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Chairman's welcome



Welcome to our annual report for 2016-17.

In many ways 2016-17 was a turning point at First Community as we managed significant change and experienced notable achievements.

We said goodbye to Philip Greenhill, who had been managing director since 2012, and welcomed Sarah Billiald, as our new chief executive, who joined in November 2016. In March 2017 we welcomed inspectors from CQC (Care Quality Commissions), who came to assess the community health services we provide. We were delighted when our CQC inspection report was published rating our services as Outstanding, putting First Community in the top 2% of health and care organisations inspected by CQC in the country.

This was a major milestone for First Community and validation of the pioneers who established First Community in 2011 and who set out to establish a clinically-based community interest company to provide high quality community health services. Not only am I delighted for the clinical and support staff throughout First Community whose hard work and commitment were recognised and acknowledged by CQC's findings, it means the people in the communities we serve in east Surrey and beyond are receiving care of the highest standard.

We continued to receive very positive feedback from patients. Our Friends and Families Test (FFT) score was 4.82 (out of 5), with 97.9% of respondents likely to recommend First Community. At the same time, 86% staff said they would be happy with the standards of care if a friend/relative needed treatment, compared for 74% for other similar community-based organisations. More information on the quality of our services is included in our Quality Account, which is available on our website www.firstcommunityhealthcare.co.uk.

2016-17 was a positive year for our operational and financial performance. Our revenue increased by 2.6% and administrative costs fell by 13%. This allowed us to maintain our spend on front line services whilst demand for our services continued to increase.

During the year, in partnership with CSH Surrey and Surrey and Borders Partnership NHS Foundation Trust, we successfully bid for Children and Family Services across Surrey. This new contract, under the Children and Family Health Surrey brand, went live on 1 April 2017.

Over 2016-17 we started to plan for new national and regional NHS priorities outlined in the NHS Five Year Forward View and Sustainability and Transformation Partnerships (STPs). Working with local health and social care partners, in 2016-17 First Community started scoping plans to form a MCP (multi-specialist community partnership) to better link primary, community and social care resulting in improvements for patients, residents and the wider community in east Surrey.

I hope you find this annual report an interesting read. Do get in touch with us if you need more information about First Community.

Chairman



Strategic Report

About First Community

First Community Health and Care CIC (First Community) delivers front-line NHS services in and around east Surrey and West Sussex. We do this through contracts with local clinical commissioning groups (CCGs), which commission us to provide adult and children community health services.

We deliver our vision to 'Rejuvenate the wellbeing of our community', by providing first-rate care, through our first-rate people and offering first-rate value.

First-rate care



First-rate people



First-rate value



Business Objectives 2016-2017

Our objectives for the year 1 April 2016 – 31 March 2017 focused around three core areas: patients, contracts and clinical development.

Patients

- Achieve Outstanding CQC Rating
- Improve patient participation in service design
- Embrace staff innovation in service design

Contracts

- Win the contract to deliver the Surrey-wide Children's services
- Deliver a £200k surplus (at EBITDA)
- Extend the adult services contract with East Surrey CCG to 2018/19

Clinical Development

- Develop clinical services with primary care networks and place-based Plan
- Progress clinical system to support clinicians

These objectives were aligned to national NHS five year forward view and national priorities.

NHS five year forward view:

- Create new place-based plans around local populations.
- Addressing significant workforce, funding, organisational and infrastructure challenges.

National priorities:

- Education and prevention
- Long term conditions/end of life care in the community
- Integrated care for complex patients
- Urgent care
- Frail, complex or socially isolated patients.

Performance against the business objectives

First Community performed well over the year and achieved what we set out to do.

Patients

Patients continue to rate our services highly. Our average Friends & Families Test (FFT) score was 4.82 (out of 5), with 97.9% of respondents likely to recommend First Community to their friends and families. We took part in the NHS staff survey for the first time in 2016. Of the colleagues who took part, 86% said they would be happy with the standards of care provided by First Community if a friend/relative needed treatment, this compares to for 74% for other similar community-based organisations.

97.9%
Likely to
recommend
First Community

We achieved a staff engagement score of 4.04 (out of 5.0), which puts First Community among the top performing organisations within the NHS.

CQC inspected First Community in March 2017. We have been rated as being Outstanding which puts us within the top 2% of all healthcare providers in England.

CQC
Outstanding
Rating
top 2% of
all healthcare
providers

Contracts

With our alliance partners, CSH Surrey and Surrey & Borders Partnership NHS Foundation Trust, we were awarded the contract to provide the surrey-wide Children's contract starting from 1 April 2017 following a competitive procurement process.

East Surrey CCG extended our adult community service contract to March 2019.

We delivered £543k surplus before Depreciation, Interest and Tax (EBITDA) against a company target of £200,000.

Delivered
£543k
surplus before
depreciation

Clinical development

In 2016-17 we continued to develop relationships with local GPs and work closely with the ABC GP Federation. We restructured our community teams to align with the GP Federation's four primary care networks and, working closely with ABC, we implemented some new services, including new evening and weekend GP services from our community hospital at Caterham Dene.

First Community continued to lead on the use of emis web, our clinical IT system over the year.

We are now share healthcare records with 18 GP practices in east Surrey, which is already

leading to improved patient care. As an emis 'pathfinder', First Community continued to innovate. Our use of emis was a pathfinder for a "Ward patient tracker".

Using informatics alongside emis web enabled us to improve clinical decisions, leading to better clinical outcomes. It supported First Community to become 'paper-lite'.

First community is leading on the introduction of e-redbook (an electronic version of child development records) for the south east coastal area.

Changes to First Community's business model

During 2016-17, First Community folded its charitable arm and commercial company formed in 2013-14 when First Community created a group structure by adding two new companies to the group – First Community Services Ltd and First Community Trust.

