



Northern Ireland Chest, Heart & Stroke

(Company Limited by Guarantee)

Financial Statements

For the year ended 31 March 2018

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2018**

Members of the Board & Professional Advisers

Registered Charity Name	Northern Ireland Chest, Heart & Stroke
Charity Number	NIC 103953
Company Registration Number	NI 018889
Registered Office	21 Dublin Road Belfast BT2 7HB
Directors	Professor MPS Varma PhD FRCPI FRCP (Glas) FESC FACC-Chair Mr J Collins - Vice-Chair Mr I Lindsay FCA - Hon. Treasurer Mr M Mulholland Ms C Donnelly Mr J Scholes Mr T Earley Dr B Gallen (Appointed 17 October 2017)
Secretary	Mr D Curran FCA
Investment Managers	Cunningham Contes Stockbrokers The Lincenhall 32-38 Lincenhall Street Belfast BT2 8BG

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Members of the Board & Professional Advisers (continued)

Bankers

Bank of Ireland
Belfast City Branch
Belfast
BT1 2BA

Santander Corporate Banking
Bridle Road
Booth
Merseyside
L30 4GB

Ulster Bank
11-16 Donegall Square East
Belfast
BT1 5UH

Solicitors

Elliott Duffy Garrett
Royston House
34 Upper Queen Street
Belfast
BT1 6FD

Auditors

Moore Stephens (NI) LLP
Chartered Accountants and Registered Auditors
Donegall House
7 Donegall Square North
Belfast
BT1 5GB

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Strategic Report

The Trustees, who are also Directors for the purposes of company law, present their strategic report for the year ended 31 March 2018.

Objectives & Activities

The objects of the Charity are to promote the prevention of and alleviate the suffering resulting from chest, heart and stroke illnesses in Northern Ireland, and in particular:

1. To work either alone or with others for the prevention of chest, heart and stroke illnesses;
2. To educate the public on all matters concerning the said illnesses and to initiate and encourage programmes of prevention and health promotion;
3. To carry out, promote or sponsor the carrying out of study and research into such illnesses and to publish the results of such study and research;
4. To relieve distress occasioned by chest, heart and stroke illnesses.

The public benefits that flow from these objectives and activities include:

1. An improved quality of life, and an improvement in the health and wellbeing of people affected by chest, heart and stroke illnesses in Northern Ireland;
2. A decrease in the number of instances and a decrease in the number of deaths related to chest, heart and stroke illnesses;
3. An improved public awareness of the risks associated with developing a chest, heart or stroke illness in Northern Ireland.

Financial Review & Results for the Year

During the year ended 31st March 2018 the charity had net income on its financial activities of £180,710. This surplus was after an unrealised loss, arising from the decrease in market value of investments during the year of £66,922, (2017 unrealised gain £199,628) and a loss on disposal of fixed assets of £12,000 primarily relating to the closure of the North West office. The Directors consider this to be a positive outcome given the current economic environment.

Total income has decreased to £3,635,548 (2017 £4,073,340) due to legacy income reducing by £568,322 to £1,405,197 (2017 £1,973,519) with other voluntary donations increasing slightly to £1,574,047 (2017 £1,499,793).

Total expenditure by the charity, including unrealised loss on investments, have increased by £308,290 to £3,454,838 (2016 £3,146,548 – included unrealised gain of £199,628).

Risk Management

Risk is an everyday part of charitable activity. The Trustees have identified the major risks to which the charity is exposed and were assured that adequate systems and procedures have been put in place in order to mitigate or manage those risks. This has been achieved by identifying, assessing and evaluating risks using a Risk Framework and regular monitoring and assessment of risk management by the Audit and Risk Committee.

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Strategic Report (continued)

There is concern among most charities about the introduction of competitive tendering for work previously carried out under service level agreements from the Health and Social Care Trusts. Northern Ireland Chest, Heart & Stroke is currently identifying training for staff to ensure that Northern Ireland Chest, Heart & Stroke is in a positive position to continue to compete for the work undertaken under SLAs which is worth approximately £400,000 each year to the charity. The level of this income has been fixed for some time.

BY ORDER OF THE DIRECTORS



DECLAN CUNNANE FCA
COMPANY SECRETARY

Date: 18th October 2018

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Directors' Annual Report

The Trustees, who are also Directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2018. The Trustees confirm that they comply with the requirements of the Charities Act (Northern Ireland) 2008 and Accounting and Reporting by Charities: Statement of Recommended Practice which applies to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Reference & Administrative Details

Reference and administrative details are shown in the schedule of members of the Board and professional advisers on page 2 - 3 of the financial statements.

