

COMPANY REGISTRATION NUMBER 07458926

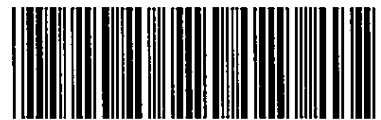
**NAVIGO HEALTH AND SOCIAL CARE CIC**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2016**

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**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**FINANCIAL STATEMENTS**  
**AS AT 31 MARCH 2016**

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**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**OFFICERS AND PROFESSIONAL ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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<b>Company registration number</b>	07458926
<b>The board of directors</b>	S J Beeton K Bond T H Hunter Dr D J Lansley (resigned 21 May 2015) E J Lewington J Smith S E O'Brien (resigned 30 September 2015) Dr A Sajjad Cllr R Oxby (21 May 2015) M W Chase (appointed 1 October 2015) K Y Lavery (appointed 1 January 2016)
<b>Company secretary</b>	J Gray
<b>Registered office</b>	Navigo House 3 – 7 Brighowgate Grimsby North East Lincolnshire DN32 0QE
<b>Current auditor</b>	Streets Audit LLP Halifax House 30 George Street Hull HU1 3AJ
<b>Bankers</b>	The Co-operative Bank plc 1 Balloon Street Manchester M60 4EP  Unity Trust Bank plc Nine Brindleyplace Birmingham B1 2HB
<b>Solicitors</b>	Hempsons Solicitors The Exchange Harrogate North Yorkshire HG1 1TS

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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This is the fifth period of trading following incorporation. It is the second of three years of our contract with our main NHS Commissioner, North East Lincolnshire Clinical Commissioning Group (NELCCG) and it has been our most significant yet with new services developed to deliver care and support to physically unwell elderly people as well as the purchase of a new significant trading facility, a Garden Centre. Our relationship with National Commissioners at NHS England for our Eating Disorder and Forensic services has also continued strongly and we have been looking to take on additional work from them during the year.

In terms of performance in the year, the organisation has achieved the vast majority of performance targets both determined through NHS contracts and those developed internally. As we remain predominantly NHS funded, we retain the statutory obligation to report Quality Accounts on an annual basis and our detailed performance against targets is reported through that mechanism.

The work of NAViGO as both an organisation and a provider of quality services has been recognised again this year by the CQC who inspected our registered premises and rated NAViGO compliant in all outcomes inspected. The CQC also carried out a full inspection of our services in the year, the results of which we are waiting to hear at the time of preparing the accounts.

NAViGO's staff survey continues to show that the organisation is one of the highest performing health organisations in the UK. Data showed that NAViGO continues to be a top performer in a significant number of the questions asked and were above the national average on almost all questions in the survey

Financially, the organisation has returned to a profit position, albeit modest and as such we have recognised that close monitoring of financial risks is critical in enabling us to plan for the future with more confidence. Of the identified financial risks, a significant risk remains in Out of Area Treatments and we are continuing discussions with Commissioners to search for creative solutions to this problem to ensure it does not undermine future finances and further compromise our reserves. Reserves remain relatively healthy and support the overall financial sustainability of the organisation.

In the future NAViGO continues to face those risks commensurate with a continued challenging public sector climate, particularly as the company is almost solely funded through public sector contracts, however the organisation remains ambitious and continues to look for new opportunities to enhance our offer to the local community of whom we wish to serve.

Approved by the board on 22<sup>nd</sup> JUNE 2016  
and signed on its behalf by



J Gray  
Company Secretary

# **NAVIGO HEALTH AND SOCIAL CARE CIC**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2016**

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The directors present their report and financial statements for the year ended 31 March 2016

#### **PRINCIPAL ACTIVITY**

The principal activities of the company in the year are those most commonly associated with a provider of Mental Healthcare services. The vast majority of the services provided are via NHS contracts with local and regional Commissioners. NAViGO provides community health and care services in a variety of settings, including people's homes, GP practices and community-based buildings as well as inpatient settings. Our focus is on care delivered as far as possible in real-life settings – and the integration of care with the daily lives of our users. Our philosophy is to develop services in close working relationships with service users and their families and carers. Some of our activities include -

- Services for people with common mental health problems
- In-patient, crisis and home support
- Services for people with dementia
- Eating Disorder Services
- Support in the community
- Employment & training

The vast majority of people who use our services will continue to access them through the NHS, however more and more our services are recognising the need to trade directly with the public to make the organisation financially sustainable. NAViGO is about continuing to improve the mental health and social care services that the people of North East Lincolnshire have come to expect: innovative services in a variety of settings.

We continue to work hard with our community to not only provide dynamic, innovative services, but to also break down the stigma and discrimination that is sometimes associated with mental health illnesses and some of our more bespoke trading activities are a testament to that approach.

Yet again in 2015/16 we have won awards for some of our innovative and novel approaches to delivering services. New services we have developed to care for physically unwell frail older people have won national and regional acclaim and we continue to score very highly in our staff and user surveys.

Many of our services go beyond traditional mental health services into a variety of care settings, working with a varied cross section of people: including people with learning disabilities, people with employment issues, young people striving to get a foothold in life and people who are simply adapting to life as older people.

NAViGO continues a tradition of a healthcare organisation based around people with powerful values rooted in commitment to our service users. These values will continue to inform and guide the work of our organisation as a social enterprise. We seek to provide services in partnership with the people who know our services best: our service users and staff.

