

2016/
2017



TOWER HAMLETS GP CARE GROUP

ANNUAL ACCOUNTS 2016/2017

TOWER HAMLETS
**GP CARE
GROUP** cic

LOCAL PEOPLE, LOCAL HEALTH

Introduction to Tower Hamlets GP Care Group Annual Accounts 2016/2017

It has been an impressive year for Tower Hamlets GP Care Group. We have grown substantially in the range of services being offered to the local population.

During 2016/2017 we took on responsibility for providing health visiting services for the local borough. The contract increased the Care Group's annual income and raised the number of staff employed to approximately 150.

There were several financial challenges within the Health Visiting contract that the Care Group had to address during the first year of mobilisation such as high usage of bank and agency staff, poor recruitment and retention and high sickness levels. The service worked extremely hard not only to improve the quality of care provided but to ensure this was sustained within the financial envelope.

The Care Group has also been an active player in Tower Hamlets Together an NHS Vanguard project which aims to become an Accountable Care System. As part of Tower Hamlets Together the Care Group has carried out a range of projects working closely with other health and third sector organisations across the borough.

On the 1st April 2017 we were awarded the contracted for GP Out of Hours, the Single Point of Access, the Community Health Advocacy and Interpreting Service and the Patient Experience Team all under an innovative Community Health Alliance Partnership Contract with Barts Health and East London Foundation Trust.

With all the developments seen during 2016/2017 the Care Group's income reached auditable levels. Our Auditors, BDO LLP, carried out an in-depth audit and noted that no significant audit risks were identified during the process. The Senior Auditor commended the financial management of the Care Group, which is a testament to the commitment and due diligence of the Board of Directors. As we continue to grow, processes are being embedded to ensure the demonstrated financial diligence is maintained and where needed improved.

A full copy of the audited accounts is available from Companies House.

The Care Group has grown from humble beginnings in 2014/2015 with a turnover of £241K to 2016/2017 with a turnover of £11.2m. With the award of both the Health Visiting and Community Health Alliance Partnership contracts we have become financially sustainable and able to support primary care without contributions from general practice.

The future holds several challenges within the overall health economy with funding constraints and ever-growing public need. We have built a solid financial foundation, which in conjunction with our medium to long term financial plan allows us to work in collaboration with our Tower Hamlets partners to tackle these upcoming challenges.



Zainab Arian

Director of Finance

SUMMARY FINANCIAL POSITION

With the expansion of services provided by the Care Group in 2016/2017 Turnover reached an annual level of £11.2m, representing a 3-fold increase since 2014/2015.

For the first time a surplus was generated amounting to £162k, all of which has been retained for future investment.

TURNOVER - £11.2m

63% of the Care Groups Turnover within 2016/2017 related to Health Visiting.

Tower Hamlets Together represents the second largest item of Turnover in 2016/2017.

EXPENDITURE - £11.03m

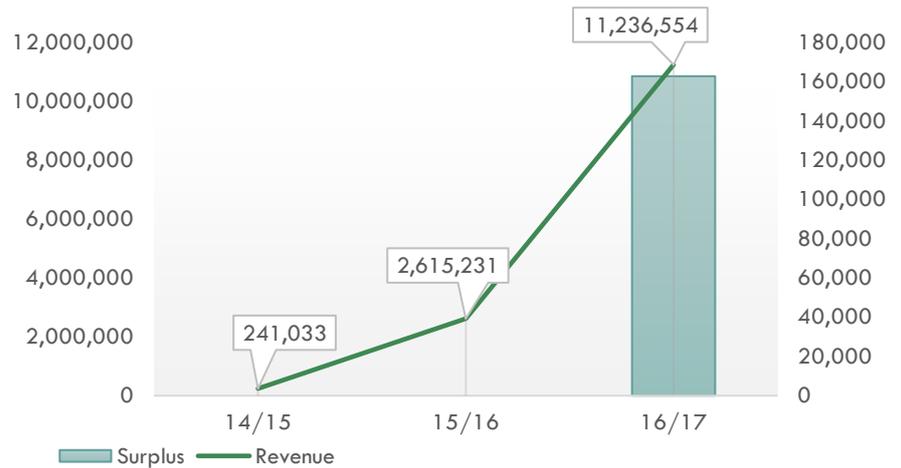
Staffing costs account for most of the Care Group's expenditure. The average number of employees during the year was 152, a substantial increase compared to 15/16 levels.

Of the staffing costs health visiting bank and agency amounted to only 2%.

Primary care delivery relating to GP Access Fund and Social prescribing, along with project management costs totalled £2.6m in year.