The Directors

The Directors who served the charity during the period were as follows:

Professor MPS Varma PhD FRCPI FRCP (Glas) FESC FACC - Chair

Mr J Collins - Vice-Chair

Mr I Lindsay FCA - Hon. Treasurer

Dr J Kidney MB BCh BAO FRCPI MD

Resigned 17th October 2017

Mr Martin Mulholland

Ms Christine Donnelly

Mr J Scholes

Mr T Earley

Mr B Gallen

Appointed 17th October 2017

Mr Paul McKeagney, a Respiratory Consultant was co-opted onto the Governance Board on 8/3/18 and will formally be appointed a Trustee and Director at the AGM on 18/10/18.

Dr Joe Kidney resigned as he had served 9 consecutive years on the Board, the maximum permitted under the Articles of Association.

Company Secretary

Mr Declan Cunnane FCA

Structure, Governance & Management

The Charity is governed by Articles of Association adopted on 17 October 2012. They were revised at that time in order to take account of the Charities (NI) 2008 Act and the Companies Act 2006.

The Governance Board is responsible for the overall governance of the charity. Directors are either elected or co-opted and the total number of Directors may not exceed eleven or be less than seven. Elected Directors may remain in office for nine years but an extension beyond this may be given if one is an office holder. Co-opted Directors are appointed by the Governance Board and shall hold office only until the next Annual General Meeting.

The Board delegates the exercise of certain powers in connection with the management and administration of the charity to the Finance Committee, the Audit & Risk Committee and to the Scientific Research Committee. This is controlled by regular reporting back to the Board, so that all decisions made under delegated powers are ratified by the full Board. However, it means that the Governance Board is not compelled to analyse and discuss every decision *ab initio*. Recommendations from each Committee are made to the Board. The Finance Committee and Audit & Risk Committee usually meet two weeks in advance of a Board meeting.

An operational plan and budgets for 2018/19 were approved by the Board on 8 March 2018.

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Directors' Annual Report (continued)

Chief Executive

The Chief Executive is responsible for the day to day management of the affairs of the charity and for implementing the policies and operational plans as agreed by the Governance Board. Between meetings of the Governance Board, the Chief Executive reports to the Chairman. The Chief Executive is assisted by a group of senior managers – the Strategic Leadership Team (SLT), which includes the Deputy Chief Executive, the Director of Public Health, the Director of Care and Secondary Prevention and the Director of Engagement & Income Generation.

Group Structure

The charity has two wholly owned subsidiaries:

NI Chest Heart & Stroke Enterprises Limited

This company carried out non-charitable trading activities for the Charity and reported a surplus of £453 (2017 nil).

NI Chest Heart & Stroke Home Care Support Services Limited

This company was contracted to provide home care services on behalf of Sperrin & Lakeland Health & Social Care Trust and reported a loss of £113 (2017 loss of £113). This contract has ended.

Main Committees

The main committees of Northern Ireland Chest, Heart & Stroke are:

- Finance Committee
- Audit & Risk Committee
- Scientific Research Committee

The Audit & Risk Committee commissions internal audit to provide the Board and management with an independent objective opinion on risk management, control and governance. During the year ended 31/3/18 new Internal Auditors PricewaterhouseCoopers (PwC) were appointed following a competitive tendering process and they have completed their first year Report for the year ended 31/3/18 at the end of August 2018. The Audit & Risk Committee consists of five, three Board members and two non-Board members who are independent from the Governance Board.

Trustee Selection, Appointment & Competence

When a vacancy exists on the Board/Committees the office bearers and the Chief Executive identify the skill gaps and seek to identify an individual who can meet those needs.

In the first instance attempts are made to identify an individual from Northern Ireland Chest, Heart & Stroke Council, which represents all stakeholders (health professionals, representatives of fundraising support groups, clients and carers as well as business personnel). If this is not successful, a wider headhunting exercise is undertaken.

Competencies

The Directors include a cardiologist and a stroke physician. One of the Directors who is a respiratory consultant resigned on 17/10/17 and another respiratory consultant has been co-opted to the Board with a view to being appointed a director at the forthcoming AGM on 18/10/18. In addition, Directors include a senior director from the private sector in an engineering environment, a chartered accountant, a lecturer in strategic management, a former director of a major company in the travel industry, a senior lawyer and a senior human resource director.

Role of the Council

The Council constitutes the members of the organisation who are responsible for electing the Governance Board, for receiving the annual report and accounts of the organisation from the Governance Board and for electing the auditors.

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Directors' Annual Report (continued)

The Council Members have a role where individual members can act as advisors to the Chief Executive and the Strategic Leadership Team.