First Community Services Ltd, set up to provide homecare and support services to adults, has not traded since June 2015. The Board decided to officially cease the trading of First Community Services Ltd and will register the company as a dormant company with HRMC.

First Community Trust has not transacted any charitable activities since its creation. The charity's trustees, having assessed the future trading opportunities for First Community Trust, closed the charity in 2016-17.

Our Key services in 2016-2017

Services for adults

Community and specialist rehabilitation therapies and nursing



- Community neurological rehabilitation (including multiple sclerosis, Parkinson's and stroke specialist nursing)
- Community physiotherapy
- Intermediate care team
- Occupational therapy
- District nursing
- Heart failure service
- Respiratory service
- Continence (adults)
- Tissue viability
- Proactive care team

Therapies and nursing in clinics



- Audiology
- Integrated care & assessment treatment service (ICATS)
- Orthotics
- Outpatient physiotherapy
- Nutrition and dietetics
- Podiatry
- Speech and language therapy

Bed based care



- Caterham Dene Hospital ward (nursing and therapies)
- Nurse advisors for care homes
- Community beds



Minor injuries
walk in



Rapid assessment/
treatment clinic

0-19 Children and family services

Health visiting



Immunisations



School nursing



Operating environment and performance 2016-17

Our core business model is to deliver strategic and business objectives through First Community Health & Care CiC Ltd.

Revenue derived from NHS organisations represents 87% of revenue. Budgetary pressure within the NHS funded health sector continues to increase resulting in challenging trading conditions in 2016-17. We expect this to continue into 2017-18 and beyond as the health sector continues to manage the challenge of increasing demand pressures, increased costs and expectation, and on-going pressure on public finances. The NHS Five Year Forward View sets the NHS and government's ambitions for the sector.

Our major contract is with East Surrey Clinical Commissioning Group (ESCCG) to provide adult community health services to more than 182,000 people in east Surrey. This contract represents 76% of our total revenue. During 2016-17, we operated under a contract due to end in March 2018. To bring our contract in line with the NHS Five Year Forward View and proposals within the STP (Sustainability and Transformation Partnership), ESCCG extended this contract until March 2019. This will enable the commissioners to plan and trial the changes over the next two years.

In 2016-17 First Community started exploring

options with a range of partners – including East Surrey CCG, Surrey County Council and other local councils, ABC GP Federation, local health organisations and the voluntary/charitable sector – to establish a MCP (multi-speciality community provider). This work is on-going.

Our 0-19 Children's Service delivers health visiting, school nursing, Healthy Child Programme and childhood immunisations on behalf of ESCCG, Surrey County Council and NHS England. 0-19 Children's Services accounted for 12% of total revenue in the year.

We maintained the high quality of our services and we continue to innovate. We provided regular performance reporting to commissioners and at the end of the year we were inspected by CQC. CQC rated First Community as Outstanding.

We continue to develop a pipeline of opportunities in the wider health economy, enabling us to respond to tenders as they arise in an agile and nimble way.



Business Performance

2016-17 was a successful year for First Community. We returned to profitability, our revenue rose by 2.6% and our cash balance and reserves both increased. At the same time we maintained our spend on front line services (cost of sales) and significantly reduced our administrative costs by 13%.

Over the year, our focus was to strengthen our financial sustainability. We exceeded our objective to deliver £200k contribution to reserves (before depreciation, interest & tax) by achieving £543k. We did this by restructuring

corporate services to reduce our corporate overheads, implemented new budgetary controls and introduced tighter processes to manage spend of agency staff, which resulted in agency spend reduced by 32%.

Revenue
rose by
2.6%

Working with CSH Surrey and Surrey and Borders Partnership NHS Foundation Trust we successful bid for Children and Family Services across Surrey. This is enabling First Community to retain and grow the Children's services in east Surrey since contract mobilisation from 1 April 2017 and expand our influence surrey wide.

Our revenue position for 2016-17 remained broadly constant in the year due to the pressure on public finance. Over the year, we continued to deliver our KPIs and achieved 100% CQUIN (Commissioning for Quality and Innovation) for both Adult and Children's services. Our key indicators reflect our strong performance over the year.

Admin costs
reduced by
13%

| Five Key Organisational Questions | Target / National Indicator | 2016/17 |
|--|-----------------------------|----------------|
| ARE THEY SAFE? | | |
| SABs (Safety Alerts) | >98% | 100.0% |
| National Cleanliness Audit / Caterham Dene Hospital | >95% | 98.0% |
| Patients Harm Free–FCHC Total | >95% | 95.0% |
| Total number of reported RIDDORs | <5 YTD | 1 |
| % CDH Ward call bells answered within 5 minutes | 80% | 86.0% |
| Number of MRSA or C Diff bacteraemias reported at Caterham Dene Ward | 0 | 0 |
| Number of outbreaks on ward * | 0 | 1 |
| % of CDH Total Shift Hours not covered in month | < 1% | 0.26% |
| Safeguarding concerns responded to within 48 hours | - | 100.0% |
| Average number of days between date of incident and reporting incident | 3 Days | 4 Days |
| ARE THEY EFFECTIVE? | | |
| Total number of inpatients screened for MRSA on admission | >98% | 100.0% |
| ICATs Service RTT Target | No Breaches | 0 |
| Audiology services RTT Target | No Breaches | 0 |
| Length of Stay Caterham Dene Hospital ** | 22 Days | 27 Days |
| Number of Care Homes rated as Red | No Change | 4 |
| Number of RAC Attendances *** | 2028 | 1153 |
| New Birth Reviews Completed within 14 days | 80% | 88% |
| ARE THEY CARING? | | |
| End of Life patients are able to die in their place of choice | >80% | 94% |
| Patient Friends and Family Test–Organisation | >4.5 | 4.82 |
| Patient Friends and Family Test–Children's | >4.5 | 4.8 |
| % of closed formal complaints dealt with within agreed timescale | >98% | 100.0% |
| ARE THEY RESPONSIVE TO PEOPLE'S NEEDS | | |
| Mixed Sex Accommodation Breaches | 0 | 0 |
| MIU Attendances | 4644 | 12758 |
| ARE THEY WELL-LED? | | |
| % of closed formal complaints dealt with within agreed timescale | >98% | 100.0% |
| Staff Absence Rate | < 4.4% | 3.2% |

Note–on Red rated performance

* Outbreaks on the Ward–we had 1 Diarrhea & Vomiting outbreak at Caterham Dene Hospital in January 2017.

