

Northern Ireland Chest, Heart & Stroke

(Company Limited by Guarantee)

Financial Statements

For the year ended 31 March 2017

Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017

Members of the Board & Professional Advisers

Registered Charity Name	Northern Ireland Chest, Heart & Stroke
Charity Number	NIC 103953
Company Registration Number	NI 18889
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 Dr J Kidney MB BCh BAO FRCPI MD Mr M Mulholland Ms C Donnelly Mr J Scholes Mr T Earley
Secretary	Mr D Cunnane FCA
Investment Managers	Cunningham Coates Stockbrokers The Linenhall 32-38 Linenhall Street Belfast BT2 8BG

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

Members of the Board & Professional Advisers (continued)

Bankers

Bank of Ireland
Belfast City Branch
Belfast
BT1 2BA

Santander Corporate Banking
Bridle Road
Bootle
Merseyside
L30 4GB

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

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

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

Contents

	Pages
Strategic Report	5-6
Directors' Annual Report	7-19
Report of the independent auditors to the members	20-21
Statement of financial activities (incorporating the income and expenditure account)	22
Balance sheet	23
Cash flow statement	24
Accounting policies	25-27
Notes to the financial statements	28-33

Northern Ireland Chest, Heart & Stroke Company Limited by Guarantee Financial Statements for the year ended 31 March 2017

Strategic Report

The Trustees, who are also Directors for the purposes of company law, present their strategic report for the year ended 31 March 2017.

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 education 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 2017 the charity had net incoming resources on its financial activities of £727,164. This surplus was increased by an unrealised gain, arising from the increase in market value of investments during the year of £199,628, (2016 unrealised loss £158,822) giving a net surplus of £926,792 (2016 £542,989). The Directors consider this to be a positive outcome given the current economic environment.

Total incoming resources have increased to £4,073,340 (2016 £4,042,609) due to legacy income remaining similar at £1,973,519 (2016 £2,042,023) with other voluntary donations remaining steady at £1,499,793 (2016 £1,432,169).

Total resources expended by the charity, including care services and grants, have decreased slightly to £3,146,548 (2016 £3,399,620).

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 adopting a Risk Policy, identifying, assessing and evaluating risks using a Risk Framework and regular monitoring and assessment of risk management by the Audit and Risk Committee.

Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017

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: 17th October 2017

Northern Ireland Chest, Heart & Stroke

Company Limited by Guarantee

Financial Statements for the year ended 31 March 2017

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 2017. 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

Professor P Nicholls MD DSc FRCP FESC

Resigned 28th September 2016

Mrs A Hayes MBE

Resigned 28th September 2016

Dr J Kidney MB BCh BAO FRCPI MD

Dr Enda Kerr MB BCh BAO MRCP

Resigned 8th December 2016

Mr Martin Mulholland

Ms Christine Donnelly

Mr J Scholes

Mr T Earley

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 2017/18 were approved by the Board on 7 March 2017.

Northern Ireland Chest, Heart & Stroke Company Limited by Guarantee Financial Statements for the year ended 31 March 2017

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 Senior Management Team (SMT), which includes the Deputy Chief Executive, the Director of Public Health, the Director of Care and Secondary Prevention and the Director of 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 £nil (2016 surplus of £198).

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 (2016 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 March 2017 two new members were appointed to the Audit & Risk Committee and these two members are also independent from the Governance Board. One of these members subsequently resigned on 28/3/17.

Trustee Selection, Appointment & Competence

When a vacancy exists on the Board the office bearers and the Chief Executive identify the skills gaps on the Board 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 respiratory physician. One of the Directors who is a stroke physician resigned on 8/12/16 and another stroke physician has been co-opted to the Board with a view to being appointed a director at the forthcoming AGM on 17/10/17. 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.

Northern Ireland Chest, Heart & Stroke Company Limited by Guarantee Financial Statements for the year ended 31 March 2017

Directors' Annual Report (continued)

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

External Audit

At the Annual General Meeting on the 28 September 2016, Moore Stephens (NI) LLP were re-elected as external auditors for the period 2016/17. A tender process will be undertaken to appoint Auditors for the year ended 31 March 2018 audit.

Internal Audit

Finegan Gibson Ltd were appointed to provide an internal audit service for the 3 years to 31 March 2017. The scope of internal audit included examining and evaluating relevant activities to help Management and the Audit & Risk Committee assess whether NICHs's process of internal control provides reasonable assurance that objectives will be achieved in the following areas:

- Effectiveness and efficiency of operations.
- Reliability of financial reporting.
- Compliance with laws and regulations.

Finegan Gibson Ltd carried out an Audit Needs Assessment in December 2013, which identified key systems and their associated risks. Finegan Gibson completed their 3 year Internal Audit service and issued their final report to the Audit & Risk Committee dated 16 February 2017. The 3 year Internal Audit covered general financial controls, procurement and value for money, governance and corporate risk management, business continuity and disaster recovery, fraud, other income, interpretation of funder regulations, bank and cash, fixed assets, management information and key performance indicators. Their audit opinion in respect of the controls operated in each of these areas was satisfactory or better. To further strengthen controls they made recommendations for improvement that were accepted by the Audit & Risk Committee and are being implemented by staff.