External Audit

At the Annual General Meeting on the 17 October 2017, Moore Stephens (NI) LLP were re-elected as external auditors for the period 2017/18. A tender process will be undertaken to appoint Auditors for the year ended 31 March 2019 audit.

Internal Audit

Following a competitive tendering process, PwC were appointed on 25/5/17 to provide an internal audit service for the 3 years to 31 March 2020.

PwC will perform an internal risk assessment each year which will assess the inherent risk and strength of the control environment. PwC will then prepare the internal audit plan each year based on the risk assessment and taking into account consultation with relevant members of management and the Audit & Risk Committee and the Committee Chairman Jim Collins.

The annual internal audit plan will be prepared using a rotation based approach where auditable units are subject to internal audit annually or less frequently based on risk. The internal audit risk assessment and plan will be submitted to the Audit & Risk Committee for approval. The internal audit risk assessment and plan may be varied on the basis of PwC findings, events or management requests and after consultation with relevant members of management or the Audit & Risk Committee to consider all pertinent matters.

The Internal Audit work will be performed in accordance with the PwC internal audit methodology, which is aligned to the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing. Following execution of each Internal Audit assignment, PwC will issue a draft and then a final written report which will include a rating for each finding based on the audit findings assessment framework. The final Internal Audit report will include management's comments and plans for addressing audit findings. A tracking process and following up of actions to address findings will also be undertaken.

PwC issued their final Internal Audit Report for 2017/18 on 30/8/18.

Investments Portfolio

The investment portfolio is managed by Cunningham Coates Stockbrokers who have been advised that the charity's primary aim is to preserve the value of investments against inflation with income generation being of secondary importance.

Consequently, the Trustees and the stockbrokers have agreed a low to medium risk spread of investments which is currently split no more than 60% equities, 40% fixed interest/government gilts. The Trustees have also instructed the stockbrokers not to invest in any company, organisation or fund with links to the tobacco industry. The Investment Policy is updated annually following discussion with the Finance Committee and was updated in May 2018.

The performance of the investments is monitored bi-annually by the Finance Committee through comparison with a range of standard indicators.

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Directors' Annual Report (continued)

Achievements & Performance

Northern Ireland Chest Heart & Stroke has a proud history stretching back more than 70 years. We are operating in an era of increased scrutiny, major changes to the health service, reduced public funding, new technology and a challenging economic environment. Despite these challenges, demand for our services is increasing.

In Northern Ireland

- 13 people every day have a heart attack;
- 74,000 people are living with Coronary Heart Disease;
- 10 people suffer a stroke every day;
- there are 36,000 people alive who have survived either a stroke or a ministroke (TIA);
- 35,000 people are living with Atrial Fibrillation (AF), a condition often with no symptoms that is easily detected and easily treated. AF sufferers are 4 to 5 times more likely to have a stroke;
- 40,000 people are living with the serious lung disease COPD;
- 120,000 are living with asthma

In addition to the above, it is also worth noting that :

- 36% of the NI population are overweight (27% obese);
- 264,000 are living with high blood pressure;
- 2,300 die each year from smoking and a further 290 from alcohol.

It is also unacceptable that the life expectancy of homeless men and women is 47 and 43 respectively.

In addition to the obvious human loss and suffering caused by these illnesses there are also devastating social and economic costs. It is clear that, more than ever, Northern Ireland needs NI Chest Heart & Stroke to offer hope and lead the fight against chest, heart & stroke illness in Northern Ireland

Care Services

During 2017/18, our Care Services team provided support to over 3,600 people. We have developed and rolled out an Impact Framework Model but we already knew that our services were of excellent quality and highly valued based on feedback from our service users, their family and friends. Service Users speak glowingly about our Taking Control, Stroke Family Support and PREP programmes. There are thousands of people who have had their lives drastically improved as a result of attending services provided by Northern Ireland Chest Heart & Stroke.

During 2017/18 we also delivered several other major projects in the background that will dramatically improve the services that clients receive in the future, projects like the Pre Consultation for Reshaping of Stroke Services, and the implementation of our new Care Services database.

Prevention Services

During 2017/18 we delivered over 4,000 health checks, we developed and delivered our Well Team Workplace programme, visited 1,600 schoolchildren to deliver our Chester's programme and delivered our Health & Homeless service to over 1,000 people.

Well NI is the name used to describe our health promotion work which seeks to support people in enjoying healthy and active lives that will enhance their overall wellbeing. Our aim is to raise awareness of personal risk, encourage healthy choices and offer support to make healthy lifestyle changes. Our work is focused on developing **Well Communities, Well Schools and Well at Work** so that all people in Northern Ireland benefit from a healthier lifestyle.