** The average length of stay in Caterham Dene Hospital is above our target as the acuity of patients is becoming more complex and with Escalation, caterham Dene takes in more complex patient needs to support pressures within the Acute Hospital.

*** RAC attendance has increased but is still below target as patient transport isn't effective and GPs from the south of our patch refer to the Intergrated Referral Unit at SaSH which is closer.

As well as successfully delivering strong performance in 2016-17, we faced and managed a continuing increase in demand for our services, which, as a community provider on a “block” contract, means we had to manage increased demand within our contracted income.

Following First Community’s decision to use reserves and to make significant capital investment in 2014-15 & 2015-16, First Community posted a loss in 2015-16. We predicted we would post a loss, after depreciation, in 2016-17 and 2017-18 as the depreciation for this investment works through our accounts. However, after depreciation, First Community posted a profit of £219k in 2016-17, which was significantly better than predicted.

Moving forward into 2017-18 our budget is set to deliver a £200k surplus at operational level.



Future prospects, including principal risks and uncertainties

Within the wider health economy and the Five Year Forward View, the challenges facing the sector are being addressed as part of regional Sustainability and Transformation Partnerships (STPs). These require local health commissioners and providers to work in new and different ways. In 2016-17 First Community operated within the East Surrey & Sussex STP and we are contributing to the development of plans at STP level and at more local place-based plans.

Our contract extension to March 2019 enables us to focus on the development of the local and regional healthcare system, which aims to have closer integration of primary care and community health. This is a key ambition for us. First Community is actively involved in working in partnership with a range of local health and social care providers, and ESCCG, to shape what this integration looks like and develop the direction of local health care services.

The commissioning landscape changed for children’s health services following the transfer of the public health elements of children’s community health services from the CCGs to Surrey County Council. Along with CSH Surrey and Surrey and Borders Partnership NHS Foundation Trust, First Community was awarded the Surrey-wide children’s community health services contract. First Community has a good reputation in delivering 0-19 services and many of our innovations are being taken forward across

Surrey as part of the larger contract. First Community retained its provision of Children’s Services from 1 April 2017 and has taken on additional children’s therapy services within east Surrey.

With this developing commissioning environment, the directors have considered our position for 2017-18, 2018-19 and 2019-20.

For 2017-18 First Community has a contract to deliver both adult community services, in line with our current portfolio of services, plus continence services for adults (transferred from Virgin Care from 1 April 2017) and Children and Family services commissioned from Surrey Children & Families LLP.

The 2017-18 financial settlement includes national NHS efficiencies targets, which the directors have approved our budget, our objective to deliver a £200k surplus (before depreciation), and an action plan to deliver the required savings.

For 2018-19 and 2019-20, rolling forward the budget assumptions used to set the 2017-18 budget, the directors considered the future position knowing we have an contract for adult community service with ESCCG until March 2019 and a 3 year NHS standard sub-contract with Surrey Children & Families LLP to deliver children’s services. Our cash position also continues to improve though strengthened cash management and the commitment to improve reserves by £200k per annum, which we successfully exceeded in 2016-17 and a clear 3-year budget plan, which is built into our 2017-18 business plan. We continue to hold a line of credit with our bankers, NatWest, for £700k. To date we have not used this line of credit.

Actively involved
in working in
partnership
with a range
of local health
and social care
providers

Our profitability, before depreciation, our cashflow modelling, and this line of credit continues to provide the directors with assurance on our status as a going concern from our cash position. As such, up to March 2019, the directors consider the company as a financially sustainable business going forward. Accordingly, the directors have considered it appropriate to prepare these accounts on a going concern basis. Beyond 31 March 2019 there is uncertainty about

the whole health environment. The 5 Year Forward View is the NHS plan for the 5-year parliamentary cycle, 2015-2020. Following the 2017 general election and unexpected outcome, there is political uncertainty with potentially a realigned or new direction for the NHS to plan for. This introduces new uncertainty beyond March 2019. However, we will continue to be actively involved in the STP and aim to be a key player in the design and delivery of high quality community health services from April 2019 and beyond.

Staff Analysis

We are required by the Companies Act to disclosure the gender split of our directors, senior managers and other employees in post at the end of the 2016-17 financial year.

| Gender | Directors | Senior Managers | Other Staff |
|--------|-----------|-----------------|-------------|
| Male | 3 | 7 | 28 |
| Female | 6 | 31 | 393 |
| Total | 9 | 38 | 421 |

Directors' Report

The Directors have pleasure in presenting their Directors' report and financial statements for the year ended 31 March 2017.

Principal Activity

The principal activity of the company during the period was community healthcare provision.

