation)	-	64,000	64,000	84,000
Coalition for collaborative care (NHS England)	-	-	-	77,000
Realising the value (Nesta)	-	8,000	8,000	62,500
Workshops, events and consultancy	66,015	-	66,015	67,232
Total improving practice 2017	66,015	72,000	138,015	290,732
Total improving practice 2016	67,232	223,500		
Total income from charitable activities 2017	153,135	316,355	469,490	560,572
Total income from charitable activities 2016	160,826	399,746		

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Notes to the Financial Statements

For the year ended 31 March 2017

4 Income from other trading activities

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Stall hire	2,250	-	2,250	3,000
Sponsorship	7,500	-	7,500	-
Total income from other trading 2017	9,750	-	9,750	3,000
Total income from other trading 2016	3,000	-		

5 Income from investments

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Bank interest	699	-	699	902
Total income from investments 2017	699	-	699	902
Total income from investments 2016	902	-		

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Notes to the Financial Statements

For the year ended 31 March 2017

6 Analysis of expenditure

	Influencing policy £	Representation & voice £	Improving practice £	Governance £	Support Costs £	2017 Total £	2016 Total £
Salaries	267,254	69,315	131,820	1,068	1,598	471,055	378,966
Recruitment	1	-	242	-	-	243	4,336
Consultants and freelance	4,774	1,677	2,519	18	32	9,020	24,520
Other personnel costs	6,683	1,520	4,630	5	595	13,433	4,534
Premises and equipment	15,862	5,574	8,371	60	238	30,105	30,864
Depreciation	-	-	-	-	10,694	10,694	6,641
Office overheads	10,644	3,749	5,798	188	1,270	21,649	17,556
Cost of sales	-	-	26,046	-	-	26,046	14,592
Events, conferences and networking	11,618	17,591	8,675	-	-	37,884	34,325
Payments to partners	750	-	12,401	-	-	13,151	59,500
Website and marketing	2,092	762	1,542	7	14	4,417	3,845
Other costs of activities	12,221	1,233	1,032	3	5	14,494	5,182
Bad debts	-	5,295	-	-	-	5,295	3,740
Audit and compliance	-	-	-	7,785	-	7,785	9,167
	331,899	106,716	203,076	9,134	14,446	665,271	597,768
Support costs	7,686	2,701	4,059	-	(14,446)	-	-
Governance costs	4,859	1,708	2,567	(9,134)	-	-	-
Total expenditure 2017	344,444	111,125	209,702	-	-	665,271	597,768
Unrestricted expenditure 2016	21,226	46,860	37,361				
Restricted expenditure 2016	223,537	95,849	172,935				
Total expenditure 2016	244,763	142,709	210,296				

Of the total expenditure, £117,651 was unrestricted (2016: £105,447) and £547,620 was restricted (2016: £492,321).

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Notes to the Financial Statements

For the year ended 31 March 2017

7 Net movement in funds

This is stated after charging:

	2017 £	2016 £
Depreciation	10,694	6,641
Auditors remuneration		
Audit fees	3,917	3,917
Operating lease rentals		
--land and buildings	26,946	21,545
--equipment	701	468
	<u>701</u>	<u>468</u>

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management

Staff costs were as follows:

	2017 £	2016 £
Salaries and wages	406,399	320,060
Social security costs	41,329	32,474
Employer's contribution to defined contribution pension schemes	23,327	14,555
Redundancy and termination costs	-	11,877
	<u>471,055</u>	<u>378,966</u>

The following number of employees received employee benefits (excluding employer pension and employer NI) during the year between:

£70,000 - £79,999	<u>1</u>	<u>1</u>
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The total employee benefits including pension contributions and employer NI of the key management personnel were £87,175 (2016: £86,363).

The charity trustees were not paid and did not receive any other benefits from employment with the charity in the year (2016: £nil). One trustee (2016: 1) was reimbursed expenses of £48 (2016: £143). No charity trustee received payment for professional or other services supplied to the charity (2016: £nil).

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 11 (2016: 9).