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We have a range of tailored programmes to improve people's lives by inspiring and supporting lifestyle changes in a personalised way. **Well Checks** assess cardiovascular risk factors such as blood pressure, cholesterol and body composition. **Well Talks** are interactive talks on a range of topics including, healthy eating, stress and smoking. **Well You** is a 12 week programme, including two Well Checks, which aims to support and encourage people to make lifestyle changes. **Well Mind** is a workplace training course which aims to increase knowledge of stress and its impact on health and provide practical tools to manage personal stress levels. **Well Team** is a PHA funded programme which supports organisations within the Northern Trust area, to develop an action plan to improve staff health and wellbeing.

Health and Homeless

NICHHS's Health and Homeless Service, funded by the health service, delivers cooking and nutrition programmes at hostels in the Belfast and South Eastern Trust areas. In the past year NICHHS has developed its own cookery resource called 'Cook Healthy Stuff' which is proving very popular. Three recipe books have been created with residents and service users at three different locations, each of which had slightly different needs and interests. Each recipe was tested by the residents' groups and each booklet signed off by the Community Dieticians Service and the Senior Cardiac Nurse Specialist. 'Store Cupboard Recipes' was developed with a Simon Community Hostel in Belfast where residents, mostly young men, wanted to learn to cook healthily on tight budgets.

Research & Advocacy

During 2017/18 we spent over £500k locally on high quality research, bringing our total expenditure since 1994 to over £6.6 million enabling us to fund 89 research projects in total. Despite the absence of a functioning local Assembly, we continue to try and influence policy decision makers by organising awareness events. We are currently focusing on Atrial Fibrillation (AF) and lack of high quality PE in Schools.

To support all this activity we have an Engagement and Income Generation team that are targeted with raising in excess of £4m a year, a marketing and communication team to keep our profile high and raise awareness of all these illnesses and a corporate services team to provide and support the necessary infrastructure.

Plans for future periods

Over the next 5 years we want to :

- contribute to a 25% decrease in the number of deaths from preventable chest heart & stroke illnesses in Northern Ireland;
- double the number of people who will benefit from our care and prevention services.

We have recently completed a review of the Care Services department with a view to expanding our services and the recruitment drive has started.

Within Care Services, we want to :

- double the number of service users in Breathing Better;
- deliver Stroke Family Support across all Trust areas and increase total referrals by 25%;
- extend PREP services to 3 more locations, and
- increase Taking Control referrals to over 1,000 pa.

Within Prevention Services, Over the next 5 years we want to :

- expand Chester's Challenge;
- expand the Health & Homeless service;
- triple the number of health talks and triple the number of health checks we carry out.

We want to see at least £2m invested in high quality local research over the next 5 years.

We want to see chest, heart & stroke conditions at the heart of government policy agenda.

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Our Engagement & Income Generation Team will be supported to help them raise the huge amount of money we need to fund all this existing and increased activity, which will require us to raise over £20m. We will continue to engage and grow our audience and much valued supporters.

Volunteers

Volunteers within Northern Ireland Chest Heart and Stroke are immensely important in the delivery of our services. As such they are involved in every aspect of what we do and are crucial to connect us to local communities. As NICHHS places a high value on the contribution of its volunteers, we strive to ensure that the volunteering experience is the best it can possibly be. Our efforts have not gone unnoticed and we are pleased to have held the 'Investing in Volunteers' (IIV) award, which is the UK quality standard for good practice in volunteer management, for over seven years. As a result of consultation, NICHHS has developed a series of defined roles each with specific responsibilities that not only help the charity deliver its aims and objectives but which also offers real value to those who volunteer. Roles are diverse and include a wide variety such as Governance Board member, care services support and fundraising. NICHHS ambassadors exist to raise awareness of NICHHS within local communities and office-based volunteers support departments with various administration tasks. We also offer occasional volunteer opportunities to help us with leaflet drops, events or to count money. NICHHS would like to take this opportunity to thank its amazing volunteer team for their ongoing commitment, dedication, help and support.

Staff

As a voluntary sector organisation, one of the most important investments we make is in our people, so we were delighted to achieve Investors in People accreditation in September 2016. By embracing the new sixth generation of the world-recognised standard, our senior management team and staff have made a commitment to strive towards the very best in people management excellence and to make NICHHS a great place to work. Living to a set of values that is consistent with the philosophies of NICHHS has been fundamentally important in supporting and inspiring our people. For many, this values-driven culture is a key element of what makes NICHHS a special place to work. People demonstrate how they experience the values personally and strive to act as role models, applying them on a daily basis in their relationships with service users and colleagues; treating people with dignity and respect; supporting people to be involved in their communities; taking responsibility for actions; and being honest, open and accountable. In short, achieving our charitable aims to the highest possible standard. Our collaborative working style has brought together staff from across departments, and built a strong sense of team identity. We are lucky to have attracted and retained a resilient and talented workforce, and have many long-serving members of staff, some who have been with us for more than 30 years, clear evidence that NICHHS is a special place to work, with a climate of positivity, characterised by optimism, mutual supportiveness and good humour.