Rent and ICT costs amounted to just over £1.0m in year.

FINANCIAL PROFILE

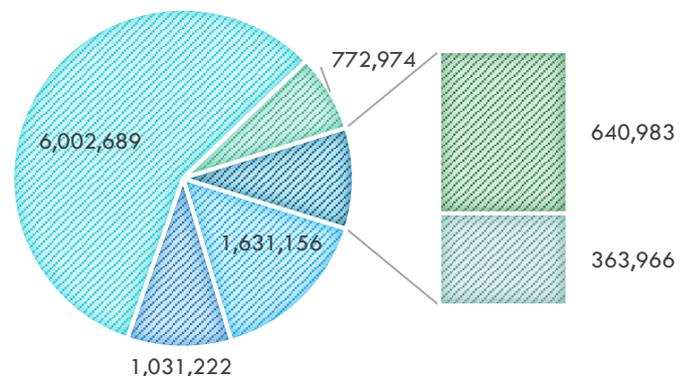


TURNOVER



TOP EXPENDITURE AREAS

Project Management Primary Care Delivery Staffing Training Rent ICT



SURPLUS

£162k

100%
RETAINED FOR
INVESTMENT

STAFFING

Leadership	486,168
Corporate Costs	108,444
HR and Payroll	149,333
THT	185,961
GPAF	146,038
Health Visiting	4,873,269

68% of staffing costs in 2016/2017 related to health visiting service. Leadership costs were the second highest and include both clinical and non-clinical expenditure

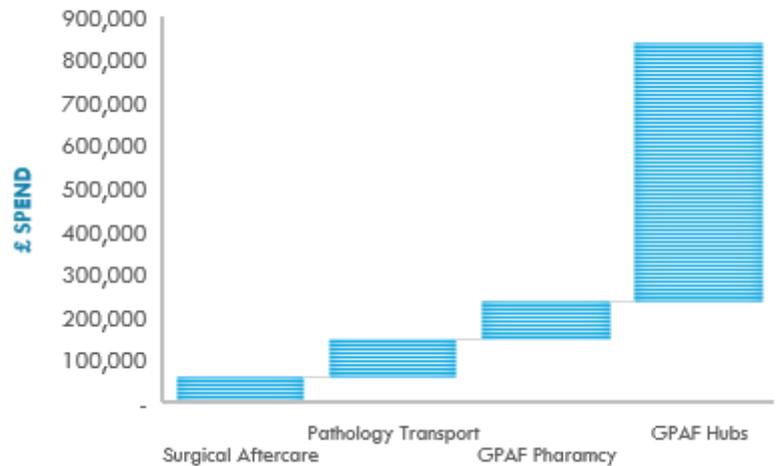
STAFFING BREAKDOWN

Delivery of the GP Access Fund hubs amounted to £601K in 2016/2017, 58% of the total primary care delivery expenditure.

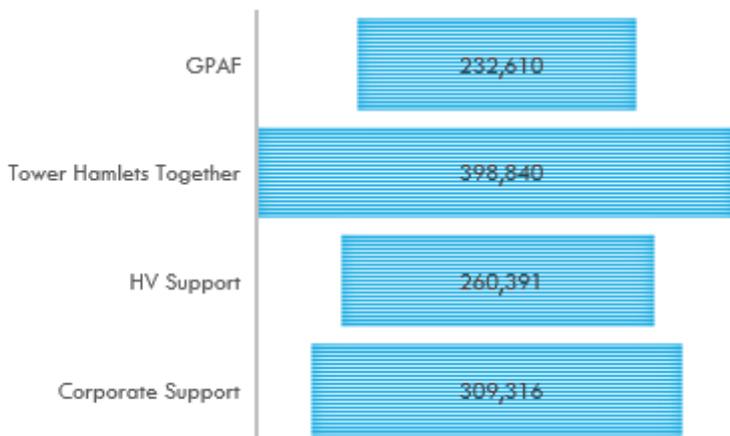
Pathology Transport and GP Access Fund Pharmacy costs total £89K each.

