

**Company registration number: 08495463**

**South West Peninsula AHSN Limited  
Company limited by guarantee**

**Financial statements**

**31 March 2018**

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

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**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**DIRECTORS AND OTHER INFORMATION**

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<b>Directors</b>	Mr P P Confue Professor G S Logan Mr R Devereaux-Phillips Dr A J Riddell Dr M Edwards Mrs C L Higdon Mr G Brake Ms L Witts Dr J Gray Mr C Ballard Prof. E Kay Dr Sonja Manton
<b>Company number</b>	08495463
<b>Registered office</b>	Pynes Hill Exeter Devon EX2 5SP
<b>Auditor</b>	Thomas Westcott Chartered Accountants 26-28 Southernhay East Exeter EX1 1NS

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**DIRECTORS REPORT  
YEAR ENDED 31 MARCH 2018**

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The directors present their report and the financial statements of the company for the year ended 31 March 2018.

**Incorporation**

The company is limited by guarantee and was incorporated on 18 April 2013.

**Directors**

The directors who served the company during the year were as follows:

Mr P P Confue

Professor G S Logan

Mr R Devereaux-Phillips

Dr A J Riddell

Dr M Edwards

Mrs C L Higdon

Mr G Brake

Ms L Witts

Dr J Gray

(Appointed 2 October 2017)

Mr C Ballard

Non-Executive Director (Appointed 10 May 2017)

Mrs J Kay

(Resigned 10 May 2017)

Dr J D Roberts

(Resigned 13 April 2017)

Professor E Kay

Non-Executive Director

Dr S Manton

Non-Executive Director

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**DIRECTORS REPORT (CONTINUED)  
YEAR ENDED 31 MARCH 2018**

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**Directors responsibilities statement**

The directors are responsible for preparing 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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 judgments and accounting estimates that are reasonable and prudent; and
- 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.

**Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all 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.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

**Small company provisions**

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

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**DIRECTORS REPORT (CONTINUED)  
YEAR ENDED 31 MARCH 2018**

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This report was approved by the board of directors on ..... and signed on behalf of the board by:

Dr A J Riddell  
Director

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SOUTH WEST PENINSULA AHSN LIMITED  
YEAR ENDED 31 MARCH 2018**

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**Opinion**

We have audited the financial statements of South West Peninsula AHSN Limited for the year ended 31 March 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of the profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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 auditors 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.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 company 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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**

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**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SOUTH WEST PENINSULA AHSN LIMITED (CONTINUED)  
YEAR ENDED 31 MARCH 2018**

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The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

**Opinions on other matter 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the strategic report and the 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 our 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 and 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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and the 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; and
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

**Responsibilities of directors**

As explained more fully in the 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
SOUTH WEST PENINSULA AHSN LIMITED (CONTINUED)  
YEAR ENDED 31 MARCH 2018**

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In preparing the financial statements, the directors are responsible for assessing the company'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 directors either intend to liquidate the company 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 IASs (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.

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.

Shona Godefroy FCCA

For and on behalf of  
Thomas Westcott Chartered Accountants  
Statutory auditor  
26-28 Southernhay East  
Exeter  
EX1 1NS

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF COMPREHENSIVE INCOME  
YEAR ENDED 31 MARCH 2018**

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	<b>Note</b>	<b>2018</b>	<b>2017 (restated)</b>
		<b>£</b>	<b>£</b>
<b>Turnover</b>		3,351,832	3,694,612
Cost of sales		(2,159,001)	(2,799,510)
<b>Gross profit</b>		1,192,831	895,102
Administrative expenses		(1,194,828)	(904,007)
<b>Operating loss</b>		(1,997)	(8,905)
Other interest receivable and similar income		1,997	8,905
Tax on profit		-	-
<b>Profit for the financial year and total comprehensive income</b>		-	-

All the activities of the company are from continuing operations.

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL POSITION  
31 MARCH 2018**

	Note	2018		2017 (restated)	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7	48,655		74,689	
			48,655		74,689
<b>Current assets</b>					
Debtors	8	1,445,373		631,435	
Cash at bank and in hand		3,458,602		3,686,752	
		4,903,975		4,318,187	
<b>Creditors: amounts falling due within one year</b>	<b>9</b>	<b>(4,448,998)</b>		<b>(3,889,244)</b>	
<b>Net current assets</b>			<b>454,977</b>		<b>428,943</b>
<b>Total assets less current liabilities</b>			<b>503,632</b>		<b>503,632</b>
<b>Net assets</b>			<b>503,632</b>		<b>503,632</b>
<b>Capital and reserves</b>					
Other reserves	10	263,233		263,233	
Profit and loss account	10	240,399		240,399	
<b>Members funds</b>			<b>503,632</b>		<b>503,632</b>

The notes on pages 13 to 19 form part of these financial statements.

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)  
31 MARCH 2018**

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These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on ....., and are signed on behalf of the board by:

Dr A J Riddell  
Director

Company registration number: 08495463

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF CHANGES IN EQUITY  
YEAR ENDED 31 MARCH 2018**

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	Other reserves	Other reserves	Profit and loss account	<b>Total</b>
	£	£	£	£
<b>At 1 April 2016</b>	263,233	263,233	240,399	503,632
Profit for the year	—	—	-	-
<b>Total comprehensive income for the year</b>	-	-	-	-
<b>At 31 March 2017 and 1 April 2017</b>	263,233	263,233	240,399	503,632
Profit for the year	—	—	-	-
<b>Total comprehensive income for the year</b>	-	-	-	-
<b>At 31 March 2018</b>	<u>263,233</u>	<u>263,233</u>	<u>240,399</u>	<u>503,632</u>

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 2018**

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**1. General information**

The company is a private company limited by guarantee, registered in England & Wales. The address of the registered office is Pynes Hill Court, Pynes Hill, Exeter, Devon, EX2 5SP.