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2016

**DONATIONS**

During the year, the company agreed the following contributions:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Charitable	<u><b>400</b></u>	<u><b>5,050</b></u>

**DIRECTORS AND THEIR INTERESTS**

Details of the directors' emoluments in the year are included in the accounts. The beneficial interests of the directors holding office on 31 March 2016 in the issued share capital of the company were as follows -

	<b>Appointed / Resigned</b>	<b>Date</b>	<b>Class</b>	<b>At 31 March 2016</b>	<b>At 31 March 2015</b>
S J Beeton			Ordinary B	1	1
K Bond			Ordinary A	1	1
T H Hunter				-	-
Dr D J Lansley	Resigned	21/05/2015		-	-
E J Lewington				-	-
J Smith			Ordinary B	1	1
S E O'Brien	Resigned	30/09/2015		-	-
Dr A Sajjad			Ordinary B	1	1
Cllr R J Oxby	Resigned	21/05/2015		-	-
M W Chase	Appointed	01/10/2015		-	-
K Y Lavery	Appointed	01/01/2016		-	-

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**EMPLOYMENT OF DISABLED PERSONS**

We pride ourselves on offering and creating job opportunities for vulnerable people and we are in the top 5 performing Mental Health providers in the country when it comes to securing employment opportunities for our service users, some of which are created within our own company. We will not discriminate against members of staff because of a disability, or perceived disability and actively welcome applications from people with disabilities. The company values the contribution of existing staff with disabilities and will treat staff fairly should they become disabled, this is by our disability symbol employer status.

**EMPLOYEE INVOLVEMENT**

Each and every employee of the organisation has the right to become an equal shareholder with equal voting rights. Should a member of staff decide to take up this option, they are known as a "Staff Member" of the organisation. During the year of account, the membership has been consulted on numerous occasions including voting on how our surplus is to be allocated, through both large and small grants. Staff have also been balloted and consulted on changes to sickness policy. Members are regularly consulted on a wide range of topics via our eight elected staff and community representatives. Our partners are often consulted via our Membership Board, with a number of organisations having non-voting places on the Board. Stakeholders are also involved in setting the objectives of the organisation for the coming year.

**STRATEGIC REPORT**

Information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the Strategic Report

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information

Approved by the board on 22<sup>nd</sup> JUNE 2016  
and signed on its behalf by



J Gray  
Company Secretary

## **NAVIGO HEALTH AND SOCIAL CARE CIC**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 MARCH 2016**

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The directors are responsible for preparing 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union and applicable law.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the company's financial position, financial performance and cash flows. This requires faithful representation of the effect of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all situations, a fair presentation will be achieved by complying with all applicable IFRSs. In preparing these financial statements, the directors are also required to

- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# **NAVIGO HEALTH AND SOCIAL CARE CIC**

**Independent auditor's report to the shareholders of Navigo Health and Social Care CIC**

**FOR THE YEAR ENDED 31 MARCH 2016**

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We have audited the financial statements of Navigo Health and Social Care CIC for the year ended 31 March 2016 which comprise the Income Statement, Statement of Changes in Equity, Statement of Financial Position, Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report or for the opinions we have formed.

## **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As explained more fully in the Statement of Directors' Responsibilities, set out on page 8, the directors 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 Boards' (APB's) Ethical Standards for Auditors.

## **SCOPE OF THE AUDIT OF THE FINANCIAL ACCOUNTS**

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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

## **BASIS OF OPINION**

We conducted our audit work in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in preparation of the financial statements, and of whether the accounting policies are appropriate for the company's circumstances consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give a reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **NAVIGO HEALTH AND SOCIAL CARE CIC**

**Independent auditor's report to the shareholders of Navigo Health and Social Care CIC (continued)**

**FOR THE YEAR ENDED 31 MARCH 2016**

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### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the period then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006

### **OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report 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:

Under the Companies Act 2006 we are required to report to you if, in our opinion

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



**ANDREW MANDERFIELD** (Senior Statutory Auditor)

For and on behalf of

Streets Audit LLP

Chartered Accountants and Statutory Auditor

Halifax House  
30 George Street  
Hull  
HU1 3AJ

12 JULY 2016

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	2016 £	2015 £
Revenue	3	26,859,155	23,371,200
Cost of sales		<u>(23,310,333)</u>	<u>(20,524,984)</u>
<b>GROSS PROFIT</b>		<b>3,548,822</b>	<b>2,846,216</b>
Administrative expenses		<u>(3,497,316)</u>	<u>(3,512,237)</u>
<b>OPERATING (LOSS) / PROFIT</b>		<b>51,506</b>	<b>(666,021)</b>
Finance expense	7	(20,630)	(6,648)
Finance income	7	<u>7,378</u>	<u>13,004</u>
<b>(LOSS) / PROFIT BEFORE TAX</b>		<b>38,254</b>	<b>(659,665)</b>
Income tax income / (expense)	8	<u>(22,061)</u>	<u>139,844</u>
<b>(LOSS) / PROFIT FOR THE YEAR</b>		<b><u>16,193</u></b>	<b><u>(519,821)</u></b>

The notes on pages 14 to 25 form part of these financial statements.

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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	Issued capital £	Retained earnings £	Total equity £
Balance at 1 April 2015	380	2,045,845	2,046,225
Profit for the year	-	16,193	16,193
Total recognised income for the year	-	16,193	16,193
Net issues of share capital	10	-	10
Balance at 31 March 2016	<u>390</u>	<u>2,062,038</u>	<u>2,062,428</u>

	Issued capital £	Retained earnings £	Total equity £
Balance at 1 April 2014	361	2,565,666	2,566,027
Loss for the year	-	(519,821)	(519,821)
Total recognised income for the year	-	(519,821)	(519,821)
Net issues of share capital	19	-	19
Balance at 31 March 2015	<u>380</u>	<u>2,045,845</u>	<u>2,046,225</u>

The notes on pages 14 to 25 form part of these financial statements.