Directors

The Directors who held office during the year were as follows;

| | |
|---|--|
| Miss Elaine Best (<i>Chairman</i>) | Mr David Halliday |
| Mr Adrian Baillieu | Mr Bryan Ingleby |
| Ms Sarah Billiald (<i>appointed 14 November 2016</i>) | Ms Catherine Jervis |
| Mrs Valerie Frost | Mrs Elizabeth Moulard |
| Ms Kirstie Galbraith | Mr Philip Greenhill (<i>resigned 15 November 2016</i>) |

Council of Governors

The members of staff who held office during the year were as follows;

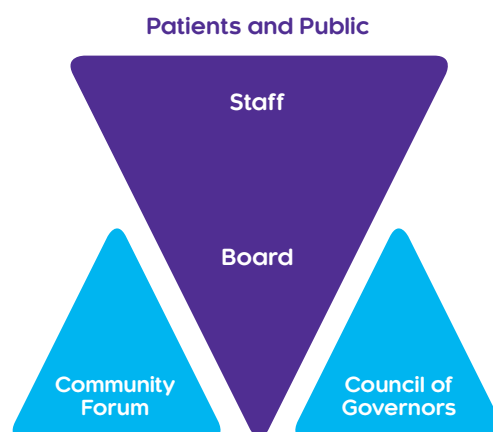
| | |
|--|---|
| Elaine Best (<i>Chairman</i>) | Emma George (<i>On Sabbatical 10 October 2016 to 10 April 2017</i>) |
| Deborah Ainsworth (<i>appointed 10 October 2016</i>) | Thomas Kenny |
| Jane Bailey | Carol Morris |
| Catherine Delve | David Mott |
| Lynn Fitzgerald (<i>Lead Governor</i>) | Helen Pritchard |

Shareholder Involvement and employee consultation

As an employee-owned organisation, we have created an organisational structure and governance that reflects our beginnings under Department of Health policy as a staff *Right to Request* for clinicians to run NHS services. We have created a management and leadership structure that turns the traditional organisational hierarchy on its head where managers and the Board are there to support the function of clinical service and their interface with patients and public. The inverted triangle is stabilised by two smaller triangles; the Council of Governors and the Community Forum.

The Community Forum assists First Community to understand service users', carers' and volunteers' perspective to better enable us to provide services, to carry out our business and to engage the views of the community in future activity and investment proposals.

The Community Forum is open to the public including service users, carers, volunteers, representatives from any health and social care agencies, GPs, local community groups, the local council, voluntary sector organisations and local businesses.



Everyone employed by First Community has the option to become a shareholder and be supported by our staff-led Council of Governors. The Council of Governors are representatives who have been elected by staff to act as a link between shareholders and the Board of Directors.

Equal opportunities

We undertake to act equitably and fairly at all times towards our patients and service users and our staff. We take seriously our obligations under the Equality Act to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Act.
- Advance equal opportunities between people who share a characteristic and those who don't.
- Foster good relations between people who share a characteristic and those who don't.
- Our 2016 annual equality and diversity report approved by the Board in March 2017 reviews and sets out the range of equality and diversity actions agreed for 2015-2019.

Disclosure of Information to Auditor

The Directors who held office at the date of approval of the Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BDO LLP will therefore continue in office.

Elaine Best

Chairman
Second Floor-Forum House
41-51 Brighton Road,
Redhill RH1 6YS



Statement of Directors' Responsibilities in Respect of the Directors' Report and the Financial Statements

The Directors are responsible for preparing the Strategic Report, the Directors Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy, at any time, the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of First Community Health and Care Community Interest Company

We have audited the financial statements of First Community Health & Care C.I.C. for the year ended 31 March 2017, which comprise the statement of comprehensive income, the statement of financial position, the cash flow statement, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial

statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1.3 to the financial statements concerning the company's ability to continue as a going concern.

The ability of First Community Health & Care C.I.C. to continue in operation in its current form beyond March 2019 is dependent on the retention of the key East Surrey Clinical Commissioning Group contract, which is due to be retendered in

summer 2018. Should this contract not be retained there could be other significant effects upon contingent funding arrangements.

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

David Eagles (senior statutory auditor). For and on behalf of **BDO LLP**, statutory auditor Ipswich, UK
Date: October 2017

BDO LLP is a limited liability partnership registered in England and Wales
(with registered number OC305127).



First Community Health & Care CiC

Statement of Comprehensive Income for the year ended 31 March 2017

| | Notes | 2017 £ | 2016 £ |
|--|-------|---------------------|---------------------|
| Revenue | 2 | 21,985,692 | 21,427,763 |
| Cost of sales | | (19,079,837) | (19,255,028) |
| Gross Profit | | 2,905,855 | 2,172,735 |
| Administrative Expenses | | (2,725,514) | (3,141,006) |
| Other operating expenses | | (348) | (103,366) |
| Operating Profit | | 179,993 | (1,071,637) |
| Interest Receivable | | 2,009 | 2,979 |
| Profit before tax | | 182,002 | (1,068,658) |
| Taxation | 6 | 37,404 | 99,914 |
| Profit after tax | | 219,406 | (968,744) |
| Total comprehensive income for the period | | 219,406 | (968,744) |

All amounts relate to continuing operations



First Community Health & Care CiC

Statement of Financial Position as at 31 March 2017

| | Notes | 2017 £ | 2016 £ |
|--------------------------------|-------|------------------|------------------|
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 7 | 812,270 | 1,096,162 |
| Intangible assets | 8 | 395,959 | 520,996 |
| Deferred tax asset | 13 | 4,573 | |
| | | 1,212,802 | 1,617,158 |
| CURRENT ASSETS | | | |
| Cash and cash Equivalents | 9 | 1,050,931 | 425,118 |
| Trade and other receivables | 10 | 1,835,369 | 2,001,276 |
| Current tax asset | 11 | 0 | 111,594 |
| | | 2,886,300 | 2,537,988 |
| | | 4,099,102 | 4,155,146 |
| TOTAL ASSETS | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 12 | 2,602,848 | 2,948,318 |
| Provisions | 18 | 106,530 | 0 |
| | | 2,709,378 | 2,948,318 |
| NON-CURRENT LIABILITIES | | | |
| Deferred tax liability | 13 | 0 | 36,510 |
| | | 0 | 36,510 |
| | | 2,709,378 | 2,984,828 |
| TOTAL LIABILITIES | | | |
| | | 1,389,724 | 1,170,318 |
| NET ASSETS | | | |
| EQUITY | | | |
| Retained earnings | | 1,389,724 | 1,170,318 |
| TOTAL EQUITY | | | |
| | | 1,389,724 | 1,170,318 |