During the 3 year Internal Audit and after a competitive tendering process, Finegan Gibson was appointed to prepare a Financial Procedures Manual for NICHs. This was completed in September 2015.

New Internal Auditors (PricewaterhouseCoopers) have been appointed with effect from 15 May 2017 to provide Internal Audit Services for the next 3 years following a competitive tendering process.

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.

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

Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017

Directors' Annual Report (continued)

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 the past 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. These values articulate those things that we genuinely believe in – *caring, excellence, integrity and inclusion*. 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.

Chronic Obstructive Pulmonary Disease, COPD

In February 2014, Frank Johnston was diagnosed with COPD. Experiencing exacerbations or crises every six weeks, he had given up on having an ordinary life until NICHHS stepped in.

Frank had smoked heavily for most of his life but had actually given up six months before his diagnosis. This is something that is not unusual. Once your lungs are breathing fresh air, the damage sometimes reveals itself and breathing can become more difficult.

Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017

Directors' Annual Report (continued)

Every five or six weeks Frank would have an exacerbation or crisis during which he would be pumped full of antibiotics and steroids, knowing that if they didn't work, he would end up in A&E, unable to breathe. Going through an exacerbation was a terrifying experience and a horrible thing for his family to see. At the time he couldn't sleep lying down finding it very difficult to breathe and resorted to sleeping upright in a chair. He was forced to give up his passion, golf, and admits to becoming a bit of a couch potato "waiting for the end". He recalls the day that things began to change. "One day, when I was at the doctor's picking up a prescription for my usual haul of inhalers and medicines, I noticed a poster from Northern Ireland Chest Heart & Stroke. I called Pauline Millar, NICHs's Respiratory Support Co-ordinator, and she was at my house the next day, explaining how they could help.

"She suggested their 'Taking Control' Self Management Programme. She said that although COPD can't be cured, it can be managed. I didn't believe her. However, it was a remarkable experience. Soon, infected by the boundless enthusiasm of the NICHs team, we were setting bigger and bigger goals, gaining strength from each other, making long term friends... all emerging from the dark. I went on the Programme as a complete sceptic, a man waiting to die, and left as a man who goes to the gym six times a week! I have taken up Tai Chi which focuses on abdominal breathing and helps me to use all of my lungs. COPD is a progressive condition and yet my lung function has improved by 10%. My lungs aren't getting better, but the exercise means that they are better able to use the oxygen in the air I breathe.

"I am also back playing golf. I can't walk the full course and have to use a buggy, but getting back to my favourite hobby has been very important to me. It has been a complete transformation. I have not had any exacerbations for two years now, and since completing the Self Management Programme, I have had no problems sleeping in bed, lying down, like normal.

"I have gone from a very dark place to having a future. Two years ago I started what I call my "death diary" noting all the financial and practical information that my family might need after I am gone. I didn't finish it – I've decided it can wait a while longer!"

Post Rehabilitation Exercise programme, PREP

Our Post Rehabilitation Exercise programme, PREP, which began in 2010 in the Southern Trust, now runs across all of Northern Ireland. It offers stroke survivors, who have finished their statutory rehabilitation, the opportunity to continue rehab through weekly exercise classes, which run alongside education sessions, designed to help people understand their stroke and make any necessary lifestyle changes to prevent another.

Noelene Hughes, Area Services Manager for Northern Ireland Chest Heart & Stroke, was involved in the development of PREP in the Southern Trust and has managed the subsequent roll out. She explains, "Each PREP is organised by one of our NICHs co-ordinators and sessions are led by a physio, but we also need volunteers for each PREP group and this was one of the challenges as each new location was introduced.

However, we soon started to see a trend emerging... PREP attendees who never leave! One by one, across the country, stroke survivors who have completed PREP have stayed on to volunteer. These volunteers bring an extra dimension – not only are they able to practically help stroke survivors taking part in PREP, they can understand what they are going through in a way that the coordinators and physios simply can't."

Northern Ireland Chest, Heart & Stroke Company Limited by Guarantee Financial Statements for the year ended 31 March 2017

Directors' Annual Report (continued)

Stroke

Busy mum Lisa Lecky was looking forward to having her second child, a little sister or brother for one year old Conor. She had a happy family life and a fulfilling job. She kept herself fit and healthy, jogging most days, playing badminton and practising yoga. However, on 4 March 2015, while out jogging, Lisa suffered a life-changing brain haemorrhage from a ruptured aneurysm. She underwent initial brain surgery to stop the bleeding and further surgery to remove part of her skull to relieve the swelling in her brain. Unfortunately, following surgery, Lisa suffered a stroke.

She doesn't remember much about those few weeks, but she knows that the Royal Victoria Hospital gave her and her unborn child exceptional care. Lisa explained: "When I came round, I was extremely agitated, not only for my baby, but also for my one year old son at home. I missed him dreadfully and I worried about the effect of suddenly going missing from his young life. It was heartbreaking.

