



# Family Nursing & Home Care

**Annual Report & Accounts for the year to  
31 December 2017**

States of  
Jersey  
Approved  
Provider

Here to Help

Association  
of  
Jersey  
Charities  
no. 115



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## Message from the Chair

As I come to the end of nearly 12 years on the FNHC Committee, the last 6 years as your Chair, there has been one constant and that is the dedication and professionalism of the staff. Genuinely caring about the people they nurse and support and also about the way that care is provided, has not changed in that period. Anyone who has worked in management will know how difficult it is to achieve a culture that is completely in tune with its customers, and so ensuring that caring ethos has not been lost or diluted in pursuit of other goals, has been the guiding star of the Committees I have chaired.

Like the rest of the developed world, Jersey has adopted a highly regulated environment, to which FNHC has responded in its usual practical and professional manner. Developing a meaningful and robust Governance system has been a very high priority over the years as has the technology to support it. FNHC moved from pen and paper to iPads over the last 18 months and has built up the computerisation of other systems in the organisation. Whilst there is still some way to go to accumulate meaningful yearly comparative data, the easy retrieval of management information is now top of the agenda. The Island has yet to achieve a fully integrated customer health care record but the importance of good record keeping and links between FNHC, Jersey Hospice Care and the GPs on the same computer system is a huge step forward.

I have previously talked in my reports about the impact of the States' Commissioning of Health Services. As always, change creates opportunities as well as challenges and so FNHC has been bidding for additional funded work over recent years which fits in with its' strengths and provides a better, more integrated health care service in the community. The Rapid Response and Re-ablement team has made huge difference to the speed at which people can be discharged home from hospital or even prevented from going in there in the first place. This service came out of the "proof of concept" stage last year and is now part of the overall FNHC remit. The Palliative Care Pathway for Children was adopted last year to improve services around the end of life care of very sick children.

Last year was also our first year of being nearly fully funded for the services commissioned by the States, as opposed to about 80% in the past. This has been a tremendous help in several ways. Filling this deficit to run services took all FNHC's fundraising efforts, it was simply not sustainable and would probably have contravened the new Charities Legislation. It left nothing for innovations, infrastructure and charitable work. So the organisation has now been clearly split between Commissioned and Charitable Services. This has enabled FNHC to develop services which the States has decided not to commission, such as Home Care, on a not-for-profit basis and any other provision that can be self funding or covered by charitable donations. The Constitution is being redrafted to reflect these changes and best practice and will come to members this year for approval.

As I hand over to my successor, and a new CEO takes up post, I believe they will find the organisation in good heart, in a much more sustainable financial position, poised for whatever challenges the future may bring. It is rare for an organisation like this to have survived for nearly 110 years and FNHC has done so by constantly adapting, evolving and keeping in tune with the Jersey community. In return, that community has kept supporting us with donations and legacies for which heartfelt thanks are due. That support is as vital as ever if FNHC is to keep evolving and meeting the needs of children, families, the sick and elderly and those at the end of life.

My grateful thanks also go to the staff who work so hard and have made my time at FNHC a rewarding one and to Committee members who have given so freely of their time and expertise. Working together with such a diverse group, providing the right balance of support and scrutiny is never easy in a complex organisation like this, but in my view, it helps to keep the organisation grounded in the community it serves.

**Ann Esterson**  
Chairperson

## Report of the Chief Executive Officer

2017 was a year of change for Family Nursing & Home Care (“FNHC”). Change that touched every part of our Charity to a degree. I will touch on these changes in more detail throughout this report however I first must say that being entrusted, along with Judy Foglia, our Governance & Performance Manager, to jointly act up to Chief Executive Officer after Julie Gafoor’s departure, has been an honour and a privilege. Julie left FNHC in 2017, having worked with us for 15 years as a Health Visitor, then as Operational Lead for Child & Family Services. The last 5 years of her service was as Chief Executive Officer steering FNHC through a period of growth and change. Julie has now retired, and we wish her well in all she does and thank her for her service.

## Child & Family Services

Throughout 2017 our Child & Family Services team have been engaged in a number of Island-wide initiatives:

- Jersey Children First;
- Early Years Strategy, aligning with the Children’s Plan for Jersey; and
- Breastfeeding, as championed by Senator Elect, Kristina Moore.

New services have also been developed. The Baby Steps programme, previously provided by the NSPCC, was implemented in 2017, with the universal service going live in 2018. The Baby Friendly Initiative, which is a UNICEF programme, is a further extension to our Child & Family Service’s offer, will also soon be going live.

The Maternal Early Childhood Sustained Home Visiting programme (MECSH), targeting vulnerable families, has seen its third year of delivery. The service continues to grow, and the feedback received from families on the programme is very positive.

Palliative care for children is always an emotive subject, and even more so for the families, that find themselves on this challenging and difficult journey. I am always extremely proud of the compassionate care that is delivered by our Children’s Community Nursing team, caring for children with life-limiting or life-shortening illnesses. The team’s dedication and professionalism culminated in 2017, in them winning the Health & Social Services Department (HSSD) Innovation Award for the development of the Children’s Palliative Care Pathway which ensures that there is an Island-wide, joined up approach to caring for children and families experiencing these challenging circumstances.

FNHC recognises the importance of supporting these children and families and in 2016 made the decision to recruit a Children’s Palliative Care Worker from our charitable resources to support and enhance the service commissioned by HSSD. We have received support from the Bosdet Foundation and have also set up the Colour Run to enable a sustainable funding of this very important post, thank you to everyone who has supported this cause.

2017 saw the first ever conference promoting the services our Child & Family teams, Health Visitors, School Nurses, and Children’s Community Nurses. Additionally the Child Accident Prevention work was showcased, which is in large funded by our charitable division. This work was very well received and it was heart-warming to see the positive impact and reach of these services.

## Adult Nursing

Our District Nurses have also had a busy year, jointly developing the Anticipatory Medicines Policy with Jersey Hospice Care and also participating in the Jersey Mortality Statistics Report, covering 2016. We believe that choice for our patients is very important, especially for those clients who are in the final period of their life. It is encouraging to see that the level of Islanders spending their final days in their place of choice either at home, in the Hospice, or hospital by choice has increased to two thirds from a half.

Earlier in 2017, it was a great pleasure to have our Patron, Lady Dalton, who was accompanied by His Excellency, the Lieutenant Governor, Sir Steven Dalton, open the Florence Bechelet Clinic in St Peter. This is a purpose built clinic, which also provides accommodation for our West District Nursing team, allowing them to be in closer proximity to their clients, meaning they can work in a far more efficient manner. It is with no small thanks to the Late Florence Bechelet, for her considerable generosity to the Island in bequeathing a portion of her estate to FNHC, which has enabled the development of these facilities along with support from the Greville Bathe Fund.

## Rapid Response & Reablement

2017 was also an active year for the RR&R team, seeing them transition from proof of concept to become a fully integrated part of our commissioned services.

The team participated in the UK national benchmarking study for out of hospital services, where the Reablement service performed consistently better than their UK counterparts and the Acute and Crisis teams were able to demonstrate better response times as well as a lower average length of stay. RR&R were also shortlisted as finalists in the Nursing Team of the Year category of the national General Practice Awards. These are great achievements for the RR&R team.

The service continues to see increased referrals which has been aided by the addition of two Mental Health Nurses to the team, enabling them to provide care for patients with a mental health crisis as well as complex physical conditions.

A number of staff from HSSD are co-located within the team, being another demonstration of the FNHC's partnership working to benefit Islanders.