These financial statements were approved by the board of directors on 13 September 2017 and were signed on its behalf by:

Elaine Best

Chairman

Company Registered Number: 07711859



First Community Health & Care CiC

Statement of Changes in Equity for the year ended 31 March 2017

2016/17

| | Note | Share Capital | Retained Earnings £ | Total Equity £ |
|--|------|---------------|------------------------|-------------------|
| Balance at 1 April 2016 | | 215 | 1,170,318 | 1,170,533 |
| Uncalled share capital at 1 April 2016 | | (215) | | (215) |
| | | 0 | 1,170,318 | 1,170,318 |
| Total comprehensive income for period | | | | |
| Profit or loss | | | 219,406 | 219,406 |
| Other comprehensive income | | | 0 | 0 |
| | | 0 | 219,406 | 219,406 |
| Total comprehensive income for period | | | | |
| Net Ordinary shares cancelled / Issued | 14 | (24) | | (24) |
| Uncalled share capital | | 24 | | 24 |
| Total contributions by and distributions to owners | | 0 | 0 | 0 |
| | | 0 | 1,389,724 | 1,389,724 |
| Balance at 31 March 2017 | | | | |

2015/16

| | Note | Share Capital | Retained Earnings £ | Total Equity £ |
|--|------|---------------|------------------------|-------------------|
| Balance at 1 April 2015 | | 279 | 2,139,062 | 2,139,341 |
| Uncalled share capital at 1 April 2015 | | (279) | | (279) |
| | | 0 | 2,139,062 | 2,139,062 |
| Total comprehensive income for period | | | | |
| Profit or loss | | | (968,744) | (968,744) |
| Other comprehensive income | | | 0 | 0 |
| | | 0 | (968,744) | (968,744) |
| Total comprehensive income for period | | | | |
| Net Ordinary shares cancelled / Issued | 14 | (64) | | (64) |
| Uncalled share capital | | 64 | | 64 |
| Total contributions by and distributions to owners | | 0 | 0 | 0 |
| | | 0 | 1,170,318 | 1,170,318 |
| Balance at 31 March 2016 | | | | |

First Community Health & Care CiC

Cash Flow Statement for the year ended 31 March 2017

| | 2017 £ | 2016 £ |
|--|------------------|------------------|
| Cash flow from operating activities | | |
| Profit for the period | 219,406 | (968,744) |
| Adjustments for non-cash income and expenses: | | |
| Taxation charge/(credit) for the year | (37,404) | (99,914) |
| Depreciation of property, plant and equipment | 356,523 | 430,301 |
| Amortisation of intangibles | 125,037 | 54,571 |
| Increase in non-cash provision | 106,530 | 0 |
| Deferred income released to comprehensive income | (162,223) | (106,633) |
| Decrease in trade and other receivables | 165,907 | 205,948 |
| Other Receivables written off | 0 | 114,366 |
| Increase/(decrease) in trade and other payables | (184,486) | 60,711 |
| Corporation tax received | 109,154 | 3,383 |
| Net cash used in operating activities | 698,444 | (306,011) |
| Cash flow from investing activities | | |
| Government grant received | 0 | 736,167 |
| Purchases of property, plant and equipment | (72,631) | (272,367) |
| Purchase of intangible assets | 0 | (296,027) |
| Net cash from/(used in) investing activities | (72,631) | 167,773 |
| Net increas/(decrease) in cash and cash equivalents | 625,813 | (138,238) |
| Cash and cash equivalents at beginning of period | 425,118 | 563,356 |
| Cash and cash equivalents at end of period | 1,050,931 | 425,118 |



First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

GENERAL INFORMATION

First Community Health & Care C.I.C. (the Company) is a Community Interest Company incorporated in the United Kingdom. The address of its registered office and principal place of business is Forum House, 41-51 Brighton Road, Redhill, Surrey. The Company's principal activity is the provision of community health care services to East Surrey.

STATEMENT OF ACCOUNTING POLICIES

1.1 Basis of Preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

The presentation of financial statements in accordance with International Financial Reporting Standards requires the determination and consistent application of accounting policies to transactions and events. The principal accounting policies are set out below.

First Community Services Ltd and First Community Trust, these have not been consolidated as their activity is immaterial and therefore group accounts are not required to be prepared.

1.2 Accounting Convention

These accounts have been prepared under the historic cost convention.

1.3 Going Concern

The International Financial Reporting Standards (IFRS) require the Board of Directors to assess and satisfy itself that it is appropriate to prepare financial statements on a going concern basis for at least 12 months from the date of the accounts.

The Board of Directors have undertaken a comprehensive review of income, expenditure and associated cash flows, including considering the situation on continuity of key contracts. This reflects that East Surrey CCG has extended the contract with FCHC to March 2019, as set out in the Directors' Report, and prudent assumptions have been made in respect of other significant contracts. Detailed savings plans have been prepared with component elements identified and these are being achieved to plan.

Based on these forecasts on profitability and cash for the financial years 2017-18 and 2018-19, and the actual results for the year to date, the Board of Directors have concluded that the company will have sufficient resources to continue to trade for the foreseeable future and beyond the extended termination date of the key contract referred to above.