Supporters

The generosity of individuals across Northern Ireland continues to be the cornerstone of our income generation at NICHHS. We would like to thank each and every one of our supporters. Your commitment to supporting our life enhancing services and life-saving research is inspirational.

Income

Most income streams continue to be under pressure but despite this NICHHS did however experience small growth in voluntary donations in comparison to the previous year. New income generation initiatives, tenders and health related services that generate income continue to be piloted and sought after, in order to redress the overreliance on legacy income. The level of legacy income decreased during the year ended 2018 but still represents a significant portion of our income for the year.

Other Income

The charity continues to receive valuable rental income from an advertising screen and ATM machine at the premises on Dublin Road, Belfast.

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Unrestricted Reserves

The charity's reserves policy is to maintain a level of resources which matches the needs of the organisation both at the current time and in the foreseeable future. The reserves required should be sufficient to cover funds invested in land and buildings plus six months unrestricted expenditure.

Our reserves as at 31 March 2018 exceed this level by £1,606,477 mainly as a consequence of better than expected receipts from legacies during the last two years. The Trustees have agreed to increase our charitable expenditure over the next 3 – 5 years in a measured and targeted fashion, in line with the priorities set out in our 2018-2023 Strategic Plan, in order to reduce our reserves to the level set out in our reserves policy.

Investments

The charity has engaged Cunningham Coates Stockbrokers to manage a discretionary portfolio.

As at 31 March 2018 the market value of investments had decreased to £2,570,347 (2017 £2,649,744). No investment is made in any company or organisation which has links to the tobacco industry or which is otherwise in conflict with the ethos and aims of the charity.

The approximate gross annual income from the portfolio is £73,759 (2017 £68,730) which represents a yield of 2.87% (2017 3.68%).

Pensions

The charity operates a defined contribution pension scheme for the benefit of its permanent staff wishing to participate. The assets are administered by insurance companies in personal pension plans and are held independently from those of the charity. The Charity also provides a NEST scheme which staff may wish to participate in. Contributions are charged to the Statement of Financial Activities in the period to which they relate. The Charity is auto enrolment compliant.

Results

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

Responsibilities of the Directors

The Directors are responsible for preparing the Directors' Annual 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity 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 estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with

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Directors' Annual Report (continued)

Companies Act 2006. The Directors are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or any other irregularities.

In so far as the Directors are aware:

- There is no relevant audit information of which the charity's auditors are unaware; and
- The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

A resolution to appoint auditors following a competitive process will be proposed at the Annual General Meeting.

BY ORDER OF THE DIRECTORS



DECLAN CUNNANE FCA
COMPANY SECRETARY

Date: 18th October 2018

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Independent Audit Report to the Members of Northern Ireland Chest Heart & Stroke

Opinion

- We have audited the accounts of Northern Ireland Chest, Heart & Stroke (the 'Charity') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, 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 accounts:
 - give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, 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 Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 Trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the Trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Charity'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 accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

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Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

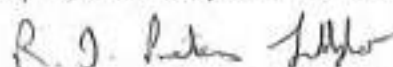
In preparing the accounts, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the company or to cease operations, or have no realistic

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.



18th October 2018

Dr R I Peters Gallagher OBE FCA (Senior Statutory Auditor) 4th Floor Donegall House
for and on behalf of Moore Stephens (NI) LLP 7 Donegall Square North
Chartered Accountants Belfast
Statutory Auditor BT1 5GB

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Statement of financial activities (incorporating the income and expenditure account)

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2018	Total Funds 2017
		£	£	£	£	£
Income and endowments from:						
Donations and legacies	1	2,979,244	-	-	2,979,244	3,473,312
Income from investments	2	75,236	-	-	75,236	70,313
Income from charitable activities	3	581,068	-	-	581,068	529,715
Total income and endowments		3,635,548	-	-	3,635,548	4,073,340
Expenditure on:						
Expenditure on raising funds	4	(702,374)	-	-	(702,374)	(827,722)
Expenditure on charitable activities	5	(2,550,542)	(123,000)	-	(2,673,542)	(2,518,454)
Net gains/(losses) on investments	9	(66,922)	-	-	(66,922)	199,628
Net gains/(losses) on disposals		(12,000)	-	-	(12,000)	-
Total resources expended		(3,331,838)	(123,000)	-	(3,454,838)	(3,146,548)
Net income/(Expenditure)		303,710	(123,000)	-	180,710	926,792
Net movement in funds		303,710	(123,000)	-	180,710	926,792
Total funds brought forward		4,033,150	123,000	-	4,156,150	3,229,358
Total funds carried forward		4,336,860	-	-	4,336,860	4,156,150

The Statement of Financial Activities includes all gains and losses in the year and therefore a Statement of Total Recognised Gains and Losses has not been prepared.