"Because I was pregnant, I presented an extra challenge to the teams in the Royal Victoria Hospital and later the brain injury unit, RABIU, at Musgrave Park Hospital, at first to keep me and my unborn child as healthy as possible and later in terms of my rehabilitation. As my bump grew, and my centre of gravity moved forwards, my exercises had to be adapted."

Eventually Lisa was discharged from Musgrave and was able to spend the final weeks of her pregnancy at home, before returning to the RVH for the safe delivery of her daughter Orla in September 2015. Looking after a new baby and a toddler is difficult for anyone, but for Lisa the situation presented additional challenges. "I wasn't able to lift or feed Orla. At what should have been a happy time for my family, I was worrying about how I could build a bond with Orla and also reconnect with Conor. When I got home from hospital, I had been 'away' for half his young life and had to rebuild my relationship with him.

"I put a lot of effort into my rehabilitation as much for my children's sake as my own. I've lost the use of my left arm permanently and I have limited mobility in my leg which means that I can't easily do some things other mums take for granted, such as just getting down on the floor to play with them." About five months after her stroke, the community stroke team put Lisa in contact with Northern Ireland Chest Heart and Stroke. She now attends the Belfast Young Stroke Activity Group, and has completed PREP – the Post Rehabilitation Exercise Programme. "I got so much out of PREP," Lisa said, "I absolutely loved it. I also loved seeing how much other people came on too, no matter what age they were. "I've now started a phased return to work, which is something some of my friends at the Young Stroke Activity Group have also done. I never thought I would be able to get back to work and at the moment I'm just building my hours up to see what I'm capable of. But it was very useful to be able to chat about the practicalities with other stroke survivors. "My next goal for the new year is to get back to driving. Again, my friends at the Young Stroke Activity Group are the ones pushing me to do it. They've told me what a difference that additional freedom and independence has made to their lives. I am a very determined person anyway, but the motivation and encouragement I get from the other group members has played a huge part in my journey."

Campaigning

Obesity

Obesity continues to be one of the most important public health challenges facing Northern Ireland. The NI Health Survey showed 25% of our children are either obese or overweight, which increases the risk of life threatening disease. Obesity affects individuals, communities, the economy and society as a whole. Children in Northern Ireland are the least active in the UK with only 43% getting 60 minutes of daily exercise. Only 8% of schools in NI supply their pupils with 2 hours of PE a week which, when compared to our Scottish counterparts where the figure is 98%, is totally inadequate. Being active lowers the risk of stroke by 27% and having a first heart attack by 40%.

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

Directors' Annual Report (continued)

Evidence shows that levels of physical activity in childhood are related to how active we are as adults. Northern Ireland will soon start to receive funds from the 'Sugar Levy' and NICHS is campaigning for some of this money to fund our primary schools kids getting at least two hours of PE a week to get them active for life.

Alcohol

No unit of alcohol is without risk. Alcohol causes abnormal heart rhythms, high blood pressure, and damage to the heart muscle and can lead to other conditions such as stroke and liver disease. Its calorie content is also high, possibly leading to obesity. NICHS fully supports the efforts of government to reduce alcohol consumption in the general population and the introduction of MUP policy for Northern Ireland. Minimum Unit Pricing (MUP) is a highly targeted measure which focuses on the price of cheap alcohol and aims to improve the health of the heaviest drinkers who experience the most amount of harm. MUP would have a negligible impact on moderate drinkers and the alcohol sold in pubs, bars and restaurants. NICHS hosted a seminar in March 2017 aimed at raising awareness of alcohol problems and the benefits of Minimum Unit Pricing policy. Neil Johnston, Public Affairs Adviser for NICHS, said "Opinion polling carried out by Millward Brown shows that 65% of people in Northern Ireland support the idea that the Assembly takes measures to control the sale of very cheap alcohol and we are pleased with this level of public support."

Smoking

Smoking is the main cause of preventable illness and premature death in Northern Ireland. Smoking causes around six deaths per day and 1 in 6 of all deaths are due to smoking (2014 data). Smokers are more likely to become unwell and die earlier than non smokers. On average, a smoker is robbed of 10-15 years of healthy life and their life span is shortened by about five minutes for each cigarette smoked. These figures are worse for people living in deprived areas because more people smoke in these areas. In the UK 15.5% of adults in England smoke; this figure is 16.9% in Wales; in Scotland it is 17.7%. Northern Ireland tops the table, with the highest in the UK at 18.1%, representing 243,000 people. Scotland has had ten times greater success in cutting smoking than NI. NICHS has lobbied hard to ensure that tougher retail laws, the Ban on Smoking in Cars carrying children and 'Plain Packs' have been introduced. We will continue to campaign for tough enforcement of these measures and for new policies, which we hope will encourage smokers to give up and future generations not to start smoking.

Baby Hearts Study

In August 2013, aged only 6 days old, Joe Degnan underwent heart surgery for congenital heart disease (CHD). Joe is one of over 200 babies born annually in Northern Ireland with congenital heart disease, approximately 50 of whom will have heart surgery in the first year of their lives.