## Home Care

We appointed a new manager to our Home Care service in 2017, Isabel Freitas. Isabel has been paramount in the reorganisation of Home Care. Immediately on joining FNHC, Isabel helped in the safe transition of clients as a result of a number of our staff leaving due to changes we were facing. The focus throughout this period was on ensuring that no client was left without an appropriate care provider in place to provide safe care. This was achieved, and we would also like to extend our thanks to Claire White, who oversees the Approved Provider Framework, who worked with us over this transition period.

FNHC's Home Care service is now operating as a not-for-profit business. From the outset we have put the care and safety of our clients at the forefront. Our aim is to offer our staff exemplary training, supervision and governance to ensure our clients receive the best and safest care possible.

We look forward to the future of growing our Home Care service, as we see our offering as vital to Islanders and their families.

## **Governance**

To enable good governance across all areas of our organisation, it is essential to have amongst other things, high quality training and excellent patient record keeping. The implementation of EMIS as our electronic patient record system was the beginning of this journey which we continue to invest in, ensuring we are able to maintain high quality patient records, report effectively on performance and demonstrate the benefit of the services we deliver.

Patient feedback is also an integral part of governance and is very important to FNHC. Therefore throughout 2017 we have implemented patient feedback surveys across both our adult patients and Child & Family services. The feedback we receive is very positive and of equal importance, these results allow us to target areas for improvement. We promote learning and development and our patients' voice is vital in this process.

## **Fundraising**

As a charity, we could not achieve these results without the support of Islanders. We continue to receive funding for our commissioned services from HSSD and we operate our Home Care on a non-funded, not-for-profit basis. In spite of this, we have to fundraise for specialist equipment across all services as well as technological advancements and development projects.

Through our charity and your support, we fund a number of services and initiatives; the development of premises (the Florence Bechelet Clinic being a recent example), employment of a Children's Palliative Care Worker, and funding Child Accident Prevention. This has only been possible and is all down to the support of Islanders, who we commend in their generosity.

All that is left to say, is a fond farewell to Ann Esterson, our Chair, and a warm welcome to Bronwen Whittaker, our new Chief Executive Officer.

Ann is stepping down as Chair of FNHC having worked tirelessly in her many years with us, in a professional, diligent, manner, with care of Islanders at the forefront of every decision in which she was involved. We give her our thanks for her service and wish her well for the future.

Bronwen brings with her a wealth of clinical and leadership experience, along with her experience in Jersey working on the out of hospital agenda as part of the System Redesign team within HSSD. We are all looking forward to working with her.

## **Adrian Blampied**

**Joint Acting Chief Executive Officer**

### Reference & Administrative Details

Charity Name	Family Nursing & Home Care (Jersey) Incorporated
Registered Charity Number	115 (registered with the Association of Jersey Charities)
Principal Office Address	Le Bas Centre, St Saviour's Road, St Helier, Jersey, JE2 4RP
Telephone Number	(01534) 443600
Email Address	<a href="mailto:enquiries@fnhc.org.je">enquiries@fnhc.org.je</a>
Website	<a href="http://www.fnhc.org.je">www.fnhc.org.je</a>

### **Charity Patrons**

Lady Dalton (since 4 April 2017)

The Bailiff of Jersey, Mr. William James Bailhache

### **Committee of Trustees who held office during the year ended 31 December 2017 and subsequently**

<b>Name</b>	<b>Position</b>	<b>Appointed</b>	<b>Resigned</b>	<b>Term</b>
Ann Esterson	Chair	2015 AGM		3 years
Jo Gavey	Honorary Treasurer	2014 AGM	2017 AGM	-
Kevin Bates	Honorary Treasurer	2017 AGM		2 years
Rosemary Ruddy		2016 AGM		2 years
John Moulin		2016 AGM		2 years
Phil Romeril		2016 AGM		2 years
Lara Haskins		2016 AGM		2 years
David Ogilvie	Acting Vice Chair	2016 AGM		2 years
Chris Renouf		2017 AGM		2 years
Julie Gafoor	Chief Executive Officer <sup>a</sup>	Ex Officio	June 2017	n/a
Adrian Blampied	Joint Acting Chief Executive Officer <sup>a</sup>	Ex Officio	March 2018	n/a
Judy Foglia	Joint Acting Chief Executive Officer <sup>a</sup>	Ex Officio	March 2018	n/a
Bronwen Whittaker	Chief Executive Officer <sup>a</sup>	Ex Officio		n/a

<sup>a</sup> Adrian Blampied, Finance Director, and Judy Foglia, Governance & Performance Manager, took up temporary roles in June 2017 as Joint Acting Chief Executive Officer of the Association after Julie Gafoor's departure. They carried out this temporary role until the appointment of Bronwen Whittaker as Chief Executive Officer in March 2018.

Julie Gafoor attended the Main Committee and Sub Committees as Chief Executive Officer whilst in post. Adrian Blampied and Judy Foglia jointly fulfilled the role of Chief Executive Officer in the Main Committee with each taking individual responsibility for fulfilling the role in Finance and Governance & Clinical Sub Committees respectively.

## Senior Management Team

Approved and authorised for issue by the Trustees on 29 May 2018 and signed on its behalf by:

### Chief Executive Officer

Julie Gafoor RGN, RHV, BA (Hons), MA, Dip Nursing, Dip Management - to June 2017

Bronwen Whittaker RGN, RHV, BSc, MSC - appointed March 2018

Finance Director, and Joint Acting Chief Executive Officer from June 2017 to March 2018

Adrian Blampied FCCA

Governance & Performance Manager, and Joint Acting Chief Executive Officer from June 2017 to March 2018

Judy Foglia RGN, ONC 219, ENB 941/978, C&G 7307, Dip Research Methods, PGcert Health Care Practice

### Operational Lead - Adult Services

Tia Hall RGN, RSCN, RHV, BA (Hons)

### Operational Lead - Out of Hospital Services (Rapid Response & Reablement Team)

Clare Stewart RGN, Dip He Nursing, Bsc (Hons), NMP, MSc Advanced Healthcare Practice

### Operational Lead - Child & Family Services

Michelle Cumming RN, BA Community Nurse Specialty (Health Visiting)

### Auditors

Alex Picot  
Chartered Accountants  
95-97 Halkett Place  
St Helier  
Jersey JE1 1BX

### Investment manager

Quilter Cheviot  
4th Floor  
28-30 The Parade  
St Helier  
Jersey JE4 8TE

### Bankers

Lloyds Bank International Limited  
9 Broad Street  
St Helier  
Jersey JE4 8NG

### Legal advisers

Ogier  
Ogier House  
44 The Esplanade  
St Helier  
Jersey JE4 9WG



## Structure, Governance & Management

### **Incorporation & principal activities**

The Association is incorporated under the Family Nursing Services and Jersey Home Helps (Amalgamation) (Jersey) Law 1993 (the "Law") which was sanctioned by Order of Her Majesty in Privy Council on 27 October 1993.

The Association is governed by its Rules and Constitution which may not be altered without the consent of the Jersey Royal Court in accordance with the provisions of the "Loi (1862) sur les Teneures en Fidiecommis et L'Incorporation d'Associations".

### **Officers and committee members**

The principal activities of Family Nursing & Home Care (Jersey) Incorporated continue to be those of a charitable organisation providing skilled nursing for the sick in their homes and to give advice and assistance on matters relating to the health and well-being of people of all ages in the Island of Jersey.

There is an open procedure which invites applicants to become Officers or Members of the Committee. Applicants are interviewed through a formal recruitment process and are then elected by members at the Annual General Meeting. The Jersey Appointments Commission governs the appointment process of the Chair and Chief Executive Officer.