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**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2016**

	Notes	2016 £	2015 £
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	9	2,879,077	757,871
Investments in subsidiaries at cost	10	2	1
Deferred tax assets	11	29,000	27,510
		<u>2,908,079</u>	<u>785,382</u>
<b>CURRENT ASSETS</b>			
Inventories	13	124,875	8,687
Trade and other receivables	14	1,752,335	1,710,982
Cash and cash equivalents	15	1,127,607	1,998,953
		<u>3,004,817</u>	<u>3,718,622</u>
<b>TOTAL ASSETS</b>		<u>5,912,896</u>	<u>4,504,004</u>
<b>EQUITY</b>			
<b>ISSUED CAPITAL AND RESERVES</b>			
Issued share capital	16	390	380
Retained profits		2,062,038	2,045,845
<b>TOTAL EQUITY</b>		<u>2,062,428</u>	<u>2,046,225</u>
<b>NON CURRENT LIABILITIES</b>			
Interest bearing borrowings	17	1,040,742	44,635
Deferred tax liabilities	11	29,500	2,900
		<u>1,070,242</u>	<u>47,535</u>
<b>CURRENT LIABILITIES</b>			
Interest bearing borrowings	17	142,554	43,512
Tax payables		7,887	-
Trade and other payables	18	2,629,785	2,366,732
		<u>2,780,226</u>	<u>2,410,244</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>5,912,896</u>	<u>4,504,004</u>

Approved by the Board on 22<sup>nd</sup> June 2016 and signed on its behalf by

S J Beeton  
Director

Company registration number: 07458926

The notes on pages 14 to 25 form part of these financial statements.

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

	2016 £	2015 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Total operating profit / (loss)	51,506	(666,021)
<b>NON-CASH ADJUSTMENTS</b>		
Depreciation of property, plant and equipment	81,870	57,053
<b>CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL</b>	133,376	(608,968)
<b>(DECREASE) / INCREASE IN WORKING CAPITAL</b>		
(Increase) / Decrease in inventories	(116,188)	117
Increase in trade and other receivables	(29,707)	(210,528)
Increase in trade and other payables	263,052	462,811
Tax paid	-	(446,685)
<b>(DECREASE) / INCREASE IN WORKING CAPITAL</b>	117,157	(194,285)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments to acquire property, plant and equipment	(1,252,984)	(187,644)
Interest received, classified as investing	6,668	13,004
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	(1,246,316)	(174,640)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Gross proceeds from issue of equity share capital	10	19
Proceeds from new borrowings	225,000	-
Capital repayment of borrowings	(79,943)	(40,992)
Interest paid on financial liabilities	(20,630)	(6,648)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	124,437	(47,621)
<b>NET CASH FLOWS</b>	(871,346)	(1,025,514)
Cash and cash equivalents as at 1 April	1,998,953	3,024,467
<b>CASH AND CASH EQUIVALENTS AS AT 31 MARCH</b>	<u>1,127,607</u>	<u>1,998,953</u>

The notes on pages 14 to 25 form part of these financial statements

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT 31 MARCH 2016**

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**1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS'S**

The company's financial statements for the year were authorised for issue on .... and the statement of financial position signed on the board's behalf by S J Beeton. Navigo Health and Social Care CIC is a limited company incorporated and domiciled in England & Wales.

The company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the company are set out in note 2.

**2. ACCOUNTING POLICIES**

**(a) Basis of preparation**

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

These financial statements represent the figures of the company only. Consolidated financial statements have not been prepared as the company has not applied IFRS10 on the basis that the subsidiary companies are not material to the financial statements.

The contract relating to the company's main source of income is due to expire on 31 March 2017. The directors are not aware of any circumstances which would result in the contract not being renewed. On this basis, the directors believe that there is no material uncertainty over the company's ability to continue trading and accordingly that it is appropriate to prepare the financial statements on a going concern basis.

**(b) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. All such revenue is reported net of discounts and value added and other sales taxes.

**(c) Interest income**

Interest income is accrued on a time basis and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

**(d) Income tax**

The income tax expense represents the sum of the tax currently payable, deferred income tax and any amounts over or under provided in previous years.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**2. ACCOUNTING POLICIES (continued)**

**(c) Property, plant and equipment**

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives with no depreciation in the year of acquisition and a full year of depreciation in the year of disposal, using the straight line method, on the following bases

Freehold property	2% per annum
Motor vehicles	25% per annum
Fixtures, fittings and equipment	25% per annum

**(f) Financial instruments**

**Financial assets**

The company only holds financial assets classified as loans and receivables. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

**Financial liabilities**

The company only holds trade payables and other monetary liabilities which it classifies as other financial liabilities. These are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

**(g) Deferred tax**

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the statement of financial position differs from its tax base.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax assets or liabilities are settled or recovered.

**(h) Leased assets**

Where substantially all of the risks and rewards to ownership are not transferred to the company (an "operating lease"), the total rentals payable under the lease are charged as an expense to the statement of profit or loss on a straight-line basis over the lease term.

**(i) Defined contribution schemes**

For employees that transferred, contributions continue to be paid into the appropriate NHS scheme. For new employees, the company contributes to a defined contribution scheme. Contributions to both schemes are charged in the income statement in the period of service to which they relate.