All of the above amounts relate to continuing activities.

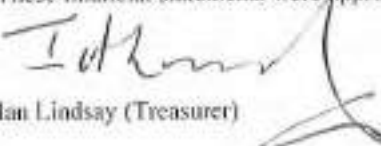
The accompanying accounting policies and notes form part of these financial statements.


**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2018**

Balance sheet

		2018	2017
	Note	£	£
Fixed assets			
Tangible assets	8	980,666	1,041,663
Investments	9	2,570,347	2,649,744
		<u>3,551,013</u>	<u>3,691,407</u>
Current assets			
Debtors	11	221,863	85,992
Cash at bank and in hand		1,880,977	1,534,529
		<u>2,102,840</u>	<u>1,620,521</u>
Creditors: amounts falling due within one year	12	(573,329)	(598,047)
Net current assets		<u>1,529,511</u>	<u>1,022,474</u>
Total assets less current (liabilities)/assets		<u>5,080,524</u>	<u>4,713,881</u>
Creditors: amounts falling due after more than one year	13	(743,664)	(557,731)
Net assets		<u>4,336,860</u>	<u>4,156,150</u>
Funds			
Unrestricted income funds	14	4,336,860	4,033,150
Restricted funds	15	-	123,000
Total funds		<u>4,336,860</u>	<u>4,156,150</u>

These financial statements were approved by the Directors on 18th October 2018 and are signed on their behalf by:


Ian Lindsay (Treasurer)


Professor MPS Varna (Chair)

Company Registration Number: NI018889

The accompanying accounting policies and notes form part of these financial statements.

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2018**

Statement of Cash Flows

	Note	2018 £	2017 £
Cashflows from operating activities			
Cash generated from operations	17	265,492	812,230
Net cash inflow/(outflow) from operating activities		<u>265,492</u>	<u>812,230</u>
Investing activities			
Investment income		75,236	70,313
Purchase of tangible fixed assets		(6,755)	(20,923)
Acquisition of investments		(58,975)	(387,414)
Disposal of investments		1,412	300,000
Net monies transferred to client monies account less fees		<u>70,038</u>	<u>(652,837)</u>
Net cash from investing activities		<u>80,956</u>	<u>(690,861)</u>
Increase/(decrease) in cash and cash equivalents in the year		346,448	121,369
Cash and cash equivalents at the beginning of the year		1,534,529	1,413,160
Cash and cash equivalents at the end of the year		<u>1,880,977</u>	<u>1,534,529</u>
Relating to:			
Cash at bank and in hand		<u>1,880,977</u>	<u>1,534,529</u>

The accompanying accounting policies and notes form part of these financial statements.

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2018**

Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard which applies in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Consolidation

The charity has taken advantage of the exemption provided by Section 405(2) of the Companies Act 2006 not to prepare group accounts.

The Directors do not consider the cost of preparing consolidated accounts justifiable and note 12 provides adequate details relating to the nature of the trading subsidiaries.

Income recognition

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

The principal source of income comprises voluntary donations and legacies. Other income includes income from listed investments and grants received from health boards.

Interest Receivable

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

Resources Expended

All expenditure is accounted for on an accruals basis and is classified under headings that aggregate all costs related to the category.

Fundraising costs include the costs of advertising, producing publications, printing and mailing fundraising material, and staff costs in these areas.

Costs of charitable activities include direct expenditure incurred through the provision of research grants and operational activities. Research grants are recognised as expenditure at the time of approval when the recipient is notified of the grant.

Governance costs represent the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity.

Fixed Assets

All tangible fixed assets are recorded at cost. Listed investments are stated at market value.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Health Equipment	- 10% straight line
Fixtures & Fittings	- 10% straight line
Motor Vehicles	- 20% straight line
Leasehold Property	- 2.5% straight line
Computer Equipment	- 25% straight line

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2018**

Accounting Policies (continued)

Repairs & Renewals

All repairs and renewals are written off as incurred.

Pension Costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

Investments

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of financial activities in the year of disposal. Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Debtors

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

Creditors & Provisions

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

Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Fund Accounting

Unrestricted funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside by the trustees out of unrestricted general funds for specific future purposes.