The principal activity of the company is to deliver a step-change in the way the NHS identifies, develops and adopts new technologies in the South West of England and to operate on a not-for-profit basis.

**2. Statement of compliance**

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis.

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

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome.

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 MARCH 2018**

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**Turnover**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Government funding is accounted for under the accruals model in line with Section 24 'Government Grants' of FRS 102. A significant amount of the company's turnover is funded by government bodies, including NHS England, where funding provided, and hence entitlement to income, is based on expenditure. Therefore any unspent monies at year end are carried forward to the following year and recognised as a liability. Contracts with other customers may also be delivered over a period exceeding one year. For such contracts turnover is recognised based on the best estimate of stage of completion which itself is based on consideration of costs. Income from the provision of other services is recognised at the time such services are provided.

A review of the underlying contracts and agreements in place relating to significant projects during the year has given rise to a change in accounting policy. Previously an accrual was created to match the obligated expenditure to the period of income recognition. However, management believe that a more appropriate accounting policy is to recognise income in line with the completion of the project, based on costs incurred to date, and to defer the remaining income. This has resulted in a prior year adjustment to income and expenditure of £131,000 in order to eliminate the previously recognised accrual and to recognise equivalent deferred income. The amounts previously stated were income of £3,563,612 and expenditure of £2,668,510. Deferred income and accruals are both disclosed within other creditors so no restatement of this figure has been made.

Membership income is recognised straight line over the annual membership period to 31 March.

**Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 MARCH 2018**

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**Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

**Tangible assets**

Tangible assets are initially recorded at cost, and is subsequently stated at cost less any accumulated depreciation and any accumulated impairment losses.

**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset over the useful economic life of that asset as follows:

Leasehold property improvements	- 20%	straight line
Fittings, fixtures and equipment	- 33%	straight line

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

**Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

**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 equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 MARCH 2018**

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**Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

**Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

**4. Limited by guarantee**

The company is limited by guarantee. In the event of the company being wound up each member's contribution to the assets of the company is limited to £1.

**5. Staff costs**

The average number of persons employed by the company during the year, including the directors was 40 (2017: 38).

**6. Profit before taxation**

Profit before taxation is stated after charging/(crediting):

	<b>2018</b>	2017
	<b>£</b>	£
Depreciation of tangible assets	36,156	32,679
Fees payable for the audit of the financial statements	7,100	7,350
	<u>7,100</u>	<u>7,350</u>

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 MARCH 2018**

**7. Tangible assets**

	Leasehold property improvements	Furniture, fittings and equipment	<b>Total</b>
	£	£	£
<b>Cost</b>			
At 1 April 2017	22,600	92,264	114,864
Additions	-	10,830	10,830
Disposals	-	(1,500)	(1,500)
<b>At 31 March 2018</b>	<u>22,600</u>	<u>101,594</u>	<u>124,194</u>
<b>Depreciation</b>			
At 1 April 2017	6,679	33,496	40,175
Charge for the year	4,520	31,636	36,156
Disposals	-	(792)	(792)
<b>At 31 March 2018</b>	<u>11,199</u>	<u>64,340</u>	<u>75,539</u>
<b>Carrying amount</b>			
<b>At 31 March 2018</b>	<u>11,401</u>	<u>37,254</u>	<u>48,655</u>
At 31 March 2017	<u>15,921</u>	<u>58,768</u>	<u>74,689</u>

**8. Debtors**

	<b>2018</b>	2017
	£	£
Trade debtors	1,198,544	473,706
Other debtors	246,829	157,729
	<u>1,445,373</u>	<u>631,435</u>

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 MARCH 2018**

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**9. Creditors: amounts falling due within one year**

	<b>2018</b>	2017
	<b>£</b>	£
Bank loans and overdrafts	-	556
Trade creditors	356,470	165,158
Social security and other taxes	204,597	116,659
Other creditors	3,887,931	3,606,871
	<u>4,448,998</u>	<u>3,889,244</u>

Other creditors detailed above contains £35,608 accrued expenses (2017: £140,450), outstanding pension contributions of £2,250 (2017: £5,995), deferred income of £3,767,740 (2017: £3,460,426) and other creditors of £82,333 (2017: £Nil).

**10. Reserves**

Profit and loss reserves represents accumulated profits existent in the predecessor organisation prior to incorporation.

Other reserves represent non-profit reserves existent in the predecessor organisation prior to incorporation.

**11. Operating leases**

**The company as lessee**

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

	<b>2018</b>	2017
	<b>£</b>	£
Not later than 1 year	43,304	42,152
Later than 1 year and not later than 5 years	73,996	112,405
	<u>117,300</u>	<u>154,557</u>

**SOUTH WEST PENINSULA AHSN LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 MARCH 2018**

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**12. Restated comparative balances**

A review of the underlying contracts and agreements in place relating to significant projects during the year has given rise to a change in accounting policy (as noted in note 3).

This has resulted in a prior year adjustment to income and expenditure of £131,000 in order to eliminate the previously recognised accrual and to recognise equivalent deferred income. The amounts previously stated were income of £3,563,612 and expenditure of £2,668,510. Deferred income and accruals are both disclosed within other creditors so no restatement of this figure has been made. This adjustment has had no impact on the capital and reserves of the company.