**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**2. ACCOUNTING POLICIES (continued)**

**(j) Share capital**

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset

The company's ordinary shares are classified as equity instruments

**(k) Inventories**

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value

**3. REVENUE**

	2016 £	2015 £
Contract income	24,237,955	20,964,558
Non-contract income	2,621,200	2,406,642
	<u>26,859,155</u>	<u>23,371,200</u>

**4. EXPENSES BY NATURE**

	2016 £	2015 £
Employee benefits expense (see Note 5)	18,607,298	16,877,229
Other direct costs	4,703,035	3,647,755
Depreciation of property, plant and equipment	81,870	57,053
Operating lease expense.		
Office equipment	84,719	84,719
Other costs which include	3,330,727	3,370,465
Auditors remuneration – audit fees	9,700	9,500
Auditors remuneration – other	500	595
	<u>18,607,298</u>	<u>16,877,229</u>

**5. EMPLOYEE EXPENSES**

	2016 £	2015 £
Wages and salaries	15,754,363	14,135,838
Pension contributions	1,681,335	1,527,706
Other employee related expenses	124,410	192,059
Social security costs	1,047,190	1,021,606
	<u>18,607,298</u>	<u>16,877,229</u>

Wages and salaries includes £1,554,150 (2015 - £868,783) paid to agency staff during the year

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**5. EMPLOYEE EXPENSES (continued)**

The average monthly number of employees during the year was made up as follows

	2016	2015
	No.	No
Clinical support staff	221	219
Medical and dental	16	17
Administrative and estates	129	119
Managers and senior managers	23	22
Registered nursing	123	127
	<u>512</u>	<u>504</u>

**6. DIRECTORS' REMUNERATION**

	2016	2015
	£	£
Salary	293,236	312,332
Retirement benefits	34,620	38,745
Termination benefits	-	100,000
	<u>327,856</u>	<u>451,777</u>

During the year the following number of directors:

	2016	2015
	No.	No
Accrued benefits under NHS pension schemes	<u>3</u>	<u>4</u>

The remuneration of directors disclosed above includes the following in respect of the highest paid director. For 2016, this is the Medical Director (2015 – Chief Executive)

	2016	2015
	£	£
Salary	96,274	91,809
Retirement benefits	<u>13,259</u>	<u>12,726</u>

**7. FINANCE INCOME AND EXPENSE**

	2016	2015
	£	£
Interest received on bank deposits	6,668	13,004
Other interest received	<u>710</u>	<u>-</u>
	<u>7,378</u>	<u>13,004</u>
Interest expense on financial liabilities measured at amortised cost	<u>20,630</u>	<u>6,648</u>

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**8. INCOME TAX**

**Components of income tax (income) / expense**

	2016 £	2015 £
<b>Current tax (income) / expense</b>		
Current income tax charge	7,887	-
Adjustments for (over) / under provision in prior year	(10,936)	(154,704)
<b>Total current tax</b>	<b>(3,049)</b>	<b>(154,704)</b>
<b>Deferred income tax expense</b>		
Relating to origination and reversal of temporary differences	25,110	14,860
	<b>22,061</b>	<b>(139,844)</b>

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows

	2016 £	2015 £
(Loss) / profit before tax	38,254	(659,665)
Tax using the company tax rate of 20% (2015 – 21%)	7,651	(138,530)
Expenses not deductible for tax purposes	29,073	61,422
Tax effect of change in tax rates	-	(7,510)
Utilisation of tax losses	(4,898)	-
Adjustment for (over) / under provision in prior year	(9,765)	(55,226)
<b>Tax expense using effective rate</b>	<b>22,061</b>	<b>(139,844)</b>

*Changes in tax rates and factors affecting the future tax charge*

The tax rate for the current year is lower than the prior year due to changes in the UK Corporation tax rate which decreased the top rate of tax from 21% to 20% from 1 April 2015.

Further reductions to the UK Corporation tax rates were substantively enacted as part of the Summer Finance Bill 2015 on 26 October 2015. These reduce the main rate to 19% from 1 April 2017 and 18% from 1 April 2020.

A further change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016 to reduce the main rate to 17% from 1 April 2020.

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**9. PROPERTY, PLANT AND EQUIPMENT**

**At 31 March 2016**

	<b>Freehold property £</b>	<b>Motor vehicles £</b>	<b>Fixtures, fittings and equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2015	552,255	78,903	204,394	835,552
Additions	1,686,817	-	516,259	2,203,076
<b>At 31 March 2016</b>	<b><u>2,239,072</u></b>	<b><u>78,903</u></b>	<b><u>720,653</u></b>	<b><u>3,038,628</u></b>
<b>Depreciation</b>				
At 1 April 2015	(13,136)	(9,120)	(55,425)	(77,681)
Charge for the year	(11,045)	(19,726)	(51,099)	(81,870)
<b>At 31 March 2016</b>	<b><u>(24,181)</u></b>	<b><u>(28,846)</u></b>	<b><u>(106,524)</u></b>	<b><u>(159,551)</u></b>
<b>Net book value</b>				
At 1 April 2015	539,199	69,783	148,969	757,871
<b>At 31 March 2016</b>	<b><u>2,214,891</u></b>	<b><u>50,057</u></b>	<b><u>614,129</u></b>	<b><u>2,879,077</u></b>

**At 31 March 2015**

	<b>Freehold property £</b>	<b>Motor vehicles £</b>	<b>Fixtures, fittings and equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2014	456,198	14,448	177,262	647,908
Additions	96,057	64,455	27,132	187,644
<b>At 31 March 2015</b>	<b><u>552,255</u></b>	<b><u>78,903</u></b>	<b><u>204,394</u></b>	<b><u>835,552</u></b>
<b>Depreciation</b>				
At 1 April 2014	(4,012)	(5,508)	(11,108)	(20,628)
Charge for the year	(9,124)	(3,612)	(44,317)	(57,053)
<b>At 31 March 2015</b>	<b><u>(13,136)</u></b>	<b><u>(9,120)</u></b>	<b><u>(55,425)</u></b>	<b><u>(77,681)</u></b>
<b>Net book value</b>				
At 1 April 2014	452,186	8,940	166,154	627,280
<b>At 31 March 2015</b>	<b><u>539,199</u></b>	<b><u>69,783</u></b>	<b><u>148,969</u></b>	<b><u>757,871</u></b>