Restricted funds are those given for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Reserves Policy

Unrestricted funds are needed to provide funds which can be applied to specific projects to enable these projects to be undertaken at short notice and to cover the running costs of the Charity for a limited period, should there be a significant shortfall in projected income.

The Directors consider it prudent that unrestricted reserves should be sufficient to avoid the necessity of realising fixed assets held for the Charity's use and to cover six months unrestricted expenditure. The level of unrestricted funds needed for these purposes are shown as designated funds.

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2018**

Notes to the Financial Statements

1. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Donations				
Voluntary Donations	1,574,047	-	1,574,047	1,499,793
Legacies				
Legacies – unrestricted	1,405,197	-	1,405,197	1,850,519
Legacies – restricted	-	-	-	123,000
	<u>2,979,244</u>	<u>-</u>	<u>2,979,244</u>	<u>3,473,312</u>

2. Income from investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Income from UK listed investments	73,759	-	73,759	68,730
Income from cash	1,477	-	1,477	1,583
	<u>75,236</u>	<u>-</u>	<u>75,236</u>	<u>70,313</u>

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Other income from provision of Health services	66,785	-	66,785	86,681
Other charitable income	23,667	-	23,667	23,000
Grants from health trusts	459,541	-	459,541	420,034
Other income	31,075	-	31,075	-
	<u>581,068</u>	<u>-</u>	<u>581,068</u>	<u>529,715</u>

The other income above relates to a Research and Development tax credit received from HMRC.

4. Expenditure on raising funds

	Unrestricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Appeal costs	558,376	558,376	629,705
Support costs	143,998	143,998	198,017
	<u>702,374</u>	<u>702,374</u>	<u>827,722</u>

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2018**

Notes to the Financial Statements (continued)

5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Stroke services	1,050,744	-	1,050,744	987,771
Research	307,672	123,000	430,672	354,076
Primary Prevention	518,803	-	518,803	484,719
Advocacy	401,187	-	401,187	413,529
Cardiac services	57,914	-	57,914	68,439
Counselling & welfare	14,625	-	14,625	12,361
Respiratory services	186,745	-	186,745	188,740
	<u>2,537,690</u>	<u>123,000</u>	<u>2,660,690</u>	<u>2,509,635</u>
Governance costs	12,852	-	12,852	8,819
	<u>2,550,542</u>	<u>123,000</u>	<u>2,673,542</u>	<u>2,518,454</u>

6. Net (outgoing)/incoming resources for the year
This is stated after charging/(crediting)

	2018 £	2017 £
Staff pension contributions	34,879	39,710
Depreciation	55,752	67,334
Auditors' remuneration:		
External Audit services	5,000	5,000
Internal Audit Services	7,852	3,819
	<u></u>	<u></u>

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2018**

Notes to the Financial Statements (continued)

7. Staff costs and emoluments

Total staff costs were as follows:

	2018 £	2017 £
Wages and salaries	1,562,664	1,559,120
Social security costs	132,005	132,575
Other pension costs	34,879	39,710
	<u>1,729,548</u>	<u>1,731,405</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2018	2017
Number of staff	<u>64</u>	<u>63</u>

The number of employees whose remuneration for the year fell within the following bands were:

£50,000 to £59,999	<u>1</u>	<u>1</u>
£60,000 to £69,999	<u>1</u>	<u>1</u>
£70,000 to £79,999	<u>-</u>	<u>-</u>

The key management personnel of the charity comprise the Directors, Chief Executive, Deputy Chief Executive and the Senior Management Team. The total employee benefits of the key management personnel of the charity were £279,103 (2017: £341,463)

8. Tangible fixed assets

Cost	Computer Equipment £	Health Equipment £	Fixtures & Fittings £	Motor Vehicles £	Leasehold Property £	Total £
At 1 Apr 2017	261,665	38,460	156,276	11,827	1,311,493	1,779,721
Additions	6,253	502	-	-	-	6,755
Disposals	(11,220)	-	(26,188)	-	-	(37,408)
At 31 Mar 2018	<u>256,698</u>	<u>38,962</u>	<u>130,088</u>	<u>11,827</u>	<u>1,311,493</u>	<u>1,749,068</u>
Depreciation						
At 1 Apr 2017	240,874	25,352	120,929	11,827	339,076	738,058
Charge for the year	13,013	1,767	8,685	-	32,287	55,752
Disposal	(8,411)	-	(16,997)	-	-	(25,408)
At 31 Mar 2018	<u>245,476</u>	<u>27,119</u>	<u>112,617</u>	<u>11,827</u>	<u>371,363</u>	<u>768,402</u>
Net book value						
At 31 Mar 2018	<u>11,222</u>	<u>11,843</u>	<u>17,471</u>	<u>-</u>	<u>940,130</u>	<u>980,666</u>
At 31 Mar 2017	<u>20,791</u>	<u>13,108</u>	<u>35,347</u>	<u>-</u>	<u>972,417</u>	<u>1,041,663</u>