Joe's story headlined our Christmas Appeal in 2013 which aimed to raise funds for ground-breaking research, led by Professor Helen Dolk, into the risk factors associated with Congenital Heart Disease (CHD). Thanks to the generosity of our supporters, we were able to fund The Baby Hearts Study – a total of £253,801. Professor Dolk explains: "The research looked at the environmental risk factors, including lifestyle factors, rather than genetic causes of congenital heart disease. However, it is rarely one factor alone that causes CHD. Usually a number of factors come into play – genetic predisposition and numerous environmental factors acting together. Our research looked at which environmental factors increase the risk of a baby being born with CHD." The research study was a partnership between Ulster University and the Royal Belfast Hospital for Sick Children. 286 mothers, whose babies had been diagnosed with congenital heart disease, took part in the study, along with 966 mothers, whose babies had not been diagnosed, who were recruited via 17 maternity unit sites across Northern Ireland. Each mother was asked questions about the three months before and after they became pregnant – questions about their lifestyle and diet, their health and any medication they were taking, home and work environments and any concerns they had during pregnancy.

Directors' Annual Report (continued)

Northern Ireland Chest, Heart & Stroke Company Limited by Guarantee Financial Statements for the year ended 31 March 2017

The researchers also used data from their maternity records, prescription records and, for the mothers whose babies had CHD, their hospital records. Now four years later, Professor Helen Dolk and her colleagues from Ulster University and RBHSC are sharing their findings. Professor Dolk explained: "The strongest associations with the risk of CHD that the Baby Hearts Study found were with: - Mother having a low level of education, - Stress – experiencing three or more stressful events in the three months before and after conception - Drinking fizzy or high energy drinks every day - Poor diet – in particular rarely eating fruits and veg"

2017 Research Grants

Each year NICHHS awards grants to a variety of research projects that are able to demonstrate clear and measurable benefits for the people of Northern Ireland. We are currently funding eight research projects at Queen's University Belfast and five at Ulster University including two stroke, seven cardiac and four respiratory projects. In 2017, we awarded £109,104 to the following new research projects:

- Using body tracking technology to develop novel movement-based training for stroke patients Dr Cathy Craig of Queen's University Belfast was awarded £59,104 to use low-cost body-tracking technology and interactive computer games to improve movement performance in stroke survivors. This research will involve members of the public and healthcare professionals to provide an informed understanding of how movement in computer games can be used effectively to improve treatment outcomes for stroke patients.
- Cessation in Pregnancy Incentives Trial (CPIT): A phase III Randomised Controlled Trial. Professor Frank Kee of Queen's University Belfast received £50,000 towards the Northern Ireland element of a UK-wide research project that will examine the effectiveness of offering financial vouchers to pregnant smokers as incentives to engage with smoking cessation services and quit during and after pregnancy. The local Public Health Agency and Cancer Research UK are also funding this research. In Northern Ireland, around 43% of women give up smoking before or during their pregnancy, while 18% of mothers continue to smoke during their pregnancy. This project will inform policymakers on whether financial voucher incentives work for smoking cessation in pregnancy and for primary prevention of cardiovascular disease and cancer.

Well NI

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.

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.

Directors' Annual Report (continued)

Northern Ireland Chest, Heart & Stroke Company Limited by Guarantee Financial Statements for the year ended 31 March 2017

This booklet includes tips for creating healthy meals for less money. Mary Walsh, a senior key worker at the Simon hostel, said: "This recipe book gives our residents the skills and confidence to prepare their own meals".

'Mediterranean Recipes' was developed the Mater Dei Hostel residents. This group, mainly young women, were interested in the 'Mediterranean Diet', as promoted in some celebrity blogs. As well as the recipes, the booklet also includes information about what a Mediterranean diet is and its heart health benefits. Pól Brennan, the manager of the Mater Dei hostel, said: "We are delighted to have been associated with the development of this resource as health and wellbeing are important to us at Depaul."

'Cook Healthy Stuff Recipe Book' was developed with Women's Aid service users at their drop in centre. This resource focuses on healthy versions of family favourites. Kathryn Schreuder, a co-ordinator for Women's Aid, said: "All of the work NICHS delivers is fantastic but this resource is amazing as it gives the women renewed interest in cookery and health."

Give Stress a Rest Campaign

In July 2016, an international research study, involving 27,000 people across 32 different countries, published its findings highlighting the 10 main risk factors for stroke. At number ten, alongside the risk factors we more commonly associate with stroke, such as high blood pressure, high cholesterol, smoking, poor diet and lack of exercise, was stress. Extended periods of stress can lead to high blood pressure that increases risk of blood clots and stroke. In addition to this, many people turn to drinking alcohol, smoking and comfort eating to cope with stress and these in themselves can increase risk of stroke.

In August 2016, NICHS commissioned its own survey which showed that two-fifths of people in Northern Ireland habitually feel stressed, with almost half of 35 to 64 year olds reporting "considerable stress levels on a regular basis". In October 2016, NICHS ran a month long campaign called Give Stress a Rest to highlight this risk factor. The campaign received excellent coverage on radio and across the daily papers and local online news websites, and went on to be nominated for an award at the Chartered Institute of PR Awards to be held in October 2017. Our online 'stress test', which can be found at www.nichs.org.uk/stresstest, was extremely popular, with almost 5,000 people completing it. The results showed that 13% of people had assessed themselves as having high levels of stress, and 56% with medium levels. Only 31% had low stress.