**Assets pledged as security**

Freehold property with a carrying amount of £1,875,845 (2015 - £192,579) has been pledged to secure the borrowings of the company

**Contractual commitments**

At the balance sheet date, the company had a commitment for the acquisition of equipment of £40,000 (2015 - £nil)

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**10. SUBSIDIARIES**

The subsidiaries of Navigo Health and Social Care CIC are as follows

Name	Country of Incorporation	% Ownership Interest
Navigo Extra Limited	England and Wales	100%
Navigo Nurseries Limited	England and Wales	100%

**11. DEFERRED TAX**

Deferred tax is calculated on temporary differences under the liability method using a tax rate of 20% (2015 – 20%)

The movement on the deferred tax account is shown below

	2016 £	2015 £
At 1 April	24,610	39,470
<i>Recognised in the income statement</i>		
Tax income / expense	(25,110)	(14,860)
At 31 March	<u>(500)</u>	<u>24,610</u>

Details of the deferred tax asset and amounts recognised in the income statement are as follows

	<i>Statement of financial position</i>		<i>Income statement</i>	
	2016 £	2015 £	2016 £	2015 £
<b>Deferred tax liabilities</b>				
Relating to depreciation	(29,500)	(2,900)	(26,600)	(2,900)
<b>Deferred tax assets</b>				
Relating to depreciation	-	-	-	(14,670)
Relating to accruals / pensions	29,000	27,510	1,490	2,710
	<u>(500)</u>	<u>24,610</u>	<u>(25,110)</u>	<u>(14,860)</u>

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The company is exposed through its operations to the following financial risks:

**Credit risk**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations

The company trades only with credit worthy customers. All customers who wish to trade on credit are subject to credit verification checks. Customer balances are checked regularly to ensure that the risk of exposure to bad debts is minimised.

Credit risk also arises from cash and cash equivalents with banks. The company only uses the services of banks with a minimum independent rating of "A".

Cash is held with The Co-Operative Bank plc and Unity Trust Bank plc.

**Liquidity risk**

Liquidity risk arises from the company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the company will encounter difficulty in meeting its financial obligations as they fall due.

The company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, cash balances and budgets are monitored.

Except for the loans, all other financial liabilities are set for maturity within 3 months of the balance sheet date.

The company is also exposed to risks that arise from its use of financial instruments. The principal financial instruments used by the company are:

- Trade receivables,
- Cash and cash equivalents,
- Trade and other payables; and
- Fixed interest borrowings.

**Financial instruments by category:**

	<b>Loans and receivables</b>	
	<b>2016</b>	<b>2015</b>
<b>Financial assets</b>	<b>£</b>	<b>£</b>
Cash and cash equivalents	1,127,607	1,998,953
Trade and other receivables	635,832	1,233,386
<b>Total financial assets</b>	<b>1,763,439</b>	<b>3,232,339</b>

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**

Financial liabilities	Financial liabilities at amortised cost	
	2016 £	2015 £
Trade and other payables	2,070,838	1,156,116
Loans and borrowings	1,183,296	88,147
<b>Total financial liabilities</b>	<b>3,254,134</b>	<b>1,244,263</b>

**13. INVENTORIES**

	2016 £	2015 £
Goods for resale	107,737	-
Other inventories	17,138	8,687
	<u>124,875</u>	<u>8,687</u>

**14. TRADE AND OTHER RECEIVABLES**

	2016 £	2015 £
Trade receivables	611,593	1,204,865
Less provision for impairment of trade receivables	(95,225)	(20,375)
Trade receivables – net	516,368	1,184,490
Receivables from related parties	119,464	48,896
<b>Total financial assets other than cash and cash equivalents classified as loans and receivables</b>	<b>635,832</b>	<b>1,233,386</b>
Prepayments, accrued income and other receivables	1,004,510	376,539
Tax receivables	111,993	101,057
	<u>1,752,335</u>	<u>1,710,982</u>

Movements in the provision for impairment of trade and other receivables were as follows:

	2016 £	2015 £
At 1 April	20,375	31,520
Provision for doubtful debts	-	1,375
Reversal of past provisions	(20,375)	(31,520)
Provision for credit notes	95,225	19,000
At 31 March	<u>95,225</u>	<u>20,375</u>

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**15. CASH AND CASH EQUIVALENTS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Cash on hand	7,395	4,795
Cash at bank	<u>1,120,212</u>	<u>1,994,158</u>
	<b><u>1,127,607</u></b>	<b><u>1,998,953</u></b>

**16. SHARE CAPITAL**

	<b>No.</b>	<b>2016</b>	<b>No</b>	<b>2015</b>
		<b>£</b>		<b>£</b>
<b>Issued and fully paid</b>				
A Ordinary shares				
At 1 April	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
At 31 March	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
 B Ordinary shares				
At 1 April	379	379	360	360
Net movement on shares	<u>10</u>	<u>10</u>	<u>19</u>	<u>19</u>
At 31 March	<u>389</u>	<u>389</u>	<u>379</u>	<u>379</u>

All issued share capital is classified as equity

Except as otherwise provided in the Articles of Association, the A Ordinary shares and the B Ordinary shares shall rank *pari passu* in all respects. The A Ordinary shares shall be irredeemable. The B Ordinary shares shall be redeemable and shall not be transferrable.



**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**17. INTEREST BEARING BORROWINGS**

	2016 £	2015 £
<b>Non-Current</b>		
Bank loans – secured	772,842	-
Loans from related parties - secured	222,565	-
Loans from other entities - secured	-	44,635
Loans from other entities - unsecured	45,335	-
	<u>1,040,742</u>	<u>44,635</u>
<b>Current</b>		
Bank loans – secured	20,773	-
Loans from related parties - secured	2,435	-
Loans from other entities - secured	44,635	43,512
Loans from other entities - unsecured	74,711	-
	<u>142,554</u>	<u>43,512</u>

The secured borrowings above are secured by charges against the company's freehold property.