Average number of employees during the year (full time equivalent) was as follows:

	2017 No.	2016 No.
Influencing policy	5.2	3.3
Representation and voice	1.9	2.2
Improving practice	2.8	1.9
Governance and support costs	0.1	0.2
	<u>10.0</u>	<u>7.6</u>

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Notes to the Financial Statements

For the year ended 31 March 2017

10 Taxation

National Voices is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

11 Tangible fixed assets

	IT and equipment £	Total £
Cost		
At 1 April 2016	19,922	19,922
Additions	12,159	12,159
	<hr/>	<hr/>
At 31 March 2017	32,081	32,081
	<hr/> <hr/>	<hr/> <hr/>
Depreciation		
At 1 April 2016	8,889	8,889
Charged during the year	10,694	10,694
	<hr/>	<hr/>
At 31 March 2017	19,583	19,583
	<hr/> <hr/>	<hr/> <hr/>
Net book value		
At 31 March 2017	12,498	12,498
	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2016	11,033	11,033
	<hr/> <hr/>	<hr/> <hr/>

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Notes to the Financial Statements

For the year ended 31 March 2017

12 Debtors

	2017 £	2016 £
Trade debtors	259,763	25,903
Other debtors	5,074	627
Prepayments	4,547	11,866
Accrued income	-	20,000
	<u>269,384</u>	<u>58,396</u>

13 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	28,472	45,485
Taxation & social security	13,066	11,549
Other creditors	3,490	2,612
Accruals	4,820	27,184
Deferred membership income	26,541	32,183
	<u>76,389</u>	<u>119,013</u>

14 Deferred income

	2017 £	2016 £
As at April 2016	-	87,000
Released to income from charitable activities during the year	-	(87,000)
Deferred during the year	-	-
	<u>-</u>	<u>-</u>

15 Analysis of net assets by funds

	Restricted £	Designated £	Unrestricted £	Total £
Balances at 31 March 2017 are represented by:				
Tangible fixed assets	-	12,498	-	12,498
Current assets	160,701	11,505	340,009	512,215
Current liabilities	(1,001)	-	(75,388)	(76,389)
	<u>159,700</u>	<u>24,003</u>	<u>264,621</u>	<u>448,324</u>

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Notes to the Financial Statements

For the year ended 31 March 2017

16 Movement in funds

	Balance at 1 Apr 16 £	Incoming £	Outgoing £	Transfers £	Balance at 31 Mar 17 £
Restricted funds					
Department of Health	-	200,000	(200,000)	-	-
NHS England: People and Communities Board secretariat	103,332	235,150	(237,810)	-	100,672
Health Foundation: Wellbeing our way	38,994	64,000	(85,517)	-	17,477
Nesta: Realising the value	212	8,000	(8,212)	-	-
NHS England: Coalition for Collaborative Care	48,427	-	(7,326)	-	41,101
NHS England: Personal health budgets	-	9,205	(8,755)	-	450
Total restricted funds	190,965	516,355	(547,620)	-	159,700
Unrestricted funds					
<i>Designated funds</i>					
Members database	50,000	-	-	(50,000)	-
New website	10,000	-	-	(7,398)	2,602
New server	15,000	-	(1,336)	(4,761)	8,903
Depreciation fund	11,033	-	(10,694)	12,159	12,498
<i>Total designated funds</i>	<u>86,033</u>	<u>-</u>	<u>(12,030)</u>	<u>(50,000)</u>	<u>24,003</u>
General funds	146,843	173,399	(105,621)	50,000	264,621
Total unrestricted funds	232,876	173,399	(117,651)	-	288,624
Total funds	423,841	689,754	(665,271)	-	448,324

Transfers between funds

Transfers are made from restricted and unrestricted funds for the full amount of purchases of capital equipment to the designated depreciation fund and depreciation of these assets is charged to that fund. For capital items bought specifically for a project, the whole cost is charged to that project, otherwise the cost is allocated across the projects on the same basis as other costs.

Transfers are made from the general fund to cover deficits on restricted projects.

Transfers are also made between general funds and designated funds in line with the reserves policy.

Purposes of restricted funds

NHS England: People and
Communities Board secretariat

The grant received in the year under review continued to fund the ongoing provision of secretariat support for the People and Communities Board, one of the governance mechanisms for implementing the NHS Five Year Forward View. The Board is chaired by National Voices' chief executive Jeremy Taylor. The unspent balance of the grant will be used up during the first part of 2017-18 to complete activities which were committed to in 2016-17.