Armed with this information and the results of a further survey on how people cope with stress, we repeated the campaign from April to June 2017. We developed six short videos, equipping people with the tools to manage their stress. The videos, each showcasing a different stress management technique, have proved very popular on social media. They have also been integrated into Well Mind, our workplace training course focusing on the impact of stress and practical ways to manage it.

Schools Programme

Chester's Challenge is a three-week school programme which raises awareness and knowledge about food, exercise, smoking and alcohol for P5 children. It is offered to extended schools that are based in deprived areas in the Belfast and South Eastern Trust areas. It is our hope that the lessons learned through this fun, interactive programme will stay with children as they grow older. We are pleased that the lessons don't just stay in the classroom. Callum from Elmgrove Primary School in Belfast, took Chester's Challenge one step further. He went home and shared what he had learned with his family. He challenged his uncle on his consumption of high energy and fizzy drinks. He told his family about how much sugar is hidden in foods and how to read the food labels. And now when he goes to the shops with his granny, he checks the food labels for sugar, salt and fat.

Northern Ireland Chest, Heart & Stroke

Company Limited by Guarantee

Financial Statements for the year ended 31 March 2017

Directors' Annual Report (continued)

Fundraising

Each year we need more than £3m to fund our work. Around 80% of this comes from people who make individual donations or take part in fundraising events, as well as companies with whom we have charity partnerships. We only have room to mention a few of our supporters here, but would like to send a huge thank you to everyone who makes our work possible.

Red Dress Run

NICHHS's inaugural Red Dress Run took place at Stormont Estate on Saturday 11 February 2017 and was a great success. The 5/10k run had a wonderful atmosphere despite the rain, cold and even snow, with 335 people taking part to raise awareness of heart disease. The fun event had a very serious message – almost three times as many women in Northern Ireland are dying of heart disease than breast cancer.

The Red Dress Run, which was timed to coincide with Valentine's Day, really captured the imagination of the public with everyone donning a brilliant red outfit for the run. For one of NICHHS's supporters Julie McAllister, the day held special significance as it took place on the fifth anniversary of her having a heart attack when she was just 39. And it wasn't just women in dresses who joined the challenge; lots of men wearing their best red dresses pitched in too, adding to the fun! Red tutus, leg warmers, onesies and even wacky red costumes, made for a fantastic sea of colour at Stormont!

Causeway Cycling Sportive

A huge thanks to everyone who took part in our inaugural cycle sportive on 1 October 2016. Cyclists from all over NI joined us for the challenging 70km and 100km routes, taking in the best of the beautiful North Coast on what turned out to be a stunningly sunny day! An extra special thank you goes to Jeremy Gardiner, stroke survivor and Grand Fondo finalist, and David McCann, Olympian and Track Cyclist, for supporting the event and helping NICHHS reach over 20,000 people by producing a special awareness raising video.

5 Peaks Challenge

On the weekend of 10-11 September 2016, teams of walkers took on the highest peak in each county in NI in a non-stop timed race against the clock. The event, which was designed to be inclusive, was unique as only two members of each team had to conquer each mountain, which meant it was open to people of all physical abilities. Teams were made up of family, friends and colleagues and even a troop of scouts! The ultimate winners were the incredible Walkie Talkies, below, who blitzed the five peaks in an awe-inspiring time of just 22 hours 26 minutes! Congratulations to everyone who took part in this special event and a huge thank you to those who sponsored them.

Fundraising in the Community

It was another busy year for our Community Fundraising Team and Volunteer Ambassadors who attended a wide range of successful events and represented us at countless community presentations. A huge thank you goes out to everyone who organised an event for NICHHS

Corporate Partners

NICHHS receives support from many companies and organisations across Northern Ireland. These are just a small selection of the people we would like to thank.

- **Musgrave Retail Partners NI**, which incorporates Mace and MarketPlace, raised a staggering £56,000 in year one of a three-year partnership through various fundraising activities: skydive, static cycle challenge, nail bar day and coffee mornings. They are planning more activities to include various marathons, a darts competition and Red Days in store in 2017.
- **Todd's Leap** activity centre held its first ever 'Get to Muck' Mud Run in aid of NICHHS and raised a wonderful £3,000. The course was an off road 5k run over various terrain and obstacles.

Northern Ireland Chest, Heart & Stroke

Company Limited by Guarantee

Financial Statements for the year ended 31 March 2017

Directors' Annual Report (continued)

- NICHHS held a lunchtime walk to launch its 'Activity Works' Pilot Programme with **Business in the Community** which attracted over 100 walkers from local businesses in Belfast City Centre.
- **Balloo Hire** announced a new Charity of the Year partnership with NICHHS with plans to raise £20,000. Activities are planned throughout the year starting with an abseil!
- **Randex Health** sponsored the 2017 Healthcare Awards which took place at Stormont Hotel. A fantastic £1,205 was raised for NICHHS as the chosen charity for the event.