**18. TRADE AND OTHER PAYABLES**

	2016 £	2015 £
Trade payables	1,479,958	630,532
Payables to related parties	29,707	10,842
Other payables	150,590	101,711
Accruals	410,583	413,031
<b>Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost</b>	<b>2,070,838</b>	<b>1,156,116</b>
Other payables – tax, social security and pensions	513,314	487,373
VAT payable	19,714	13,243
Deferred income	25,919	710,000
	<u>2,629,785</u>	<u>2,366,732</u>

**19. OPERATING LEASE COMMITMENTS**

**As lessee**

At the end of the year, the future minimum lease payments under non-cancellable operating leases are payable as follows:

	2016 £	2015 £
Less than one year	84,719	84,719
Between one and five years	14,119	98,838
	<u>98,838</u>	<u>183,557</u>

**NAVIGO HEALTH AND SOCIAL CARE CIC**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**20. RELATED PARTY TRANSACTIONS**

**Gardiner Hill Foundation**

Gardiner Hill Foundation is a charity in which some of the directors are trustees

During the year, the company made donations to the Gardiner Hill Foundation totalling £5,450 (2015 - £nil) At 31 March 2016, the company was under obligation to make a donation of £nil (2015 - £5,050) which is included within trade and other payables

In addition, the company recharged costs to the Gardiner Hill Foundation of £415 There was no balance due to the company at either year-end

During the year, the company received a loan from the Gardiner Hill Foundation of £225,000. No repayments were made during the year The balance is included within interest bearing borrowings Interest is charged at 3.5% per annum and is secured

**Navigo Extra Limited**

Navigo Extra Limited is a 100% owned subsidiary company

During the year, the company received invoices from Navigo Extra Limited for services provided totalling £600,055 (2015 - £120,692) and recharged costs to Navigo Extra Limited totalling £42,481 (2015 - £114,901 The balance due to the company at 31 March 2016 is £42,065 (2015 - £5,000) The balance owing to Navigo Extra Limited at 31 March 2016 is £4,512 (2015 - £5,792) which is included within trade and other payables

**Navigo Nurseries Limited**

Navigo Nurseries Limited is a 100% owned subsidiary company

During the year, the company recharged Navigo Nurseries Limited for goods purchased on its behalf totalling £77,399 The balance is fully outstanding at 31 March 2016 and included within trade and other receivables

In addition, Navigo Nurseries Limited invoiced the company for income collected on its behalf of £25,194 The balance is fully outstanding at 31 March 2016 and included within trade and other payables

**Health and Wellbeing Partnership LLP**

Health and Wellbeing Partnership LLP is an LLP in which Navigo Health and Social Care CIC is a designated member

During the year, the company continued to hold the money collected on behalf of Health and Wellbeing Partnership LLP of £7,550 (2015 - £10,000) which is due to the LLP at the year-end and included within deferred income

**CIC 34****Community Interest Company Report**

For official use  
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complete in  
typescript, or  
in bold black  
capitals.*

**Company Name in  
full**

NAVIGO Health and Social Care CIC

**Company Number**

07458926

**Year Ending**

31<sup>st</sup> March 2016

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's information and guidance notes.

Please note that you must give details in this report of transfer of assets for less than full consideration e.g. donations to outside bodies, or paid directors at less than market value.

## **PART 1 – GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT**

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a fair and accurate description of how they have benefited the community or section of the community which the company is intended to serve.

NAVIGO Health and Social Care CIC provides Mental Health and associated care to the people of North East Lincolnshire. The organisation was formed as a "spin out" from the NHS on 1<sup>st</sup> April 2011, formerly being North East Lincolnshire Mental Health Services as part of North East Lincolnshire NHS Care Trust Plus (NELCTP).

The principal activities of the company in the year are again those most commonly associated with a provider of Mental Healthcare services. The vast majority of the services provided are via NHS contracts with local and national Commissioners. NAVIGO provides community health and care services in a variety of settings, including people's homes, GP practices and community-based buildings. Our focus is on care delivered in real-life settings – and the integration of care with the daily lives of our users. Our philosophy is to develop services in close working relationships with service users and their families and carers. (contd.....)

(Please continue on separate continuation sheet if necessary.)

Company Number

07458926

Year Ending

31<sup>st</sup> March 2016

## PART 2 – CONSULTATION WITH STAKEHOLDERS

A “stakeholder” is any person or organisation affected by the company’s activities. Indicate what steps the company has taken during the financial year to which the report relates to consult its stakeholders, whether formally or informally. If there has been no consultation, this should be made clear.

Please indicate who the company’s stakeholders are

The organisations stakeholders are many, including -

- our Staff Members (shareholders) and Community Members who have equal voting rights to the staff but do not hold shares,
- Staff, Service Users and Carers who are not Members of the organisation
- The general public
- Our main funders - North East Lincolnshire Clinical Commissioning Group and North East Lincolnshire Council
- NHS England/NHS Property Services Limited/Department of Health
- North East Lincolnshire Independent Service User and Carer Forum
- Local/Regional and National Partner Organisations

Please indicate how the stakeholders have been consulted. If there has been no consultation, this should be made clear.

The Membership (Staff, Service Users and Carers) continue to be consulted regularly on significant issues including voting on how our surplus is to be allocated at our AGM, through both large and small grants. Staff are routinely consulted and updated on changes affecting them directly. Members are regularly consulted on a wide range of topics via our eight elected staff and community representatives who sit on our Board. Partners organisations are regularly consulted via our Membership Board, with a number of local organisations having non-voting places on the Board. Stakeholders are also instrumental in setting the objectives of the organisation for the coming year. Our funders are informed about performance against targets and have the opportunity through regular meetings to express their opinions.