All new Officers or Members of the Committee receive an induction to the Association including an introductory pack of key documents, individual time with the Chairman and induction meetings with key personnel. Committee Members are provided with learning and development support as and when deemed necessary and participate in an off-site development program each year focusing on a relevant topic.

The Committee of Trustees has appointed separate sub committees to oversee Finance and Governance & Clinical matters. During the year ended 31 December 2017 the Committee met 4 times (2016: 5), the Finance sub committee met 3 times (2016: 3) and the Governance & Clinical sub committee met 4 times (2016: 4). In 2016 a Home Care sub committee was formed for the duration of the changes the Home Care business was facing, this committee has since become part of business as usual under the Main Committee.

The table below sets out the attendance at committee and sub committee meetings by the relevant members. Attendance noted against a lower number of meetings than the totals set out above is due to the individual not being a member of the committee or sub committee for the full financial year.

<b>Name</b>	<b>Main Committee</b>	<b>Finance Sub Committee</b>	<b>Governance &amp; Clinical Sub Committee</b>
Ann Esterson	3 of 4	2 of 3	-
Jo Gavey	1 of 2	2 of 3	-
Kevin Bates	4 of 4	3 of 3	-
Rosemary Ruddy	4 of 4	3 of 3	-
John Moulin	4 of 4	-	4 of 4
Chris Renouf	3 of 3	-	1 of 3
Phil Romeril	3 of 4	-	-
David Ogilvie	3 of 4	-	-
Lara Haskins	2 of 4	-	0 of 4
Julie Gafoor <small>(refer to note a on page 7)</small>	2 of 2	2 of 2	2 of 2
Adrian Blampied <small>(refer to note a on page 7)</small>	2 of 2	1 of 1	-
Judy Foglia <small>(refer to note a on page 7)</small>	2 of 2	-	2 of 2

### Statement of Committee's responsibilities

The Committee are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and generally accepted accounting practice. The Committee are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the statement of financial activities for that period. In preparing these financial statements, the Committee are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare financial statements on the going concern basis unless it is inappropriate to presume the Association will continue in business.

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

There is a clear distinction between the work of the Committee, which is to set policy and monitor performance, and the day to day management of the Association which is delegated to the Chief Executive Officer and Senior Management Team.

### Risk statement

The Committee maintains a Corporate Risk Register which is reviewed on a quarterly basis. The Register describes the risk and the measures to be taken to mitigate the identified risk. Based on this information the probability and consequence of a risk is considered and a score derived which is used to determine whether the risk is Catastrophic, Major, Moderate, Minor or Negligible. Appropriate action is taken and monitored by the Committee.

Risks are categorised as to whether they are Strategic, Financial, Reputational, Political or Capacity in nature.

### Objectives and Activities

To be the best at providing services for Family Health Improvements, Chronic Disease Management and Long-Term Care Provision in the Community that are cost effective, evidence based and within a robust governance framework.

The objects of the Association are:

- (i) To provide skilled nursing for the sick in their homes;
- (ii) To give advice and assistance on matters relating to the health and well being of people of all ages in the Island of Jersey;
- (iii) To provide such other care and services in the Island of Jersey as the Association may from time to time think fit;
- (iv) To carry on those activities and to provide those services hitherto carried on and provided by Family Nursing Services (Jersey) Incorporated and the Jersey Home Helps Society for the Sick and Aged;
- (v) To acquire by way of purchase, acceptance of a gift, devise or bequest, or by lease or otherwise, any movable or immovable property which may be necessary, requisite or desirable either directly or indirectly for the promotion of the activities of the Association and further, to do all things including borrowing money as may be incidental to, or connected with, any of the said objects or conducive to the attainment thereof;
- (vi) Such other objects as the States of Jersey may at the request of the Association by regulation specify under the provisions of Article 10 of the Law.

### Strategic Priorities

We have undertaken a Strategic Plan for the Association covering the period to 2018. We have maintained the 5 key principles of the Health White Paper as a framework for development of the plan, namely that we provide nursing and care that is:

- Safe;
- Affordable;
- Sustainable;
- Partnership focussed; and
- Integrated.

#### **Safe**

Ensure good governance, using the best evidence to guide practice and evaluate outcomes. To ensure that Islanders, including those who are economically or socially vulnerable, are cared for, protected and supported in achieving their optimal health and well being.

- Deliver high quality capability in all new & existing services
- Focus on developing nursing skills and capability across the teams
- Deliver high quality governance and standards to ensure that patients/clients receive the best possible care
- Establish evidence based metrics to assess standards and business, team and individual performance

## Strategic Priorities (continued)

### Affordable

That cost is managed through effective planning processes, and maximising use of resources. Those Islanders receive the best and most effective care.

- Improve business systems and processes to measure and manage effectiveness
- Review Home Care to assess future service requirement, structure, cost and funding
- Review productivity across the key areas of the Association with the aim of removing inefficiencies and improving the match of skills against patient need
- Deliver efficiency improvements through the implementation of new technology
- To maximise the Association's fund raising potential to help to deliver better services

### Sustainable

To ensure that we use innovative ways to deliver services by expanding the scope of both registered and non-registered nurses by using technology to optimise services such as remote monitoring. Ensure that talented staff are recruited, developed and engaged to provide high quality services.

- Review current services and the associated costs to ensure they fit with future needs
- Identify and assess the potential for new services and FNHC funding and capability to deliver
- Review productivity across the key areas of the Association with the aim of removing inefficiencies and improving the match of skills against patient need
- Maximise the fund raising potential to ensure additional funding streams are identified
- Review corporate structure and funding to include the role of the charity's charitable status for next 3-5 years, in line with proposed Charities law
- Establish long term contractual relationships with HSSD
- Develop a workforce plan that addresses recruitment and retention issues

### Partnership Focused

Patient centred care, working with system partners in new ways and with cross agency collaboration to address both the patient's immediate needs and factors that impact on our well being from infancy to our older years.

- Establish FNHC as the lead provider and voice of community based care
- Establish effective working relationships with other partners such as Jersey Hospice, Brighter Futures and Les Amis to develop high quality, seamless service provision
- Establish effective working relationships with all GP practices that make it easy for them/patients to access FNHC services
- Identify other areas of service overlap and develop effective working processes with other key providers
- Continually improve long term relationships with all key stakeholders within HSSD
- Develop robust systems to ensure we are listening and engaging with the patients/clients and the public about current and future services and that this will be acted upon

### Integrated

Collaborate with other disciplines in addressing service gaps by providing interventions for vulnerable groups and improved identification and care to those with complex needs through integrated case management.

- Provide services that enable a patient's needs to be met in a timely and appropriate manner, seamlessly between nursing, therapy and care services
- Ensure effective communication between nursing, therapy and care staff to optimise care delivery
- Provide supervision and support from experienced, skilled nurses and therapists to care staff

## Financial Review

Income from charitable activities has increased marginally to £7,891k (2016: £7,848k). We have however experienced a change in the underlying funding from the Health & Social Services Department (“HSSD”) of the States of Jersey. From 1st January 2017 HSSD no longer commissioned any of our Home Care services however transitional funding was made available in the sum of £127k, which the Association welcomed, as it was for the benefit of clients who were on our books as at 31 December 2016, and who were not in receipt of Long Term Care funding, in order to mitigate the impact of necessary fee increases.