PRIMARY CARE DELIVERY

PRIMARY CARE DELIVERY



PROJECT MANAGEMENT, BID MANAGEMENT AND LEGAL FEES

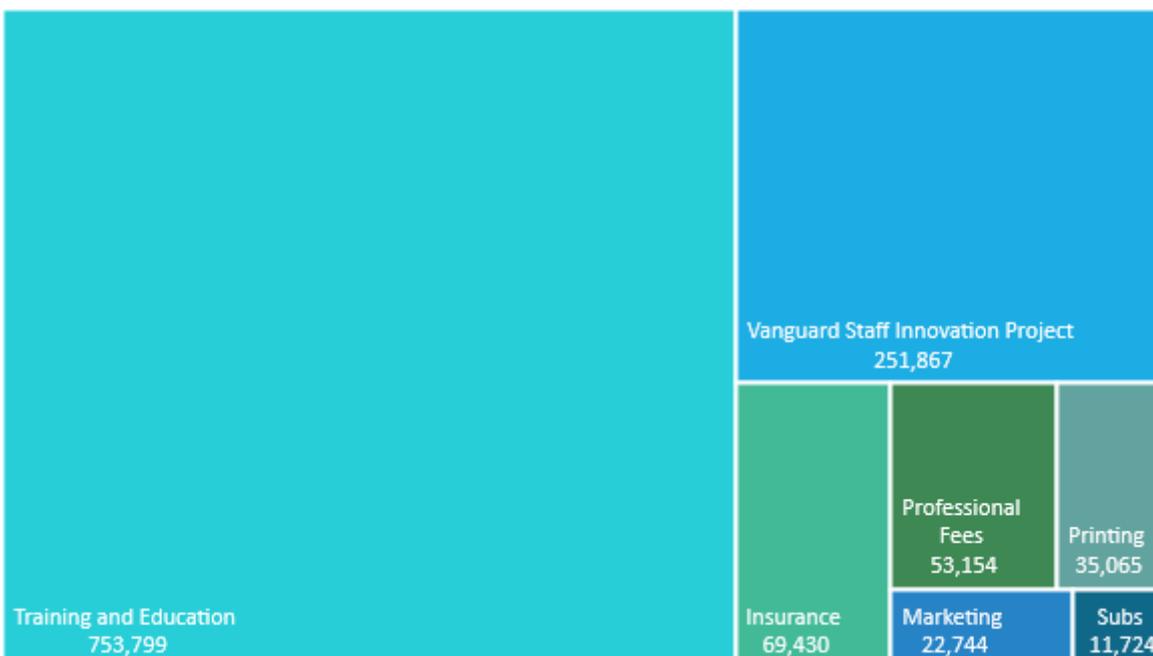


Tower Hamlets Together Vanguard projects accounted for 33% of the project management expense, with HV mobilisation and corporate support making up the balance.

Training and Education costs mainly relating to CEPN delivery amounted to £753K in 2016/2017.

PROJECT MANAGEMENT, BID MANAGEMENT AND LEGAL FEES & OTHER EXPENSES

OTHER EXPENSES



STATEMENT OF INCOME AND RETAINED EARNINGS

The audited profit and loss for 2016/2017 is shown below:

	2017	Unaudited
	£	2016
		£
Turnover	11,225,509	2,615,231
Gross surplus	11,225,509	2,615,231
Administrative expenses	(11,033,143)	(2,615,231)
Operating surplus	192,366	-
Interest receivable and similar income	11,039	-
Surplus before tax	203,405	-
Tax on profit	(40,681)	-
Surplus after tax	162,724	-
Profit for the year	162,724	-
Retained earnings at the end of the year	162,724	-

The financial statements were prepared in accordance with the provisions applicable to companies' subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements have been approved by the Board of Directors.

BALANCE SHEET AS AT 31ST MARCH 2017

The audited balance sheet for 2016/2017 is shown below:

Note		2017	Unaudited	
		£	2016 £	
Current assets				
	Debtors: amounts falling due within one year	1	2,362,710	251,456
	Cash at bank and in hand	2	4,924,373	4,269,096
			<u>7,287,083</u>	<u>4,520,552</u>
	Creditors: amounts falling due within one year	3	(7,124,322)	(4,520,515)
	Net current assets		<u>162,761</u>	<u>37</u>
	Total assets less current liabilities		<u>162,761</u>	<u>37</u>
	Net assets		<u>162,761</u>	<u>37</u>
Capital and reserves				
	Called up share capital	4	37	37
	Profit and loss account	5	162,724	-
			<u>162,761</u>	<u>37</u>

EXPLANATORY NOTES:

NOTE 1 – £2.3m balance relates to trade debtors

NOTE 2 – balance relating to cash held within Barclays company accounts

NOTE 3 – £5.5m balance relating to accruals and deferred income, £0.8m relating to Trade Creditors

NOTE 4 – balance relating to ordinary shares issues at £1 each

NOTE 5 – Reserves is set aside for contingencies as well as investments