What action, if any, has the company taken in response to feedback from its consultations? Following the membership vote at our AGM meetings over the last four years, priorities were identified as to how we should spend any surplus that was achieved. The winning schemes (all directly from the membership) involved accommodation for vulnerable people, a Dementia Café, enhancing our Older Peoples Unit and most recently a mobile Group room. We have purchased properties which have been renovated by our own employment scheme, this really has transformed the lives of vulnerable service users. The Dementia Café opened on 5<sup>th</sup> June 2013 and is well used and the Older Peoples Unit has won awards for the new design. Smaller grants have also been awarded to community projects throughout the year. Following a ballot regarding sickness, we have now implemented a new policy which has seen our sickness absence rates drop significantly which enabled us to award Xmas hampers to all staff.

(Please continue on separate continuation sheet if necessary )

Company Number

07458926

Year Ending

31<sup>st</sup> March 2016

## PART 3 –DIRECTORS’ REMUNERATION (See Appendix A)

All community interest companies are required to report certain information about their directors’ remuneration

The information required is described in Schedule 3 to the Small Companies and Groups (Accounts and Directors’ Report) Regulation 2008 or Schedule 5 to Large and Medium-sized companies and groups (Accounts and Directors’ Report ) Regulation 2008

All companies are required to provide some of this information in the notes to their annual accounts **If you have provided all of this information in your accounts, you need not reproduce it here, but you must state where that information can be found.**

Unquoted companies	
1. Total amount of directors’ remuneration etc	
(a)	<p>The aggregate amount of remuneration paid to or receivable by directors in respect of qualifying services</p> <p>£367,883</p>
(b)	<p>The aggregate of the amount of gains made by directors on the exercise of share options</p> <p>None</p> <p><i>NB An unquoted company and whose equity share capital and whose equity share capital is not listed on the Alternative Investment Market need not answer this question</i></p>
(c)	<p>The aggregate of the amount of money paid to or receivable by directors, and the net value of assets (other than money and share options) received or receivable by directors, under long term incentive schemes in respect of qualifying services</p> <p>None</p> <p><i>NB In the case of an unquoted company whose equity share capital is not listed on the Alternative Investment Market, “assets” are deemed not to include shares</i></p>
(d)	<p>The aggregate value of any company contributions-</p> <p>(i) paid, or treated as paid, to a pension scheme in respect of directors’ qualifying services, and</p> <p>(ii) by reference to which the rate or amount of any money purchase benefits that may become payable will be calculated.</p> <p>£38,745</p>

(e)	<p>The number of directors (if any) to whom retirement benefits are accruing in respect of qualifying services –</p> <p>(a) under money purchase schemes, and</p> <p>(b) under defined benefit schemes</p> <p>Of the 10 Directors of NAViGO in the year, 4 Executive Directors and the Staff Non- Executive Director are part of the NHS Pension Scheme as at 31<sup>st</sup> March, a defined benefit scheme operated by the NHS Business Services Authority</p>
<b>2. Details of highest paid director's emoluments</b>	
(a)	<p>Where the aggregates shown under section 1 (a),(b) and (c) total £200,000 or more –</p> <p>(i) so much of the total of those aggregates as is attributable to the highest paid director, and</p> <p>(ii) so much of the aggregate mentioned in section 1 (d) as is so attributable</p> <p>(i) £91,809</p> <p>(ii) £12,726o</p>
(b)	<p>please show:</p> <p>(i) whether the highest paid director exercised any share options</p> <p>(ii) whether any shares were received or receivable by that director in respect of qualifying services under a long term incentive scheme</p> <p><i>NB If the highest paid director has not been involved in any of the transactions that fact need not be stated</i></p> <p>None</p>
(c)	<p>Where the aggregates shown under paragraph (a), (b) and (c) total £200,000 or more, and the highest paid director has performed qualifying services during the financial year by reference to which the rate or amount of any defined benefits that may become payable will be calculated.</p> <p>(i) the amount at the end of the year of his accrued pension, and</p> <p>(ii) where applicable, the amount at the end of the year of his accrued lump sum</p> <p>Part of the NHS Pension Scheme - see disclosures in Annual Accounts</p>

### 3. Excess retirement benefits of directors and past directors

The aggregate amount, and nature, of

(i) so much of retirement benefits paid to or receivable by directors under pension schemes,

(ii) so much of retirement benefits paid to or receivable by past directors under such schemes

as (in each case) is in excess of the retirement benefits to which they were respectively entitled on the date on which the benefits first became payable or 31 March 1997, whichever is the later

None

*NB Amounts paid or receivable under a pension scheme need not be included in the aggregate amount if –*

*(a) the funding of the scheme was such that the amounts were, or, as the case may be, could have been paid without recourse to additional contributions, and*

*(b) amounts were paid to or receivable by all pensioner members of the scheme on the same basis*

*NB "Pensioner member" in relation to a pension scheme means any person who is entitled to the present payment of retirement benefits under the scheme*

*NB "Retirement benefits" include benefits otherwise than in cash, and in relation to so much of retirement benefits as consists of a benefit otherwise than in cash, references to their amount are to the estimated money value of the benefit*

### 4. Compensation to directors for loss of office

The aggregate amount and nature of any compensation to directors or past directors in respect of loss of office, including compensation received or receivable by a director or past director

(a) for loss of office as director of the company,

(b) for loss, while director of the company or on or in connection with his ceasing to be a director of it of –

(i) any other office in connection with the management of the company's affairs, or

(ii) any office as director or otherwise in connection with the management of the affairs of any subsidiary undertaking of the company.