In March 2017 FNHC signed a new three year contract with HSSD to provide District Nursing, Child & Family Services and Rapid Response & Reablement. The contract, running from 2017 to 2019, saw a higher level of funding for these services, now being funded to a level of normal running costs of those services. However, in respect of these services, the Association has a continuing need to fund exceptional items that fall outside of this funding, for example, premises, equipment, training and dressings. The major change in the Association’s funding now means that funds received under the contract for services are now classified as Restricted Funds, as opposed to Unrestricted Funds as they were in 2016 and before.

Donations and legacies have risen from £290k to £343k whilst income from other fundraising activities fell from £274k to £230k, mainly as a result of membership income falling to £118k (2016: £143k) and having had to cancel the annual golf day due to a lack of entrants making it not financially feasible.

Costs of raising funds has reduced mainly as a result of reductions in staff costs due to changes in the pension provision offered to support staff, with employer contributions falling from 13.6% in 2016 to an average rate of 9% in 2017.

Our investment portfolio saw net gains of £237k (2016: £373k) resulting in net incoming funds for the year of £65k after 2016’s net expenditure of £285k.

Designated reserves expenditure totalled £52k, related to the finalisation of the Florence Bechelet Clinic in St Peter, above the COOP Grande Marche, which opened in May 2017. Other designated funds totalling £29k were transferred back to unrestricted funds as the underlying projects had completed and the funds were no longer required.

Restricted reserves activity has increased in 2017 as a result of now categorising funds received, and expenditure incurred, in relation to our commissioned services as restricted in nature. This is a result of now receiving specific funding for the different service lines which are commissioned. These include all District Nursing, Rapid Response & Reablement, Health Visiting (including MECSH), School Nursing and Community Children’s Nursing. Underspends within the year, remain restricted and as such may only be utilised on those services. £127k of restricted income was also expended on our Home Care services. This relates to transitional funding from HSSD to soften the impact on certain clients of fee increases as a result of decommissioning of the Home Care service at the end of 2016.

Total reserves have increased to £6,285k (2016: £6,220k) of which £2,158k is designated and £552k is restricted. A full analysis of reserves can be found in Note 15 on pages 29-30.

## Reserves Policy

Reserves may be classified in the following funds:

- (i) Unrestricted funds;
  - (a) General unrestricted funds;
  - (b) Designated funds; and
- (ii) Restricted funds.

### **General unrestricted funds**

Unrestricted funds are general funds received that have no restrictions attached to them and have not been designated for specific projects. They are expendable at the discretion of the Committee in furtherance of the Association's objects. Unrestricted funds may be earmarked for specific projects and designated as a separate fund (see Designated fund). The designation has an administrative purpose only and does not legally restrict the Committee's discretion to apply the funds.

### **Designated funds**

Designated funds are funds that have been set aside for specific projects. These funds are not therefore readily available for other purposes.

Funds for specific projects are proposed to be designated by the Finance Sub Committee. Proposed designations must be presented to the main Committee for final consideration. If approved, funds will be transferred from the unrestricted fund to designated funds accordingly.

A property fund exists within overall designated funds with the intention of accumulating sufficient funds for the Association to invest in its own property to operate from. A desired fund total and time frame has not been set for the completion of the fund.

It was agreed by the Finance Sub Committee at a meeting held on 22nd April 2013 that, with effect from the 2012 financial year, significant legacies or legacies that were property related or as a result of a distribution from an immovable estate will be proposed for designation to the property fund.

Designated funds may be re-classified as unrestricted funds should they be surplus to requirement for a specific project, or if the project in question is no longer being implemented. The sanction of the main Committee is required to re-classify funds.

### **Restricted funds**

Restricted funds are funds subject to specific trusts, which may be declared by the donor(s) or with their authority (e.g. in a public appeal) or created through legal process, but still within the wider objects of the Association.

Restricted funds may be restricted income funds, which are expendable at the discretion of the Committee in furtherance of some particular aspect(s) of the objects of the Association, or they may be capital funds, where assets are required to be invested, or retained for actual use, rather than expended.

### **Investment Policy and Objectives**

The Association appoints an external firm of investment managers to manage its investment funds. This appointment is reviewed on an annual basis. The overarching investment policy is to produce a regular investment income without undue risk to overall capital values.

The Association excludes direct investment on ethical grounds in companies that are included in the categories of alcohol, armaments, pornography or tobacco and ban investment in companies which participate in the infringement of human rights.

As at 31 December 2017 the Association's investment portfolio was valued at £3,825k (2016: £3,541k) and has an expected yield of 2.09%.

### **Committee of Trustees**

**INDEPENDENT AUDITOR'S REPORT TO THE COMMITTEE OF  
FAMILY NURSING AND HOME CARE (JERSEY) INCORPORATED**

**Opinion**

We have audited the financial statements of Family Nursing and Home Care (Jersey) Incorporated (the "association") for the year ended 31 December 2017 which comprise the statement of financial activities, balance sheet, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation are the United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements give a true and fair view of the state of the association's affairs as at 31 December 2017 and of its financial performance and its cash flows for the year then ended.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The committee are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE COMMITTEE OF  
FAMILY NURSING AND HOME CARE (JERSEY) INCORPORATED  
(CONTINUED)**

**Responsibilities of the committee**

As explained more fully in the committee's responsibilities statement, the committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the committee are responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

This report is made solely to the association's committee, as a body, in accordance with our engagement letter. Our audit work has been undertaken so that we might state to the association's committee 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 association and the association committee as a body, for our audit work, for this report, or for the opinions we have formed.

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

**29 MAY 2018**

**ALEX PICOT**  
**Chartered Accountants**



	Note	Unrestricted £000s	Designated £000s	Restricted £000s	2017 £000s	Unrestricted £000s	Designated £000s	Restricted £000s	2016 £000s
<b>Income from:</b>									
Donations & legacies	4a	271	-	72	343	197	-	93	290
Charitable activities	4b	554	-	7,337	7,891	6,570	-	1,278	7,848
Other fundraising activities	4c	186	-	44	230	230	-	44	274
Income from investments	4d	88	-	-	88	83	-	-	83
<b>Total income</b>		<b>1,099</b>	<b>-</b>	<b>7,453</b>	<b>8,552</b>	<b>7,080</b>	<b>-</b>	<b>1,415</b>	<b>8,495</b>
<b>Expenditure on:</b>									
Costs of generating funds									
Raising Funds	5a	205	-	103	308	332	-	14	346
Charitable activities	5b	1,423	52	6,941	8,416	7,210	225	1,372	8,807
<b>Total expenditure</b>		<b>1,628</b>	<b>52</b>	<b>7,044</b>	<b>8,724</b>	<b>7,542</b>	<b>225</b>	<b>1,386</b>	<b>9,153</b>
Net gains on investments	6	237	-	-	237	373	-	-	373
<b>Net income / (expenditure)</b>		<b>(292)</b>	<b>(52)</b>	<b>409</b>	<b>65</b>	<b>(89)</b>	<b>(225)</b>	<b>29</b>	<b>(285)</b>
Gross transfers between funds	15	29	(29)	-	-	-	-	-	-
<b>Net Movement in Funds</b>		<b>(263)</b>	<b>(81)</b>	<b>409</b>	<b>65</b>	<b>(89)</b>	<b>(225)</b>	<b>29</b>	<b>(285)</b>
<b>Funds brought forward at 1st January</b>		<b>3,838</b>	<b>2,239</b>	<b>143</b>	<b>6,220</b>	<b>3,927</b>	<b>2,464</b>	<b>114</b>	<b>6,505</b>
<b>Funds carried forward at 31st December</b>	<b>15</b>	<b>3,575</b>	<b>2,158</b>	<b>552</b>	<b>6,285</b>	<b>3,838</b>	<b>2,239</b>	<b>143</b>	<b>6,220</b>

All income and expenditure for the current and prior year derives from continuing operations.