However, the Board of Directors recognise that this position is dependent on the continuing enforcement of strong budgetary control. Further, the ability of First Community to continue in operation in its current form beyond March 2019 is dependent on the retention of the key East Surrey CCG contract which is due to be retendered in Summer 2018. Should this contract not be retained there could be other significant effects upon contingent funding arrangements. These conditions represent a material uncertainties relating to the financial sustainability (profitability and liquidity) of the company which may cast significant doubt about the ability of the company to continue as a going concern such that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Nevertheless, the Board of Directors are confident that forecasts can be achieved. They have confirmed that there is neither the intention, nor the need, to liquidate or curtail materially the scale of the company's operations before the end date of the East Surrey CCG key contract and have therefore concluded that the going concern basis remains appropriate.



First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

1.4 Government Grants

Government grants relating to tangible fixed assets and intangible assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned.

1.5 Property, plant and equipment

Individual items of property, plant and equipment costing over £5,000 are capitalised. Items costing under £5,000 may be capitalised where they are component parts of a larger project where the combined cost of all the components exceeds £5,000.

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

1.6 Depreciation

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method.

Information and office technology – 5 years

Medical Equipment – 3 years

Furniture – 5 years

Leasehold Improvements – over period of the lease

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect new expectations.

1.7 Intangible assets

Intangible assets are purchased computer software that is stated at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised over their useful lives, where known this will be over the known useful life, if unknown an estimated useful life of 3 years will be used. This will be applied using the straight line method.

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an asset, the amortisation of that asset is revised prospectively to reflect new expectations.

1.8 Impairment of assets

At each reporting date property, plant and equipment and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of a possible impairment, the recoverable amount of any asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to the estimated recoverable amount, and an impairment loss is recognised immediately in the Statement of Comprehensive Income.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount limited to the amount that would have been determined if no impairment loss had been recognised in previous years. A reversal of an impairment loss is recognised immediately in the Statement of Comprehensive Income.



First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

1.9 Pensions

The company operates two pension schemes.

Pensions Trust

New employees of the company are able to join the Pensions Trust defined contribution scheme. A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Statement of Comprehensive Income in the periods during which services are rendered by employees.

NHS Pension Scheme

Employees who transferred from the NHS at the company's inception are covered by the provisions of the NHS pension scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under direction of the Secretary of State, in England and Wales. It is not possible for the company to identify its share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as a defined contribution scheme. The Employer's pension cost contributions are charged to the operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the company commits itself to the retirement regardless of the method of payment.

The expected cost of providing pension benefits is recognised on a systematic basis over the period during which the organisation benefits from the employees' services by payments made to the NHS pension scheme or the pensions trust.

1.10 Revenue Recognition

Income is recognised in the financial statements to the extent that the company fulfilled its contractual obligations to the client through the supply of therapy and community nursing services.

1.11 Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

1.12 Provisions

Provisions for future liabilities are recognised when there is a present obligation arising from past events, the settlement of which is expected to result in a probable outflow of resources and the amount of which can be reliably estimated.

1.13 Value Added Tax

The financial statements are prepared net of recoverable VAT.

Nearly all the services provided by the organisation are exempt from VAT. This means that the organisation cannot charge VAT or recover the VAT paid on purchases. When the organisation cannot recover VAT on purchases it becomes a cost to the organisation.



1.14 Taxation

Tax expense represents the sum of corporation tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable profit in the future.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit of the period in which the temporary differences are expected to reverse.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

1.15 Non-derivative financial instruments

Non-derivative financial instruments comprise of trade and other receivables, cash and cash equivalents and trade and other payables.

Trade and other debtors and creditors are measured at initial recognition at fair value. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents comprise cash balances and call deposits.



First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

Note 2

Revenue

| | 2017 £ | 2016 £ |
|-------------------|-------------------|-------------------|
| NHS Organisations | 19,113,209 | 19,335,638 |
| Local Authorities | 2,685,330 | 1,910,546 |
| Other | 187,153 | 181,579 |
| | 21,985,692 | 21,427,763 |

Note 3

Expenses and auditor's remuneration

| | 2017 £ | 2016 £ |
|--|-----------|-----------|
| Operating profit is stated after charging : | | |
| Auditor's remuneration | 20,130 | 19,750 |
| Operating lease costs of land and buildings | 1,024,993 | 563,329 |
| Depreciation and amortisation | 363,409 | 435,641 |

Note 4

Staff numbers and costs

| | 2017 No | 2016 No |
|---------------------|------------|------------|
| Staff | 342 | 358 |
| Executive directors | 4 | 4 |
| | 346 | 362 |

The aggregate payroll costs of these persons were as follows:

| | 2017 £ | 2016 £ |
|---|-------------------|-------------------|
| Salaries & Wages | 11,579,870 | 11,719,085 |
| Social Security Costs | 1,065,665 | 863,691 |
| Contributions to defined contribution plans | 60,544 | 84,741 |
| Contributions to defined benefit plans | 1,333,057 | 1,238,692 |
| | 14,039,136 | 13,906,209 |



First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

Note 5

Directors' remuneration

| | 2017 £ | 2016 £ |
|--|----------------|----------------|
| Directors' emoluments | 379,508 | 511,946 |
| Company contribution to defined benefit pension scheme | 41,089 | 33,464 |
| Company contribution to defined money purchase schemes | 3,851 | 13,776 |
| | 424,448 | 559,186 |

During the year retirement benefits were accruing to 4 directors (2015/16 - 5) in respect of defined benefit/defined contribution pension schemes.

| | 2017 £ | 2016 £ |
|---|---------------|---------------|
| Total remuneration of highest paid director in the period was | 97,576 | 99,180 |

Not Included within this remuneration is the company's pension contribution. For 2016/17 this was a £13,953 (2015/16 - £Nil) defined benefit contribution.