Supporters

The generosity of individuals across Northern Ireland continues to be the cornerstone of fundraising 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.

- Contributions via direct debit continue to increase amounting to almost **£216k** a year, enough to pay for eight months of our vital life enhancing Stroke Activity Groups. Payroll giving has also grown by over 8%, generating a significant **£237k** in income.
- **60 kind supporters** left a legacy of hope and care by donating gifts in their wills to NICHHS with income reaching a phenomenal £1.968m, which represents half its income. Without legacy gifts, NICHHS would not be able to support as many people as today. We are exceedingly grateful to everyone who has already pledged or intends to leave their very own legacy of hope and care through a gift in their will to NICHHS.
- **Care Funds:** Supporting what's close to your heart. Generous supporters have given over **£120k** to a cause close to their hearts through NICHHS's Care Funds initiative launched in 2016. Our Respiratory Care Fund has enabled 78 people affected by respiratory illnesses to learn how to manage their long-term health conditions better by taking part in our 'Taking Control' Self Management Programme.
- Our Heart Care Fund has brought in almost **£61k**, a significant amount which could fund a complete Heart Research Project, such as research into the development of a supportive intervention for carers of people with advanced heart failure at Ulster University. Our Stroke Care Fund has helped 92 people devastated by stroke attend our Stroke Activity Groups which provide specialist and peer support.
- We're proud that 83p of every **£1** donated by supporters goes directly to help those devastated by respiratory, heart or stroke conditions and 17p is spent sustaining the infrastructure that allows those support services to run smoothly and effectively.

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 and health related services that generate income have been piloted during 2017 in order to redress the overreliance on legacy income. The level of legacy income has decreased marginally during the year ended 2017 but at c£2m represents a significant portion of our income for the year.

Other Income

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

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 2017 exceed this level by £1,241,770 (page 32) 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 Strategic Plan 2018/2020, in order to reduce our reserves to the level set out in our reserves policy.

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

Directors' Annual Report (continued)

Investments

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

As at 31 March 2017 the market value of investments had increased to £2,649,744 (2016 £1,709,865). 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 £70,313 (2016 £83,521) which represents a yield of 3.68% (2016 4.9%).

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.

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 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.

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

Directors' Annual Report (continued)

Auditor

A resolution to re-appoint auditors for the ensuing year will be proposed at the Annual General Meeting after a competitive tendering process has been undertaken.

BY ORDER OF THE DIRECTORS



DECLAN CUNNANE FCA
COMPANY SECRETARY

Date: 17th October 2017

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

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

We have audited the financial statements of Northern Ireland Chest Heart & Stroke for the year ended 31 March 2017 which comprise the principal accounting policies, the statement of financial activities, the balance sheet, the cash flow statement and the related notes. 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 Financial Reporting Standard 102, applicable in the UK and Republic of Ireland.

The report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. In those circumstances, to the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's members as a body, for our audit work, for the audit report, or for the opinions we form.

Respective Responsibilities of Directors & Auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 18, the trustees (who are also the Directors of Northern Ireland Chest Heart & Stroke Limited for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees' to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implication for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- Have been prepared in accordance with the requirements of the Companies Act 2006.

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

Report of the Independent Auditor to the Members of Northern Ireland Chest Heart & Stroke (continued)

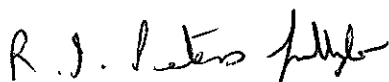
Opinion on Other Matters Prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to Report by Exception

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 yet visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustee's remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.



.....
Dr R I Peters Gallagher OBE FCA (Senior statutory auditor)
For and on behalf of Moore Stephens (NI) LLP,
Statutory Auditors
Date: 17th October 2017

Moore Stephens (NI) LLP
4th Floor Donegall House
7 Donegall Square North
Belfast
BT1 5GB

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

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

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2017	Total Funds 2016
		£	£	£	£	£
Income and endowments from:						
Donations and legacies	1	3,350,312	123,000	-	3,473,312	3,474,191
Income from investments	2	70,313	-	-	70,313	83,521
Income from charitable activities	3	529,715	-	-	529,715	484,897
Total income and endowments		3,950,340	123,000	-	4,073,340	4,042,609
Expenditure on:						
Expenditure on raising funds	4	(827,722)	-	-	(827,722)	(858,148)
Expenditure on charitable activities	5	(2,518,454)	-	-	(2,518,454)	(2,482,650)
Net gains/(losses) on investments	9	199,628	-	-	199,628	(158,822)
Total resources expended		(3,146,548)	-	-	(3,146,548)	(3,399,620)
Net income		803,792	123,000	-	926,792	542,989
Net movement in funds		803,792	123,000	-	926,792	542,989
Total funds brought forward		3,229,358	-	-	3,229,358	2,686,369
Total funds carried forward		4,033,150	123,000	-	4,156,150	3,229,358