The notes on pages 20 to 32 form a part of these financial statements.

**Family Nursing & Home Care (Jersey) Incorporated**  
**Balance Sheet**  
**As at 31 December 2017**

	Note	2017 £000s	2016 £000s
<b>Fixed Assets</b>			
Tangible assets	10	800	800
Investments	11	3,825	3,541
		4,625	4,341
<b>Current Assets</b>			
Stocks		12	14
Debtors	12	598	455
Cash and cash equivalents at bank and in hand	13	2,122	2,612
		2,732	3,081
Creditors: Amounts falling due within one year	14	1,072	1,202
		1,660	1,879
<b>Net Current Assets</b>		1,660	1,879
<b>Net Assets</b>		6,285	6,220
<b>Charitable Funds</b>			
Unrestricted income fund			
General unrestricted income fund	15	3,575	3,838
Designated fund	15	2,158	2,239
		5,733	6,077
Restricted income fund	15	552	143
		6,285	6,220
<b>Total Funds</b>		6,285	6,220

The notes on pages 20 to 32 form a part of these financial statements.

Approved and authorised for issue by the Trustees on 29 May 2018 and signed on its behalf by:

**KEVIN BATES**

**For and on behalf of Family Nursing & Home Care (Jersey) Incorporated**

**Family Nursing & Home Care (Jersey) Incorporated**  
**Cash flow statement**  
**For the year ended 31 December 2017**

	Note	2017 £000s	2016 £000s
<b>Cash flows from operating activities</b>			
Net income / (expenditure) for the financial year		65	(285)
Adjustments for:			
Net gains on investments		(237)	(373)
Deposit interest and investment income receivable		(88)	(83)
Decrease in stocks		2	2
Increase in debtors		(143)	(18)
Decrease in current asset investments		-	655
Decrease in creditors		(130)	(539)
		(531)	(641)
<b>Cash flows from investing activities</b>			
Deposit interest received	4d	3	9
Dividend and coupon income received	4d	85	74
Payments to acquire fixed asset investments	11	(574)	(1,203)
Receipts from sales of fixed asset investments	11	527	1,301
		41	181
<b>Decrease in cash in the year - refer to note a. below</b>		(490)	(460)
Cash and cash equivalents at beginning of the year		2,612	3,072
<b>Cash and cash equivalents at end of the year</b>		2,122	2,612

	At 1 January 2017 £000s	Cash flows 2017 £000s	At 31 December 2017 £000s
<b>a. Components of cash and cash equivalents</b>			
Cash	1,846	235	2,081
Cash equivalents	661	(661)	-
Apç Cash with broker	105	(64)	41
	2,612	(490)	2,122

## 1 General Information

Family Nursing & Home Care (Jersey) Incorporated is an association, formed in Jersey. The association's principal place of business is Le Bas Centre, St Saviour's Road, St Helier, Jersey, JE2 4RP.

The principal activity of the association is providing skilled nursing for the sick in their homes and to give advice and assistance on matters relating to the health and well-being of people of all ages in the Island of Jersey.

## 2 Accounting Policies

### a. Basis of preparation of financial statements

These financial statements are prepared under the historical cost convention, as modified by the inclusion of investments at market valuation and tangible fixed assets at valuation, and in compliance with the Financial Reporting Standard 102 Statement of Recommended Practice ("the FRS 102 SORP"), and applicable accounting standards in the United Kingdom.

The following principal accounting policies have been applied:

### b. Income

Income, including donations, legacies, investment income and rental income, is recognised in the period in which the Association is entitled to receipt, where the amount can be measured with reasonable certainty and to the extent that it is probable that the economic benefits will flow to the Association. Interest income is recognised in the Statement of Financial Activities using the effective interest method.

Recognition of legacy income is dependent on the type of legacy, with pecuniary legacies recognised when notification is received and residuary legacies when the final accounts under the will are received. Reversionary legacies are not recognised during the lifetime of the original beneficiary under the will. Freehold land and buildings received by way of legacy are generally held for resale with the resultant funds being made available to the Association at the Trustees' discretion or in accordance with any restrictions. Their value is included in the Statement of Financial Activities in compliance with the recognition of income.

The Association receives funds from the Health & Social Services Department of the States of Jersey which has been disclosed in Note 4b), Income - Charitable Activities, as this amount relates to a contract for services, covering a three year period to 31 December 2019. The funding is reviewed on an annual basis and is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Association will receive the consideration due under the contract for services;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Donated services and facilities - The Association is supported by the Health & Social Services Department of the States of Jersey through the provision of administrative services in relation to payroll, accounts payable and information technology support. No monetary value has been recognised in these financial statements in relation to the benefit derived from these donated services. There is no net impact on the Statement of Financial Activities as an equal expended resource amount would be applied in accordance with the SORP.

### c. Raising funds

Costs of raising funds comprise the costs incurred in fundraising and portfolio management costs charged by the Association's investment manager. Fundraising costs include the costs of advertising, producing publications, printing and mailing fundraising material, event organisation, staff costs in these areas, and an appropriate allocation of central overheads.

### d. Charitable activities

Charitable expenditure is reported as a functional analysis of the work undertaken by the Association, being Child & Family Services, District Nursing, Home Care and Out of Hospital Services. Under these headings are the costs of activities performed directly by the Association, together with associated support costs. Also included in charitable expenditure are the Governance costs of the association representing the salaries, direct expenditure, and overhead costs incurred by the executive and central finance departments in the strategic planning processes of the Association and compliance with constitutional and statutory requirements, as well as external audit costs.

#### **e. Allocation and apportionment**

Costs to be recharged to specific activities or departments within the Association are apportioned on the following basis:

- Specific roles within support are allocated to Raising Funds and Charitable Activities expenditure;
- Human resources costs are allocated to all other departments, both charitable and support, based on headcount;
- Remaining support costs and overheads have been allocated on an estimated time spent basis between Raising Funds and Charitable Activities categories.

#### **f. Tangible fixed assets**

Freehold land and buildings are included in the Balance Sheet at market value and revalued at least every five years.

#### **g. Investment fixed assets**

Listed investments are included in the Balance Sheet at market value. The value includes interest accrued on fixed interest stocks. Realised gains or losses on sale of investments and unrealised gains or losses on revaluation of investments are credited or charged to the Statement of Financial Activities and disclosed under net gains / (losses) on investments.

#### **h. Stocks**

All stocks are valued at the lower of the weighted average cost and the net realisable value.

#### **i. Debtors**

Debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at the cost less impairment losses for bad and doubtful debts.

#### **j. Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalent are highly liquid investments that mature no more than three months from date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### **k. Creditors**

Short term creditors are measured at their transaction price. Other financial liabilities including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **l. Depreciation**

It is the policy of the Association to maintain buildings in good repair, the cost of maintenance and improvements being charged through the Statement of Financial Activities. Financial Reporting Standard 102 requires that depreciation be charged on all fixed assets, excluding land. No depreciation has been provided on the value of buildings as any charge to depreciation is considered immaterial. In accordance with the requirements of the Standard the carrying value of each property is reviewed against its market value and where appropriate an impairment made.

Fixed assets other than freehold property are not capitalised but are charged in full through the Statement of Financial Activities in the year of acquisition.

#### **m. Foreign currencies**

Transactions denominated in foreign currencies are translated at the rate of exchange prevailing at the time of the transaction. Foreign currency balances are translated at the rate of exchange prevailing at the Balance Sheet date. Foreign exchange gains and losses are credited or charged to the Statement of Financial Activities and disclosed under Other Recognised Losses.