First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

Note 6

Taxation

| | 2017 £ | 2016 £ |
|---|-----------------|-----------------|
| Current Taxation | | |
| Tax charge for the year | 402 | 0 |
| Adjustment in respect of prior periods | 3,277 | 43 |
| Current tax for the year | 3,679 | 43 |
| Deferred Taxation | | |
| Origination and reversal of temporary difference | (40,573) | (98,710) |
| Adjustment in respect of prior periods | (510) | 2,809 |
| Effect of change in tax rates on opening balances | 0 | (4,056) |
| Deferred tax charge/ (credit) for the year | (41,083) | (99,957) |
| Total Income tax expense | (37,404) | (99,914) |

Computed by applying the standard rate of UK corporation tax rate of 20% (2016 20%) as follows:

| | 2017 £ | 2016 £ |
|--|-----------------|--------------------|
| Profit (Loss) before tax | 182,002 | (1,068,658) |
| Profit before tax, multiplied by standard rate of UK corporation tax of 20% (2015 20%) | 36,400 | (213,732) |
| Effects of: | | |
| Non-deductible items | 600 | 28,158 |
| Deferred Tax not recognised | (77,620) | 83,654 |
| Other tax adjustments | 3,216 | 2,006 |
| Total income tax expense | (37,404) | (99,914) |

First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

Note 7

Property Plant & Equipment

2017

| | Leasehold Improvements £ | Furniture £ | Medical Equipment £ | IT Equipment £ | Total £ |
|--|--------------------------------|----------------|---------------------------|----------------------|------------------|
| Cost | | | | | |
| 1 April 2016 | 459,613 | 171,397 | 109,421 | 1,063,315 | 1,803,746 |
| Additions | 72,631 | 0 | 0 | 0 | 72,631 |
| Disposals | 0 | 0 | 0 | 0 | 0 |
| 31 March 2017 | 532,244 | 171,397 | 109,421 | 1,063,315 | 1,876,377 |
| Accumulated depreciation and impairment | | | | | |
| 1 April 2016 | 89,163 | 80,667 | 84,520 | 453,234 | 707,584 |
| Depreciation for the period | 57,637 | 34,215 | 20,577 | 244,094 | 356,523 |
| Less accumulated depreciation on disposals | 0 | 0 | 0 | 0 | 0 |
| 31 March 2017 | 146,800 | 114,882 | 105,097 | 697,328 | 1,064,107 |
| Net Book Value at 31 March 2017 | 385,444 | 56,515 | 4,324 | 365,987 | 812,270 |
| Net Book Value at 31 March 2016 | 370,450 | 90,730 | 24,901 | 610,081 | 1,096,162 |

First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

Note 7

Property Plant & Equipment

2016

| | Leasehold Improvements £ | Furniture £ | Medical Equipment £ | IT Equipment £ (restated) | Total £ (restated) |
|----------------------|--------------------------------|----------------|---------------------------|------------------------------------|--------------------------|
| Cost | | | | | |
| 1 April 2015 | 313,510 | 167,520 | 106,601 | 943,748 | 1,531,379 |
| Additions | 146,103 | 3,877 | 2,820 | 119,567 | 272,367 |
| Disposals | 0 | 0 | 0 | 0 | 0 |
| 31 March 2016 | 459,613 | 171,397 | 109,421 | 1,063,315 | 1,803,746 |

Accumulated depreciation and impairment

| | | | | | |
|--|----------------|----------------|---------------|----------------|------------------|
| 1 April 2015 | 51,491 | 47,163 | 51,948 | 126,681 | 277,283 |
| Depreciation for the period | 37,672 | 33,504 | 32,572 | 326,553 | 430,301 |
| Less accumulated depreciation on disposals | 0 | 0 | 0 | 0 | 0 |
| 31 March 2016 | 89,163 | 80,667 | 84,520 | 453,234 | 707,584 |
| Net Book Value at 31 March 2016 | 370,450 | 90,730 | 24,901 | 610,081 | 1,096,162 |
| Net Book Value at 31 March 2015 | 262,019 | 120,357 | 54,653 | 817,067 | 1,254,096 |



First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

Note 8

Intangible Assets

| | 2017 |
|--|----------------|
| Cost | £ |
| 1 April 2016 | 623,303 |
| Additions | 0 |
| Disposals | 0 |
| 31 March 2017 | 623,303 |
| Accumulated amortisation and impairment | |
| 1 April 2016 | 102,307 |
| Amortisation for the period | 125,037 |
| Less accumulated amortisation on disposals | 0 |
| 31 March 2017 | 227,344 |
| Net Book Value 31 March 2017 | 395,959 |
| Net Book Value 31 March 2016 | 520,996 |
| | |
| | 2016 |
| Cost | £ |
| 1 April 2015 | 327,276 |
| Additions | 296,027 |
| Disposals | 0 |
| 31 March 2016 | 623,303 |
| Accumulated amortisation and impairment | |
| 1 April 2015 | 47,736 |
| Amortisation for the period | 54,571 |
| Less accumulated amortisation on disposals | 0 |
| 31 March 2016 | 102,307 |
| Net Book Value 31 March 2016 | 520,996 |
| Net Book Value 31 March 2015 | 279,540 |



First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

Note 9

Cash and cash equivalents

| | 2017 | 2016 |
|-------------|------------------|----------------|
| | £ | £ |
| Cash | 1,050,931 | 425,118 |

Cash and cash equivalents comprise of cash and call deposits held at commercial banks.

Note 10

Trade and other receivables

| | 2017 | 2016 |
|-------------------|------------------|------------------|
| | £ | £ |
| Trade debtors | 1,370,674 | 1,719,405 |
| Prepayments | 234,929 | 243,760 |
| Other receivables | 229,766 | 38,111 |
| | 1,835,369 | 2,001,276 |

All balances included above are expected to be collected within the next 12 months.