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Notes to the Financial Statements

For the year ended 31 March 2017

Purposes of restricted funds (continued)

Health Foundation: Wellbeing our way	The grant was awarded to support a programme of work, including the costs of a dedicated programme manager, aimed at enabling people to manage their health in ways which matter to them, mobilising the resources of the voluntary and community sector.
Nesta: Realising the value	Nesta has received funding from NHS England to carry out the Realising the Value Programme, which aims to take forward the NHS' Five Year Forward View of the NHS as having a new relationship with patients and communities which builds on their strengths and assets and supports individuals to be more empowered in managing their own health and care. They have established a consortium of organisations, of which National Voices is the lead partner of the Voluntary Voices consortium, one of the members, in order to help deliver the project.
NHS England: Coalition for Collaborative Care	NHS England funds a consortium led by National Voices to establish a support programme support programme for local community groups and individuals with long term conditions to ensure they are fully involved in implementing care planning in their local areas. The project will contribute to the Coalition for Collaborative Care workstream.
NHS England Integrated Personal Commissioning - Personal Health Budgets networks	National Voices is a junior partner in a Voluntary Voices project (led by Volunteering Matters) to deliver a series of regional networks to enable local voluntary sector organisations to work in partnership with CCGs around the delivery and support of Personal Health Budgets

Purposes of designated funds

New website	£10k was designated for the second phase of the new website project, following the successful completion of the first phase in 2015-16. Phase two includes adaptations to accommodate the new logo and branding, and improved user journey and better navigation, and the ability to make more changes in-house without support from the web developers. Phase two is expected to be completed in 2017-18.
New server	A designation of £15k has been made for a new physical server, a hosted, virtual sever using the Citrix platform, a fibre connection and associated software improvements to allow National Voices to move its systems onto the cloud. This will replace the current servers which are obsolete and software which is no longer supported by Microsoft and is a security risk.

National Voices

Notes to the Financial Statements

For the year ended 31 March 2017

17 Reconciliation of net income to net cash flow from operating activities

	2017 £	2016 £
Net income for the reporting period (as per the statement of financial activities)	24,483	194,490
Depreciation	10,694	6,641
Interest	(699)	(902)
(Increase)/decrease in debtors	(210,988)	147,237
(Decrease) in creditors	(42,624)	(53,070)
	<u>(42,624)</u>	<u>(53,070)</u>
Net cash provided by / (used in) operating activities	(219,134)	294,396

18 Analysis of cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>242,831</u>	<u>473,425</u>
	<u>242,831</u>	<u>473,425</u>

19 Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Premises		Equipment	
	2017 £	2016 £	2017 £	2016 £
Less than 1 year	24,448	21,545	622	468
1 - 5 years	91,680	32,303	1,554	-

20 Legal status of the charity

The company is limited by guarantee and does not have a share capital. The liability of each member is limited to a sum not exceeding £1 on the winding up of the company. The word Limited is omitted by licence from the Department of Business, Innovation and Skills (formerly Department of Trade and Industry) as the company has charitable status.

21 Related parties transactions

Endometriosis UK is a member of National Voices. The organisation received £500 for an employee facilitating a Leadership Academy workshop. All services were billed and paid for by 31 March 17.

Emma Frost received £602 from National Voices as a fee for facilitating a training event. She is employed by a member, the MS Society. All services were billed and paid for by 31 March 17.

National Voices

Notes to the Financial Statements

For the year ended 31 March 2017

22 Summary analysis of assets and liabilities by funds of previous reporting period

	Restricted £	Designated £	Unrestricted £	Total £
Balances at 31 March 2016 are represented by:				
Tangible fixed assets	-	11,033	-	11,033
Current assets	235,374	75,000	221,447	531,821
Current liabilities	(44,409)		(74,604)	(119,013)
Total net assets	190,965	86,033	146,843	423,841

23 Details of movement in funds during the previous reporting period

	Balance at 1 Apr 15 £	Incoming £	Outgoing £	Transfers £	Balance at 31 Mar 16 £
Restricted funds					
Department of Health	-	200,000	(200,000)	-	-
NHS England: People and Communities Board secretariat	49,386	172,246	(115,386)	(2,914)	103,332
Health Foundation: Wellbeing our way	39,729	84,000	(82,532)	(2,203)	38,994
Nesta: Realising the value	-	62,500	(61,856)	(432)	212
NHS England: Coalition for Collaborative Care	354	77,000	(28,547)	(380)	48,427
BIG Assist: Develop NV model of impact	-	4,000	(4,000)	-	-
Total restricted funds	89,469	599,746	(492,321)	(5,929)	190,965
Unrestricted funds					
<i>Designated funds</i>					
Members database	-	-	-	50,000	50,000
New website	-	-	-	10,000	10,000
New server	-	-	-	15,000	15,000
Depreciation fund	4,496	-	(6,641)	13,178	11,033
<i>Total designated funds</i>	4,496	-	(6,641)	88,178	86,033
General funds	135,386	192,512	(98,806)	(82,249)	146,843
Total unrestricted funds	139,882	192,512	(105,447)	5,929	232,876
Total funds	229,351	792,258	(597,768)	-	423,841