#### **n. Pension scheme**

The Association is an Admitted Body of the Public Employees Contributory Retirement Scheme ('PECRS') and Public Employees Pension Scheme ("PEPS") which are both administered by the States of Jersey. All permanent employees of the Association were previously eligible to participate in either PECRS, or PEPS if they joined the organisation after 1 January 2016. Changes to the eligibility criteria came in to force at the end of August 2017 and those employees who are no longer eligible to participate in PECRS or PEPS are able to participate in a defined contribution scheme with effect from January 2018.

#### **o. Operating leases**

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

### 3 Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Association's accounting policies, which are described in note 1, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

### 4 Income

#### a) Donations & legacies

	Unrestricted	Designated	Restricted	2017	Unrestricted	Designated	Restricted	2016
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Donations	101	-	49	150	94	-	92	186
Legacies	148	-	-	148	81	-	-	81
Grants	22	-	23	45	22	-	1	23
	271	-	72	343	197	-	93	290

#### b) Charitable activities

	Unrestricted	Designated	Restricted	2017	Unrestricted	Designated	Restricted	2016
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Health & Social Services Department								
Contract for Services <sup>1</sup>	-	-	-	-	5,970	-	-	5,970
District Nursing Services	-	-	3,289	3,289	-	-	-	-
Child & Family Services	-	-	2,276	2,276	-	-	-	-
Rapid Response & Reablement	-	-	1,031	1,031	-	-	674	674
MECSH	-	-	335	335	-	-	335	335
Home Care Services <sup>2</sup>	-	-	127	127	-	-	-	-
High Cost Packages of Care	-	-	252	252	-	-	267	267
	-	-	7,310	7,310	5,970	-	1,276	7,246
Community Safety Grants Panel <sup>3</sup>	-	-	-	-	-	-	1	1
Home Care Fees	523	-	-	523	543	-	-	543
Sale of services <sup>4</sup>	-	-	26	26	26	-	1	27
Sale of medical supplies	27	-	-	27	25	-	-	25
Rental and sundry	4	-	1	5	6	-	-	6
	554	-	7,337	7,891	6,570	-	1,278	7,848

<sup>1</sup> From 2017 funds received under our Contract for Services have been apportioned to the underlying service areas of District Nursing and Child & Family Services by the Health & Social Services Department and are therefore treated as restricted income. In previous years there was no such apportionment so funds were treated as unrestricted in nature and not

<sup>2</sup> Relates to transitional funding from the Health & Social Services Department for a one year period for Home Care clients to minimise the impact of rate changes to them.

<sup>3</sup> The Association received a grant of £17,491 in 2010 from the now disbanded States of Jersey Community Safety Grants Panel. This was to fund a safety equipment scheme which provides stairgates, fireguards and other safety related items. The grant has now been fully expended and the Association raises funds directly to continue the safety equipment initiative.

<sup>4</sup> Includes amounts invoiced in respect of a part time School Nurse, funded by the Public Health Department.

**c) Other fundraising activities**

	Unrestricted	Designated	Restricted	2017	Unrestricted	Designated	Restricted	2016
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Membership income <sup>5</sup>	118	-	-	118	143	-	-	143
Fundraising - Golf day <sup>6</sup>	-	-	-	-	14	-	-	14
Fundraising - Colour Fun Run	-	-	44	44	-	-	44	44
Fundraising - Scarecrow Trail	3	-	-	3	2	-	-	2
Fundraising - Childhood Continence	-	-	-	-	2	-	-	2
Fundraising - Small events	5	-	-	5	12	-	-	12
Fundraising - 2017 (2016) Club <sup>7</sup>	60	-	-	60	57	-	-	57
	186	-	44	230	230	-	44	274

<sup>5</sup> Members of the Association pay an annual membership with amounts being collected throughout the year. Membership income is recognised in the accounting period to which it relates with the amounts relating to future periods being carried forward. See note 14 for amounts released in the current year and deferred to future periods. There are currently 2 lifetime members however the incoming resources in respect of these are not considered material for separate disclosure.

<sup>6</sup> Due to unforeseen circumstances the Association's annual golf day was not held in 2017. It is intended to run the event once again in 2018.

<sup>7</sup> The Association runs an annual lottery, the name of which changes to reflect the year and number of tickets available. Monies received in the year in respect of the 2018 Club lottery have been deferred to be recognised in the following year.

**d) Investment income**

	Unrestricted	Designated	Restricted	2017	Unrestricted	Designated	Restricted	2016
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Bank interest	3	-	-	3	9	-	-	9
Dividends and coupons	85	-	-	85	74	-	-	74
	88	-	-	88	83	-	-	83

**5 Expenditure**

**a) Raising funds**

	Unrestricted	Designated	Restricted	2017	Unrestricted	Designated	Restricted	2016
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Fundraising - Golf day <sup>6</sup>	-	-	-	-	6	-	-	6
Fundraising - Small events	7	-	-	7	5	-	-	5
Fundraising - 2017 (2016) Club <sup>7</sup>	25	-	-	25	25	-	-	25
Fundraising - Colour Fun Run	-	-	22	22	-	-	14	14
Fundraising - Parish Road Show	-	-	-	-	1	-	-	1
Fundraising - Scarecrow Trail	1	-	-	1	1	-	-	1
Fundraising - Newsletter	2	-	-	2	3	-	-	3
Fundraising - Memory Tree	-	-	4	4	-	-	-	-
Investment management costs	15	-	-	15	13	-	-	13
Support costs - see note 4c	155	-	77	232	278	-	-	278
	205	-	103	308	332	-	14	346

b) Charitable activities

	Unrestricted	Designated	Restricted	2017			2016		
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Child & Family Services	38	-	1,812	1,850	1,642	-	19	1,661	
District Nursing Services	-	-	2,420	2,420	2,503	-	29	2,532	
Home Care Services	1,272	-	127	1,399	1,903	-	-	1,903	
Rapid Response & Reablement	-	-	852	852	-	-	674	674	
MECSH	-	-	335	335	-	-	335	335	
High Cost Packages of Care	-	-	214	214	-	-	267	267	
Clinical Governance	31	-	375	406	414	-	-	414	
Stores & Medical Supplies	29	-	35	64	52	-	-	52	
Direct Service Provision Costs	-	-	33	33	33	-	-	33	
Governance costs									
Audit fees <sup>8</sup>	1	-	3	4	6	-	-	6	
Executive management	23	-	102	125	125	-	-	125	
Support costs - see note 4c	29	52	633	714	532	225	48	805	
	1,423	52	6,941	8,416	7,210	225	1,372	8,807	

<sup>8</sup> Fees paid to the Association's auditors are solely in respect of the annual audit. No fees have been paid to the Association's auditors in respect of tax, assurance or other consultancy or advisory services.

c) Allocation of support costs

	Raising Funds		Charitable		2017		2016	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Human Resources		1	134		135	1	146	147
Business Support <sup>9</sup>		184	393		577	212	387	599
Training & Travel		1	4		5	2	6	8
Vehicles		-	1		1	-	2	2
Equipment & Maintenance		19	78		97	33	134	167
Printing & Stationery		7	19		26	7	27	34
Communications		8	35		43	9	41	50
Buildings Maintenance		-	1		1	-	10	10
Security & Cleaning		4	15		19	5	15	20
Insurance		8	34		42	9	37	46
		232	714		946	278	805	1,083

Directly attributable costs are charged, where possible, to the relevant business area. Other costs, as set out in the table above are allocated as follows:

- Human Resources costs are allocated on a headcount basis;
- All other support costs are allocated on an estimated time spent basis between Raising Funds and Charitable Activities.