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2018**

Notes to the Financial Statements (continued)

9. Investments

Movement in market value

	2018 £	2017 £
Market value at 1 Apr 2017	2,649,744	1,709,865
Acquisitions at cost	58,975	387,414
Disposals at market value	(1,412)	(300,000)
Net profit/(loss) on revaluation for the year ended 31 March 2018	(66,922)	199,628
Net monies transferred to client monies account less fees	(70,038)	652,837
Market value at 31 Mar 2018	2,570,347	2,649,744
Historical cost at 31 Mar 2018	1,705,897	1,659,477

10. Analysis of investments at 31 Mar 2018 between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £	Total Funds 2017 £
Listed investments					
Government Securities And Corporate Bonds	963,082	-	-	963,082	961,703
Equities	1,602,165	-	-	1,602,165	1,682,941
Other investments					
UK group undertakings	5,100	-	-	5,100	5,100
	2,570,347	-	-	2,570,347	2,649,744

Listed investments are stated at market value.

Subsidiary undertakings

Details of the company's subsidiaries at 31 March 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect	Cost of Investment
Northern Ireland Chest Heart and Stroke Enterprises Limited	United Kingdom	Retail sale of cards and gifts	Ordinary	100%	-	£5,000
NICHHS Home Care Support Services Limited	United Kingdom	Home care support services	Ordinary	100%	-	£100

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Northern Ireland Chest Heart and Stroke Enterprises Limited	453	15,809
NICHHS Home Care Support Services Limited	(113)	2,099

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2018**

Notes to the Financial Statements (continued)

11. Debtors

	2018	2017
	£	£
Trade debtors	169,773	55,318
Other debtors	33,549	11,216
Prepayments	18,541	19,458
	<u>221,863</u>	<u>85,992</u>

12. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	180,773	133,751
Amounts owed to group undertakings	12,979	13,205
Taxation and social security	43,061	35,703
Research grant commitment	265,029	329,218
Accruals	71,487	86,170
	<u>573,329</u>	<u>598,047</u>

13. Creditors: Amounts falling due after more than one year

	2018	2017
	£	£
Research grant commitment	<u>743,664</u>	<u>557,731</u>

14. Unrestricted income funds

	Balance at 1 Apr 2017	Incoming Resources	Outgoing Resources	Balance at 31 st Mar 2018
	£	£	£	£
Designated Fund - Fixed Assets	1,041,663	-	(60,997)	980,666
Designated Fund - Six months unrestricted expenditure	1,749,717	-	-	1,749,717
General Funds	1,241,770	3,568,243	(3,203,536)	1,606,477
	<u>4,033,150</u>	<u>3,568,243</u>	<u>(3,264,533)</u>	<u>4,336,860</u>

15. Restricted income funds

	Balance at 1 Apr 2017	Incoming Resources	Outgoing Resources	Balance at 31 st Mar 2018
	£	£	£	£
General Funds	<u>123,000</u>	<u>-</u>	<u>(123,000)</u>	<u>-</u>

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2018**

Notes to the Financial Statements (continued)

16. Analysis of net assets between funds

	Tangible Fixed Assets £	Investments £	Net assets/ (liabilities) £	Total £
Unrestricted Funds	980,666	2,570,347	785,847	4,336,860
Restricted Funds	-	-	-	-
Total Funds	<u>980,666</u>	<u>2,570,347</u>	<u>785,847</u>	<u>4,336,860</u>

17. Reconciliation of operating profit to net cash flow from operating activities

	2018 £	2017 £
Operating Profit/(Loss) for the year	180,710	926,792
Depreciation	55,752	67,334
Movement in debtors	(135,871)	(10,444)
Movement in creditors	161,215	98,489
Gain on investment	66,922	(199,628)
Loss on disposal of Fixed Assets	12,000	-
Investment income	(75,236)	(70,313)
Net cash inflow from operating activities	<u>265,492</u>	<u>812,230</u>

18. Company Limited by Guarantee

The liability of each member is limited to one pound each. There were 38 members at 31 March 2018.

19. Capital Commitments

At the year end there were no capital commitments (2017: £nil).

20. Trustees Remuneration & Related Party Transactions

No trustees received any remuneration during the year (2017: £nil).

Trustees received reimbursement for expenses during the year amounting to £315 (2017: £612)

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2017: £nil).

The company has taken advantage of the exemption not to disclose related party transactions with other members of the group under FRS 102 - Related Party Disclosures, as they are wholly owned subsidiaries.