

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019
FOR
SALFORD PRIMARY CARE TOGETHER CIC**

SALFORD PRIMARY CARE TOGETHER CIC

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for the Year Ended 31st March 2019

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SALFORD PRIMARY CARE TOGETHER CIC

COMPANY INFORMATION

for the Year Ended 31st March 2019

DIRECTORS:

E A Cross
R Harding
B Hope
H M Leyden
L K Gardner

REGISTERED OFFICE:

3rd Floor
2 City Approach
Albert Street
Eccles
Manchester
M30 0BL

REGISTERED NUMBER:

07227455 (England and Wales)

AUDITORS:

KAY JOHNSON GEE LIMITED
CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS
1 City Road East
Manchester
M15 4PN

SALFORD PRIMARY CARE TOGETHER CIC

REPORT OF THE DIRECTORS

for the Year Ended 31st March 2019

The directors present their report with the financial statements of the company for the year ended 31st March 2019.

PRINCIPAL ACTIVITY

We are a Primary Care and GP support organisation. As a Social Enterprise we are independent of but strongly aligned to the principles and values of the NHS, working for the benefit of local people and communities.

On 1st April 2018 Salford Primary Care Together CIC acquired contracts, staffing and assets of Salford Health Matters CIC. The assets of Salford Health Matters CIC were transferred to Salford Primary Care Together CIC for a consideration of £1. The accounts reflect the net realisation to date with respect to this.

DIRECTORS

E A Cross has held office during the whole of the period from 1st April 2018 to the date of this report.

Other changes in directors holding office are as follows:

N G Turton - resigned 31st March 2019

M Yates - resigned 1st April 2018

J Bishop - resigned 1st April 2018

R Harding - appointed 1st March 2019

B Hope - appointed 7th January 2019

H M Leyden - appointed 7th January 2019

L K Gardner was appointed as a director after 31st March 2019 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

SALFORD PRIMARY CARE TOGETHER CIC

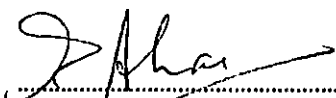
REPORT OF THE DIRECTORS
for the Year Ended 31st March 2019

AUDITORS

In accordance with section 485 of the Companies Act 2006, Kay Johnson Gee Limited will be proposed for reappointment.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


.....
E A Cross - Director

Date:

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SALFORD PRIMARY CARE TOGETHER CIC

Opinion

We have audited the financial statements of Salford Primary Care Together CIC (the 'company') for the year ended 31st March 2019 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2019 and of its 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

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 Auditors' 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

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SALFORD PRIMARY CARE TOGETHER CIC

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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 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.

Auditors' 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 a Report of the Auditors 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.

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. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SALFORD PRIMARY CARE TOGETHER CIC**

Use of our report

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 a Report of the Auditors 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.



Michael Garrett (Senior Statutory Auditor)
for and on behalf of KAY JOHNSON GEE LIMITED
CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS
1 City Road East
Manchester
M15 4PN

Date: 4th November 2019

SALFORD PRIMARY CARE TOGETHER CIC

PROFIT AND LOSS ACCOUNT
for the Year Ended 31st March 2019

	Notes	2019 £	2018 £
OTHER OPERATING INCOME		7,637,026	2,483,621
Administrative expenses		<u>(7,439,354)</u>	<u>(2,408,339)</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION		197,672	75,282
Tax on profit		<u>(36,940)</u>	<u>(10,557)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>160,732</u>	<u>64,725</u>

The notes form part of these financial statements

SALFORD PRIMARY CARE TOGETHER CIC (REGISTERED NUMBER: 07227455)

BALANCE SHEET

31st March 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	6	12,190	8,940
CURRENT ASSETS			
Stocks		7,094	-
Debtors	7	1,557,187	369,174
Cash at bank and in hand		1,167,846	1,582,595
		<u>2,732,127</u>	<u>1,951,769</u>
CREDITORS			
Amounts falling due within one year	8	(2,521,153)	(1,898,293)
NET CURRENT ASSETS		<u>210,974</u>	<u>53,476</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>223,164</u>	<u>62,416</u>
CAPITAL AND RESERVES			
Called up share capital	10	74	58
Retained earnings		223,090	62,358
SHAREHOLDERS' FUNDS		<u>223,164</u>	<u>62,416</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board of Directors on 4 March 2019 and were signed on its behalf by:


.....
R Harding - Director

The notes form part of these financial statements

SALFORD PRIMARY CARE TOGETHER CIC

STATEMENT OF CHANGES IN EQUITY for the Year Ended 31st March 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st April 2017	61,164	(2,367)	58,797
Profit for the year	-	64,725	64,725
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	64,725	64,725
Reduction in share capital	(61,162)	-	(61,162)
Issue of share capital	56	-	56
	<hr/>	<hr/>	<hr/>
Balance at 31st March 2018	58	62,358	62,416
	<hr/>	<hr/>	<hr/>
Profit for the year	-	160,732	160,732
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	160,732	160,732
Issue of share capital	16	-	16
	<hr/>	<hr/>	<hr/>
Balance at 31st March 2019	74	223,090	223,164