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 2017**

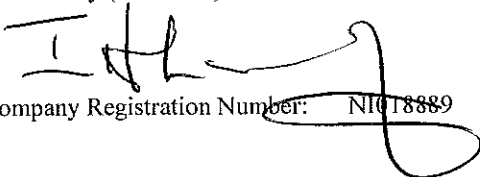
Balance sheet

		2017	2016
		£	£
Fixed assets	Note		
Tangible assets	8	1,041,663	1,088,074
Investments	9	2,649,744	1,709,865
		<u>3,691,407</u>	<u>2,797,939</u>
Current assets			
Debtors	11	85,992	75,548
Cash at bank and in hand		1,534,529	1,413,160
		<u>1,620,521</u>	<u>1,488,708</u>
Creditors: amounts falling due within one year	12	(598,047)	(871,732)
Net current assets		<u>1,022,474</u>	<u>616,976</u>
Total assets less current (liabilities)/assets		<u>4,713,881</u>	<u>3,414,915</u>
Creditors: amounts falling due after more than one year	13	(557,731)	(185,557)
Net assets		<u>4,156,150</u>	<u>3,229,358</u>
Funds			
Unrestricted income funds	14	4,033,150	3,229,358
Restricted funds	15	123,000	-
Total funds		<u>4,156,150</u>	<u>3,229,358</u>

These financial statements were approved by the Directors on 17th October 2017 and are signed on their behalf by:

Ian Lindsay (Treasurer)

Professor MPS Varma (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 2017**

Statement of Cash Flows

	Note	2017 £	2016 £
Cashflows from operating activities			
Cash generated from operations	17	812,230	913,274
Net cash inflow/(outflow) from operating activities		812,230	913,274
Investing activities			
Investment income		70,313	83,521
Purchase of tangible fixed assets		(20,923)	(31,037)
Acquisition of investments		(387,414)	(36,547)
Disposal of investments		300,000	28,721
Net monies transferred to client monies account less fees		(652,837)	-
Disposal of tangible fixed assets		-	8,040
Net cash from investing activities		(690,861)	52,698
Increase/(decrease) in cash and cash equivalents in the year		121,369	965,972
Cash and cash equivalents at the beginning of the year		1,413,160	447,188
Cash and cash equivalents at the end of the year		1,534,529	1,413,160
Relating to:			
Cash at bank and in hand		1,534,529	1,413,160

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 2017

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 2017**

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.

Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017

Accounting Policies (continued)

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 2017**

Notes to the Financial Statements

1. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Donations				
Voluntary Donations	1,499,793	-	1,499,793	1,432,168
Legacies				
Legacies – unrestricted	1,850,519	-	1,850,519	2,042,023
Legacies – restricted	-	123,000	123,000	
	<u>3,350,312</u>	<u>123,000</u>	<u>3,473,312</u>	<u>70,313</u>

2. Income from investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Income from UK listed investments	68,730	-	68,730	80,828
Income from cash	1,583	-	1,583	2,693
	<u>70,313</u>	<u>-</u>	<u>70,313</u>	<u>83,521</u>

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Other income from provision of Health services	86,681	-	86,681	53,700
Other charitable income	23,000	-	23,000	25,878
Grants from health trusts	420,034	-	420,034	405,319
	<u>529,715</u>	<u>-</u>	<u>529,715</u>	<u>484,897</u>

4. Expenditure on raising funds

	Unrestricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Appcal costs	629,705	629,705	631,545
Support costs	198,017	198,017	226,603
	<u>827,722</u>	<u>827,722</u>	<u>858,148</u>

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

Notes to the Financial Statements (continued)

5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Stroke services	987,771	-	987,771	943,877
Research	354,076	-	354,076	420,131
Primary Prevention	484,719	-	484,719	366,456
Advocacy	413,529	-	413,529	408,147
Cardiac services	68,439	-	68,439	68,899
Counselling & welfare	12,361	-	12,361	48,733
Respiratory services	188,740	-	188,740	215,512
	<u>2,509,635</u>	<u>-</u>	<u>2,509,635</u>	<u>2,471,755</u>
Governance costs	8,819	-	8,819	10,895
	<u>2,518,454</u>	<u>-</u>	<u>2,518,454</u>	<u>2,482,650</u>

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

	2017 £	2016 £
Staff pension contributions	39,710	94,065
Depreciation	67,334	71,774
Auditors' remuneration:		
Audit services	8,818	8,174
Non-audit services	-	1,000
	<u>-</u>	<u>1,000</u>

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

Notes to the Financial Statements (continued)

7. Staff costs and emoluments

Total staff costs were as follows:

	2017 £	2016 £
Wages and salaries	1,559,120	1,477,988
Social security costs	132,575	122,882
Other pension costs	39,710	94,065
	<u>1,731,405</u>	<u>1,694,935</u>

Particulars of employees:

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

	2017	2016
Number of staff	<u>63</u>	<u>56</u>

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

£50,000 to £59,999	5	4
£60,000 to £69,999	1	1
£95,000 to £110,000	-	1
	<u>-</u>	<u>1</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 £341,463 (2016: £390,218).