Note 11

Current tax assets

| | 2017 | 2016 |
|----------------------------|----------|----------------|
| | £ | £ |
| Corporation tax receivable | 0 | 111,594 |
| | 0 | 111,594 |

Note 12

Trade and other payables

| | 2017 | 2016 |
|-------------------------|------------------|------------------|
| | £ | £ |
| Trade payables | 761,923 | 955,323 |
| Accruals | 740,393 | 1,057,449 |
| Deferred Income | 533,021 | 695,244 |
| Other Payables | 566,272 | 240,302 |
| Corporation tax payable | 1,239 | 0 |
| | 2,602,848 | 2,948,318 |

First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

Note 13

Deferred Tax Liability / (Asset)

2017

| | Accelerated tax depreciation £ | Other timing differences £ | Losses £ | Total £ |
|-----------------------------------|-----------------------------------|-------------------------------|---------------|--------------|
| 01-Apr-16 | 109640 | (1,130) | (72,000) | 36,510 |
| Charge/(credit) to profit or loss | (51,755) | 62 | 10,610 | (41,083) |
| 31-Mar-17 | 57885 | (1,068) | 61,390 | 4,573 |

2016

| | Accelerated tax depreciation £ | Other timing differences £ | Losses £ | Total £ |
|-----------------------------------|-----------------------------------|-------------------------------|---------------|---------------|
| 01-Apr-15 | 138381 | (1,914) | 0 | 136,467 |
| Charge/(credit) to profit or loss | (26,741) | 784 | (72,000) | (99,957) |
| 31-Mar-16 | 109,640 | (1,130) | 72,000 | 36,510 |

Note 14

Share Capital

| | 2017 £ | 2016 £ |
|----------------------------------|------------|------------|
| £1 Ordinary Shares unpaid | 191 | 215 |

During the period the company issued one £1 Ordinary share to a further 19 employees and cancelled 43 ordinary shares for employees who left First Community Health & Care.

The employees had not paid for the shares as at the balance sheet date.

First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

Note 15

Related party transactions

First Community Services (FSC) is the company First Community Health & Care set up to explore the delivery of private home care services. Transactions and balances at the year-end with First Community Services were as follows:

| | Expenditure 2017 £ | Creditors 2017 £ | Expenditure 2016 £ | Creditors 2016 £ |
|---------------------------------|---------------------------------|-------------------------------|---------------------------------|-------------------------------|
| First Community Services | 0 | 0 | 14,321 | 0 |

In 2015/16 First Community Health & Care recognised an inter company debt write off £114,366 against First Community Services.

Note 16

Financial Instruments

| | Fair value 2017 £ | Carrying value 2017 £ | Fair value 2016 £ | Carrying value 2016 £ |
|------------------------------------|--------------------------------|------------------------------------|--------------------------------|------------------------------------|
| Cash and cash equivalents | 1,050,931 | 1,050,931 | 425,118 | 425,118 |
| Trade and other receivables | 1,600,440 | 1,600,440 | 1,757,516 | 1,757,516 |
| Total financial assets | 2,651,371 | 2,651,371 | 2,182,634 | 2,182,634 |
| Trade and other payables | 1,570,239 | 1,570,239 | 2,113,190 | 2,113,190 |
| Total financial liabilities | 1,570,239 | 1,570,239 | 2,113,190 | 2,113,190 |

The Fair Value of cash and cash equivalents, trade and other payables and other receivables approximates to carrying value.

In relation to the company's exposure to risk in relation to cashflow the directors also consider this risk to be low. As part of the management of liquidity the Directors have secured a credit facility with our bankers, Natwest. This credit facility is for £700,000, with interest charged at 4.37% over base rate of borrowing up to the limit. The arrangement fee was £10,500 and the current agreement expires 28 February 2018. This credit facility is secure via a debenture on our assets.

First Community Health & Care CiC

Notes to the Financial Statements for the year ended 31 March 2017

Note 17

Commitments under operating leases

| | 2017 £ | 2016 £ |
|---|----------------|------------------|
| Outstanding commitments under non-cancellable operating leases | | |
| Within one year | 172,333 | 432,084 |
| Within two to five years | 460,657 | 505,100 |
| Later than five years | 87,178 | 179,678 |
| | 720,168 | 1,116,862 |

First Community Health & Care operates its business from a number of properties which were leased from NHS Property Services during the reporting period. These leases expired in September 2016, as the leases were aligned to our original CCG contract, we are currently negotiating an extension to these leases to March 2019 in line with our CCG contract extension.

In June 2013 the organisation moved into a new headquarters building which was leased for a period of 10 years.

In July 2014 the organisation moved part of its support and community based services to a new base in Horley. This building is leased for a period of 5 years.

Note 18

Provisions and Contingent Liabilities

At 31 March 2017, First Community hold a number of disputed invoices with NHS Property Services Ltd. For Caterham Dene Hospital, NHS Property Services increased their scheduled charge between December 2015 and March 2016 by £144,373. Part of this related to an increase in facilities management costs, £37,843, which are being disputed as First Community wasn't informed of the cost increase prior to NHS Property Services committing to spend this money; this has been included as an accrual. The other element, £106,530, related to a rent increase; under the NHS guidelines for NHS Property Services move to market rents the budget should transfer to providers, no transfer has occurred and First Community dispute we are liable for the increased rent. In 2016/17 additional money was transferred from NHS Property Services Ltd, via the CCG, to First Community to fund the Rent increase in 2016/17. A provision has been recognised for this amount.

Note 19

Post Balance Sheet Events

There are no post balance sheet events to report.

Further Information and Feedback

If you would like to find out more about our services, please visit our website at
www.firstcommunityhealthcare.co.uk

If you would like this information in another format or language, or would like to provide feedback about this account or any of our services, please contact:

Telephone: 01737 775450

Email: fchcenquiries@firstcommunitysurrey-cic.nhs.uk

Twitter: @1stchatter

First Community Health and Care

2nd Floor
Forum House
41-51 Brighton Road
Redhill
RH1 6YS
Registered Number 07711859

Report covers year ended 31 March 2017