The notes form part of these financial statements

SALFORD PRIMARY CARE TOGETHER CIC

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31st March 2019

1. STATUTORY INFORMATION

Salford Primary Care Together CIC is a private company, limited by shares, registered in England and Wales, registration number 07227455. The address of the registered office and principal place of business is 3rd Floor, 2 City Approach, Albert Street, Eccles, Manchester, M30 0BL.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on tangible fixed assets is charged to the profit and loss so as to write off their value, over their estimated useful lives, using the following methods:

Fixtures and fittings - between 25% and 100% on cost

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

Stocks

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Costs are based on the method most appropriate to the type of inventory class, usually on a first-in-first-out basis.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

SALFORD PRIMARY CARE TOGETHER CIC

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31st March 2019

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Leasing commitments

Assets that are held by the Company under leases which transfer to the Company substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the company are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statements of financial position as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability, finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

The obligations for contributions to defined contribution scheme are recognised as an expense as incurred.

SALFORD PRIMARY CARE TOGETHER CIC

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31st March 2019

2. ACCOUNTING POLICIES - continued

Trade and other debtors

Trade and other 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 cost less impairment losses for bad and doubtful debts.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies above, management is required to make judgements, estimates and assumptions about the carrying value 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.

Provisions

The company accounts for provisions in accordance with FRS 102.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 113 (2018 - 39).

5. OPERATING PROFIT

The operating profit is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	<u>8,306</u>	<u>2,982</u>

SALFORD PRIMARY CARE TOGETHER CIC

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31st March 2019

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1st April 2018	11,922
Additions	11,556
Disposals	(97)
At 31st March 2019	<u>23,381</u>
DEPRECIATION	
At 1st April 2018	2,982
Charge for year	8,306
Eliminated on disposal	(97)
At 31st March 2019	<u>11,191</u>
NET BOOK VALUE	
At 31st March 2019	<u>12,190</u>
At 31st March 2018	<u>8,940</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	1,006,535	21,541
Other debtors	550,652	347,633
	<u>1,557,187</u>	<u>369,174</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	654,471	153,914
Taxation and social security	255,239	50,260
Other creditors	1,611,443	1,694,119
	<u>2,521,153</u>	<u>1,898,293</u>

9. LEASING AGREEMENTS

Operating lease commitments not included in the balance sheet amount to £78,762 (2018: £157,524).

SALFORD PRIMARY CARE TOGETHER CIC

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31st March 2019

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
37	Ordinary	£2	<u>74</u>	<u>58</u>

9 Ordinary shares of £2 each were allotted and fully paid for cash at par during the year.

SALFORD PRIMARY CARE TOGETHER CIC

DETAILED PROFIT AND LOSS ACCOUNT for the Year Ended 31st March 2019

	2019		2018	
	£	£	£	£
Other operating income				
Eccles extended hours	-		110,152	
Physician associate programme	4,000		96,500	
Other income	816		4,918	
Blue stream	21,950		17,838	
GM Transformation fund	1,175,553		1,456,960	
Innovation fund	274,923		6,140	
Urgent care	1,199,497		230,229	
SWEAP	701,487		356,269	
ANP training centre	764,695		195,107	
Acute home visiting	375,592		9,508	
Primary medical services	2,335,600		-	
Workforce development	170,437		-	
GP fellows programme	248,919		-	
Quays pilot	71,198		-	
Shared services	124,418		-	
Little Hulton Development	97,941		-	
Gain on SHM asset transfer	70,000		-	
		7,637,026		2,483,621
Expenditure				
Medical supplies	48,660		18,308	
Rent and rates	182,544		75,014	
Insurance	167,862		18,736	
Light and heat	847		899	
Security	57,510		8,949	
Cleaning	8,022		4,009	
Directors' salaries (incl on costs)	190,060		425,462	
Wages (incl on costs)	4,390,622		1,042,650	
Locums	1,434,366		432,722	
Telephone	20,102		2,579	
Printing and stationery	50,298		5,173	
Study fees- Physicians	-		90,000	
Marketing	8,474		5,676	
Travelling	5,256		4,321	
IT services and licences	187,267		101,847	
Repairs and renewals	1,110		864	
Trade subscriptions	3,885		1,423	
Recruitment expenses	13,817		4,929	
Sundry expenses	9,978		3,066	
Staff training	8,939		2,370	
Project training costs	150,846		49,364	
Accountancy	8,366		5,176	
Project management	57,134		39,750	
Mentorship and placements	200,872		24,738	
Carried forward	7,206,837	7,637,026	2,368,025	2,483,621

This page does not form part of the statutory financial statements

SALFORD PRIMARY CARE TOGETHER CIC

DETAILED PROFIT AND LOSS ACCOUNT

for the Year Ended 31st March 2019

	2019		2018	
	£	£	£	£
Brought forward	7,206,837	7,637,026	2,368,025	2,483,621
Legal and professional fees	128,049		31,782	
Innovation costs	95,059		5,400	
	<u> </u>	<u>7,429,945</u>	<u> </u>	<u>2,405,207</u>
		207,081		78,414
Finance costs				
Bank charges		1,103		150
		<u>205,978</u>		<u>78,264</u>
Depreciation				
Fixtures and fittings		8,306		2,982
		<u> </u>		<u> </u>
NET PROFIT		<u><u>197,672</u></u>		<u><u>75,282</u></u>

This page does not form part of the statutory financial statements