<sup>9</sup> Business support costs include the Executive, Finance, Administrative and Charitable operations after deduction of an appropriate charge for Governance Costs has been made.



## 6 Net gains on investments

	Unrestricted	Designated	Restricted	2017	Unrestricted	Designated	Restricted	2016
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Profit on disposal	38	-	-	38	67	-	-	67
Less: Opening unrealised gains	(462)	-	-	(462)	(156)	-	-	(156)
Closing unrealised gains	661	-	-	661	462	-	-	462
	<u>237</u>	<u>-</u>	<u>-</u>	<u>237</u>	<u>373</u>	<u>-</u>	<u>-</u>	<u>373</u>

## 7 Trustees' remuneration, benefits and expenses

None of the trustees have been paid any remuneration for their role as Trustee or received any other benefits from employment with the Association nor have they been reimbursed for any expenses relating to their position (2016: £nil).

## 8 Employees

The number of full time, part time and zero hour employees and full time equivalent (FTE) as at 31 December was:

	2017	2017	2016	2016
	Employees	FTE	Employees	FTE
Child & Family Services	55	37.22	54	35.49
High Cost Packages	12	3.38	8	2.17
Total Child & Family Services	<u>67</u>	<u>40.60</u>	<u>62</u>	<u>37.66</u>
District Nursing Services	48	34.95	49	38.31
Rapid Response & Reablement	18	14.89	17	13.33
Home Care Services	32	12.77	86	47.03
Clinical effectiveness & risk management	9	8.00	8	6.54
	<u>174</u>	<u>111.21</u>	<u>222</u>	<u>142.87</u>
Support	11	9.72	13	11.99
Fundraising	1	1.00	2	2.00
	<u>186</u>	<u>121.93</u>	<u>237</u>	<u>156.86</u>

The above employee numbers include 43 zero hour contracts which are in respect of bank nursing staff (2016: 33). Where an employee undertakes two or more employment contracts they are included here as one employee for each contract held.

## 9 Staff costs and employee benefits

The table below shows the number of higher paid staff with emoluments over £60,000 in bandings of £10,000 thereafter. Emoluments include gross salary, overtime, unsocial hours, on call payments and taxable benefits in kind. Overtime, unsocial hours and on call payments are typically only paid to staff working in clinical facing roles. Prior year comparatives have been restated as previously only gross salary had been included in the amounts paid.

	2017	2016
£60,000 to £69,999	10	11
£70,000 to £79,999	1	1
£80,000 to £89,999	1	1
£90,000 to £99,999	1	-

The Association is an Admitted Body of the Public Employees Contributory Retirement Scheme ('PECRS') and Public Employees Pension Scheme ("PEPS") which are both administered by the States of Jersey. All permanent employees of the Association were previously eligible to participate in either PECRS, or PEPS if they joined the organisation after 1 January 2016. Changes to the eligibility criteria came in to force at the end of August 2017 and those employees who are no longer eligible to participate in PECRS or PEPS are able to participate in a defined contribution scheme with effect from January 2018.

During the year the following staff costs and employee benefits were incurred by the Association:

	2017 £000s	2016 £000s
Wages and salaries (including bank contracts)	5,997	6,480
Social security	371	407
Defined benefit pension contributions	729	784
Allowances (including on call, mileage / car and laundry allowances)	291	325
	7,388	7,996

During the year the Association incurred the following staff costs in relation to the Senior Management Team:

	2017 £000s	2016 £000s
Wages and salaries	290	287
Social security	14	15
Defined benefit pension contributions	30	39
Allowances (including on call, mileage / car and laundry allowances)	13	14
	347	355

## 10 Tangible assets

	2017	2016
	£000s	£000s
Freehold land and buildings at valuation	800	800

The property known as Gloucester Lodge was valued on 30 March 2017 by Gaudin & Company Limited with an open market value of £800,000. The property is currently leased to the Health & Social Services Department ("HSSD") for a nominal rent of £1 per annum on a 20 year lease which terminated in September 2013 and has been extended informally. HSSD have informed the Association that they will likely be vacating the premises before the end of 2018. The use of this asset will be reviewed by the Committee during 2018 whereupon a decision will be made as to its future purpose. Whilst it is not intended that the property be sold within the next 12 months, its sale is one of the options under consideration.

## 11 Investments

	2017	2016
	£000s	£000s
Market value as at 1 January	3,541	3,266
Less unrealised gains as at 1 January	(462)	(156)
Book cost as at 1 January	3,079	3,110
Additions at cost	574	1,203
Disposal proceeds	(527)	(1,301)
Profit on disposal	38	67
Book cost as at 31 December	3,164	3,079
Add unrealised gains as at 31 December	661	462
Market value as at 31 December	3,825	3,541

The Association's investment portfolio is managed by Quilter Cheviot on a discretionary basis. Quilter Cheviot follow a set of investment objectives and restrictions as agreed by the Finance Sub Committee.

Investments held as at 31 December 2017 and 31 December 2016 are all unrestricted funds. Income amounts generated by the portfolio are also unrestricted.

## 12 Debtors

	2017 £000s	2016 £000s
Trade debtors	39	83
States of Jersey <sup>10</sup>	488	293
Other debtors	6	18
GST	6	49
Prepayments	59	12
	598	455

<sup>10</sup> Represents amounts due from the States of Jersey in respect of the following: High Cost Packages of Care £248k (2016: £267k), Public Health funded School Nurse post £26k (2016: £26k) and amounts due from HSSD in respect of prior year pay awards of £214k.

## 13 Cash and cash equivalents at bank and in hand

	2017 £000s	2016 £000s
Cash at bank	2,081	1,846
Cash equivalents	-	661
Cash with broker	41	105
	2,122	2,612

## 14 Creditors: Amounts falling due within one year

	2017 £000s	2016 £000s
Membership received in advance <sup>11</sup>	56	67
Creditors and accruals	303	316
States of Jersey - Comite account <sup>12</sup>	713	819
	1,072	1,202

<sup>11</sup> Members of the Association pay an annual membership with amounts being collected throughout the year. Membership income is recognised in the accounting period to which it relates with the amounts relating to future periods being carried forward. The balance of £56,385 (2016: £67,085) relates to membership income that is deferred to financial year ending 31 December 2018. The prior year balance of £67,085 was released as income during 2017.

<sup>12</sup> The States of Jersey process monthly payroll and accounts payable items which are then reimbursed by the Association.

## 15 Reserves

	<i>Unrestricted</i>	<i>Designated</i>	<i>Restricted</i>	<b>Total</b>
	£000s	£000s	£000s	£000s
Fund balances as at 31 December 2017 represented by:				
Fixed Assets				
Tangible	800	-	-	800
Investments	3,825	-	-	3,825
Current Assets	22	2,158	552	2,732
Current liabilities	(1,072)	-	-	(1,072)
	<b>3,575</b>	<b>2,158</b>	<b>552</b>	<b>6,285</b>

### Designated funds

Designated funds are determined by the Committee when there is a need to allocate certain funds for known future commitments.

The movement in designated funds is analysed as follows:

<b>Fund (with expected completion date where known)</b>	<i>01/01/17</i>	<i>Expended</i>	<i>Transfer</i>	<i>31/12/17</i>
	£000s	£000s	£000s	£000s
Property fund	2,122	-	-	2,122
Clinic development	88	(52)	-	36
Information technology upgrades	22	-	(22)	-
Property refurbishment costs	7	-	(7)	-
	<b>2,239</b>	<b>(52)</b>	<b>(29)</b>	<b>2,158</b>

The Association does not yet have sufficient clarity over its future premises requirements. As such it has been decided to continue contributing to the property fund until 31 December 2018 when a further decision will be made as to its use.