8. Tangible fixed assets

Cost	Computer Equipment £	Health Equipment £	Fixtures & Fittings £	Motor Vehicles £	Leasehold Property £	Total £
At 1 Apr 2016	252,833	34,164	148,481	11,827	1,311,493	1,758,798
Additions	8,832	4,296	7,795	-	-	20,923
At 31 Mar 2017	<u>261,665</u>	<u>38,460</u>	<u>156,276</u>	<u>11,827</u>	<u>1,311,493</u>	<u>1,779,721</u>
Depreciation						
At 1 Apr 2016	224,975	21,703	105,430	11,827	306,789	670,724
Charge for the year	15,899	3,649	15,499	-	32,287	67,334
At 31 Mar 2017	<u>240,874</u>	<u>25,352</u>	<u>120,929</u>	<u>11,827</u>	<u>339,076</u>	<u>738,058</u>
Net book value						
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>
At 31 Mar 2016	<u>27,858</u>	<u>12,461</u>	<u>43,051</u>	<u>-</u>	<u>1,004,704</u>	<u>1,088,074</u>

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

Notes to the Financial Statements (continued)

9. Investments

Movement in market value

	2017 £	2016 £
Market value at 1 Apr 2016	1,709,865	1,860,860
Acquisitions at cost	387,414	2,655
Disposals at market value	(300,000)	(17,702)
Net profit/(loss) on revaluation for the year ended 31 March 2017	199,628	(135,948)
Net monies transferred to client monies account less fees	652,837	-
Market value at 31 Mar 2017	2,649,744	1,709,865
Historical cost at 31 Mar 2017	1,659,477	1,431,632

10. Analysis of investments at 31 Mar 2017 between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2017 £	Total Funds 2016 £
Listed investments					
Government Securities					
And Corporate Bonds	961,703	-	-	961,703	888,745
Equities	1,682,941	-	-	1,682,941	816,020
Other investments					
UK group undertakings	5,100	-	-	5,100	5,100
	2,649,744	-	-	2,649,744	1,709,865

Listed investments are stated at market value.

Subsidiary undertakings

Details of the company's subsidiaries at 31 March 2017 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
NICHs 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	-	15,356
NICHs Home Care Support Services Limited	(113)	2,212

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

Notes to the Financial Statements (continued)

11. Debtors

	2017	2016
	£	£
Trade debtors	55,318	46,275
Other debtors	11,216	12,754
Prepayments	19,458	16,519
	<u>85,992</u>	<u>75,548</u>

12. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	133,751	119,609
Amounts owed to group undertakings	13,205	13,667
Taxation and social security	35,703	34,254
Research grant commitment	329,218	655,856
Accruals	<u>86,170</u>	<u>48,346</u>
	<u>598,047</u>	<u>871,732</u>

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

	2017	2016
	£	£
Research grant commitment	<u>557,731</u>	<u>185,557</u>

14. Unrestricted income funds

	Balance at 1 Apr 2016	Incoming Resources	Outgoing Resources	Balance at 31 st Mar 2017
	£	£	£	£
Designated Fund - Fixed Assets	1,088,074	-	(46,411)	1,041,663
Designated Fund - Six months unrestricted expenditure	1,749,717	-	-	1,749,717
General Funds	391,567	3,950,340	(3,100,137)	1,241,770
	<u>3,229,358</u>	<u>3,950,340</u>	<u>(3,146,548)</u>	<u>4,033,150</u>

15. Restricted income funds

	Balance at 1 Apr 2016	Incoming Resources	Outgoing Resources	Balance at 31 st Mar 2017
	£	£	£	£
General Funds	-	123,000	-	123,000
	<u>-</u>	<u>123,000</u>	<u>-</u>	<u>123,000</u>

**Northern Ireland Chest, Heart & Stroke
Company Limited by Guarantee
Financial Statements for the year ended 31 March 2017**

Notes to the Financial Statements (continued)

16. Analysis of net assets between funds

	Tangible Fixed Assets £	Investments £	Net assets/ (liabilities) £	Total £
Unrestricted Funds	1,041,663	2,649,744	341,743	4,033,150
Restricted Funds	-	-	123,000	123,000
Total Funds	<u>1,041,663</u>	<u>2,649,744</u>	<u>464,743</u>	<u>4,156,150</u>

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

	2017 £	2016 £
Operating Profit/(Loss) for the year	926,792	542,989
Depreciation	67,334	71,774
Movement in debtors	(10,444)	13,171
Movement in creditors	98,489	209,709
Gain on investment	(199,628)	158,822
Loss on disposal of Fixed Assets	-	330
Investment income	(70,313)	(83,521)
Net cash inflow from operating activities	<u>812,230</u>	<u>913,274</u>

18. Company Limited by Guarantee

The liability of each member is limited to one pound each. There were 38 members at 31 March 2017.

19. Capital Commitments

At the year end there were no capital commitments (2016: £nil).

20. Trustees Remuneration & Related Party Transactions

No trustees received any remuneration during the year (2016: £nil).

Trustees received reimbursement for expenses during the year amounting to £612 (2016: £528)

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 (2016: £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.