The fund for clinic development was initially set up to cover the costs of developing the Florence Bechelet Clinic in St Peter. This project completed in May 2017 and the remaining designated funds will be used for upgrading facilities in our other clinic settings, whilst the Information technology upgrades and property refurbishments are no longer required and have been undesignated.

### Restricted funds

Restricted funds are classified as such by virtue of any restrictions that may have been placed on the incoming resource or asset. Funds with a balance, income and expenditure of £10k or less are consolidated and categorised as Other.

The movement in restricted funds is analysed as follows:

	01/01/17 £000s	Income £000s	Expenditure £000s	31/12/17 £000s
District Nursing Services <sup>13</sup>	-	3,290	(3,041)	249
Rapid Response & Reablement <sup>13</sup>	-	1,031	(1,003)	28
Child & Family Services <sup>13</sup>	1	2,639	(2,563)	77
High Cost Packages of Care	-	252	(251)	1
Home Care Transitional Funding <sup>14</sup>	-	127	(127)	-
End of Life Project	-	20	-	20
Pathways Children's Centre	-	17	(17)	-
Greville Bathe Fund - District Nurse Degree Training <sup>15</sup>	23	-	-	23
Greville Bathe Fund - Clinic Furniture and Equipment <sup>16</sup>	21	-	(10)	11
Colour Run - Paediatric Care Worker <sup>17</sup>	30	44	(22)	52
District Nurse Equipment	13	-	-	13
Home Care Hardship Fund <sup>18</sup>	20	20	-	40
Other	35	13	(10)	38
	143	7,453	(7,044)	552

<sup>13</sup> Services provided for the States of Jersey Health & Social Services Department under a contract of for services running for the three period 2017 to 2019.

<sup>14</sup> Transitional funding from the Health & Social Services Department for a one year period for Home Care clients to minimise the impact of rate changes to them.

<sup>15</sup> Funding received for specific training that is currently under review in Jersey and awaiting re-accreditation from the Nursing and Midwifery Council.

<sup>16</sup> Funds received for furniture and fittings in the Florence Bechelet Clinic in St Peter that have yet to be fully expended. It is expected the final items will be purchased in 2018.

<sup>17</sup> Balance of net funds raised at the 2016 and 2017 Colour Run to employ a Paediatric Care Worker who will support the function of our commissioned Children's Community Nursing Team. Expenditure against this reserve has commenced in February 2018 as the post is now recruited to. Funds raised from the 2018 Colour Run are also restricted to this post to ensure sustainability.

<sup>18</sup> FNHC's Home Care service has been through a transitional period whereby it has not been practicable to implement the use of the hardship fund. A policy for access to the fund is being implemented in 2018.

## 16 Pension

### a) Costs

The Association is an Admitted Body of the Public Employees Contributory Retirement Scheme ('PECRS') and Public Employees Pension Scheme ("PEPS") which are both administered by the States of Jersey. All permanent employees of the Association were previously eligible to participate in either PECRS, or PEPS if they joined the organisation after 1 January 2016. Changes to the eligibility criteria came in to force at the end of August 2017 and those employees who are no longer eligible to participate in PECRS or PEPS are able to participate in a defined contribution scheme with effect from January 2018. Whilst PECRS and PEPS are final salary schemes, they are not conventional defined benefit schemes because the employer is not responsible for meeting any ongoing deficit. The assets are held separately from those of the Association. Contribution rates are determined by an independent qualified actuary so as to spread the costs of providing benefits over the members' expected service lives.

Salaries and emoluments include pension contributions for staff to the PECRS and PEPS schemes amounting to £729,102 (2016: £826,085). The Association has adopted Financial Reporting Standard 102 ("FRS 102"). As the Association is unable to readily identify its share of the underlying assets and liabilities of PECRS or PEPS under FRS 102, contributions to the scheme have been accounted for as if they are contributions to a defined contribution scheme.

The contribution rate paid by the Association during the year for PECRS was 13.6% (2016: 13.6%) of salary and for PEPS was 16%.

### b) Valuation

Actuarial valuations are performed on a triennial basis with the most recent published valuation being as at 31 December 2016. The main purposes of the valuation are to review the operation of the scheme, to report on its financial condition, and to confirm the adequacy of the contributions to support the scheme benefits.

The latest valuation dated 31 December 2016 showed that PECRS had a deficit of £68.5 million and PEPS had a deficit of £0.44 million. This compared with Scheme investments of £1.93 billion for PECRS and £1.2 million for PEPS.

The Actuary had advised that the Association had a liability to meet its share of the pre-1987 debt, as did all participating employers. This arose from the restructuring of the PECRS arrangements with effect from 1 January 1988.

### c) Transition of PECRS to PEPS

Employees who are members of PECRS will transfer in to PEPS from 1 January 2019. They will continue to accumulate benefits under PECRS until 31 December 2018. The Associations' contribution rates for these employees would increase to 14.4% in 2019, 15.2% in 2020 and finally to 16% in 2021.

### d) Pre-1987 Liability

The PECRS Committee of Management formally determined the pre-1987 liability in September 2005 and the Association was advised of the repayment schedule to meet that liability in January 2007. In total, the actuary had advised that the Association had a liability of £5,098,137.

On 13 May 2008 the States of Jersey adopted a proposition of the Minister for Treasury and Resources concerning the debt of the Family Nursing and Home Care Service and agreed to take responsibility for the pre-1987 PECRS past service debt from 1 January 2008. Accordingly, the States agreed to make payments to PECRS of £7,463 monthly until 31 December 2083, to assume the same obligations in relation to the debt previously attributable to Family Nursing & Home Care as for its own share of the debt, and to reduce the grant payment to Family Nursing and Home Care (specifically relating to the annual repayments) by £89,556 per annum (subject to indexation).

### e) New Defined Contribution Scheme

The Association is an Admitted Body of the Public Employees Contributory Retirement Scheme ('PECRS') and Public Employees Pension Scheme ("PEPS") which are both administered by the States of Jersey. All permanent employees of the Association were previously eligible to participate in either PECRS, or PEPS if they joined the organisation after 1 January 2016. Changes to the eligibility criteria came in to force at the end of August 2017 and those employees who are no longer eligible to participate in PECRS or PEPS are able to participate in a defined contribution scheme.

The Association has now set up the new defined contribution scheme, which commenced from 1st January 2018. All administrative posts and Home Care employees are able to participate in this scheme on an optional basis. Under the new scheme employer contribution rates are either 3% or 5% of salary, with employees making matched contributions.

## 17 Commitments under operating leases

The Association had the following annual commitments for premises rental under operating leases:

	2017 £000s	2016 £000s
Operating leases which expire:		
Within one year	34	16
In the second to fifth years inclusive	16	33
After five years	20	20
	70	69

A lease agreement for the new Florence Bechelet clinic based in St Peter was signed on 25 May 2017 for a nine year term and has been disclosed accordingly as a commitment expiring after five years.

## 18 Commitment not recognised as a liability

On 17 June 2016 a Software as a Service Agreement was entered in to with Egton Medical Information Systems Limited for the procurement of the clinical records system EMIS Web. The Agreement is for a 5 year term, with commitments in respect of license fees, hosting, annual maintenance and support costs for future periods expected to be in the region of £221k. These costs will be recognised in the periods relating to the system's use.