None

	<p><i>NB compensation for loss of office includes</i></p> <p><i>(a) compensation in consideration for, or in connection with, a person's retirement from office, and</i></p> <p><i>(b) where such a retirement is occasioned by a breach of the person's contract with the company or with a subsidiary undertaking of the company</i></p> <p><i>(i) payment made by way of damages for the breach,</i></p> <p><i>(ii) payments made by way of settlement or compromise of any claim in respect of the breach</i></p> <p><i>NB References to compensation include benefits otherwise than in cash, and in relation to such compensation references to its amount are to the estimated money value of the benefit</i></p>
<b>5. Sum paid to third parties in respect of directors' services</b>	
	<p>The aggregate amount of any consideration (including benefits otherwise than in cash) paid to or receivable by third parties for making available the services of any person –</p> <p>(a) as a director of the company, or</p> <p>(b) while director of the company –</p> <p style="padding-left: 40px;">(i) as director of any of its subsidiary undertakings, or</p> <p style="padding-left: 40px;">(ii) otherwise in connection with the management of the affairs of the company or any of its subsidiary undertakings</p> <p>None</p>
	<p><i>NB Where the consideration is other than cash, the reference to its amount is to the estimated money value of the benefit</i></p> <p><i>NB Third parties means a person other than</i></p> <p><i>(a) the director himself</i></p> <p><i>(b) a person connected with the director</i></p> <p><i>(c) a body corporate controlled by the director</i></p> <p><i>(d) the company</i></p> <p><i>(e) any subsidiary undertakings of the company</i></p>

(Please continue on separate continuation sheet if necessary )

<b>Definitions</b>	
Accrued pension and accrued lump sum	<p>means –</p> <p>in relation to any pension scheme and any director mean, respectively the amount of the annual pension and the amount of the lump sum which would be payable under the scheme on his attaining normal pension age if</p> <p>(a) he had left the company's service at the end of the financial year,</p> <p>(b) there was no increase in the general level of prices in the UK during the period beginning with the end of that year and ending</p>



	<p>with his attaining that age</p> <p>(c) no question arose of any commutation of the pension or inverse commutation of the lump sum</p> <p>(d) any amounts attributable to voluntary contributions paid by the director to the scheme were disregarded</p>
"connected with" and "controlling"	are to be construed in accordance with sections 252 to 255 of the Companies Act 2006
Defined benefits	<p>means –</p> <p>retirement benefits payable under a pension scheme that are not money purchase benefits</p>
Defined benefit scheme	<p>means –</p> <p>a pension scheme that is not a money purchase scheme</p>
Highest paid director	<p>means –</p> <p>the director to whom the greatest part of the total of the aggregates shown under section 1(a)(b) and (c) are attributable</p>
Long term incentive scheme	<p>means –</p> <p>an agreement or arrangement</p> <p>(a) under which money or other assets may become receivable by a director, and</p> <p>(b) which includes one or more qualifying conditions with respect to service or performance which cannot be fulfilled within a single financial year</p> <p>The following must be disregarded</p> <p>(a) the amount of bonuses which falls to be determined by reference to service or performance within a single financial year,</p> <p>(b) compensation for loss of office, payments for breach of contract and other termination payments, and</p> <p>(c) retirement benefits</p>
Money purchase scheme	<p>means –</p> <p>a pension scheme under which all of the benefits that may become payable to or in respect of the director are money purchase benefits</p>
Net Value	<p>means –</p> <p>in relation to any assets received or receivable by a director, means value after deducting any money paid or other value given by the director in respect of those assets</p>
Normal pension age	<p>means –</p> <p>in relation to any pension scheme and any director means the age at which the director will first become entitled to receive a full pension on retirement of an amount determined without</p>

	reduction to take account of its payment before a later age (but disregarding any entitlement to pension upon retirement in the event of illness, incapacity or redundancy)
Pension scheme	means –  a retirement benefits scheme as defined by section 611 of the Income and Corporation Taxes Act 1988
Qualifying Services	means -  in relation to any person, his services as a director of the company and his services while director of the company – (a) as director of any of its subsidiary undertakings, or (b) otherwise in connection with the management of the affairs of the company or any of its subsidiary undertakings
Remuneration of a director	Includes –  (a) salary, fees and bonuses, sums paid by way of expenses allowance (so far as they are chargeable to United Kingdom income tax), and  (b) (subject to the exclusion below), the estimated money value of any other benefits received by the director otherwise than in cash.  The expression does not include - (a) the value of any share options granted to the director or the amount of any gains made on the exercise of any such options, (b) any company contributions paid, or treated as paid under any pension scheme or any benefits to which the director is entitled under any such scheme, or (c) any money or other assets paid to or received or receivable by the director under any long term incentive scheme
Retirement benefits	has the meaning given by section 612(1) of the Income and Corporation Taxes Act 1988
Shares	means –  shares (whether allotted or not) in the company, or any undertaking which is a group undertaking in relation to the company, and includes a share warrant, as defined by section 779(1) of the Companies Act 2006
Share option	means –  a right to acquire shares
Subsidiary undertaking	Any reference to a subsidiary undertaking of the company in relation to a person who is or was, while a director of the company, a director also, by virtue of the company's nomination

	(direct or indirect) of any other undertaking, includes that undertaking, whether or not it is or was in fact a subsidiary undertaking of the company
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<b>Company Number</b>	07458926
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## **PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION (EXCLUDING DIVIDENDS)**

Community interest companies are only permitted to transfer assets other than for full consideration (i.e. at less than market value) if

- (i) the assets in question are transferred to an asset-locked body (a community interest company, charity or equivalent body established outside Great Britain) which is specified in the company's constitution, or where the Regulator has consented to the transfer, or
- (ii) the transfer, although not made to an asset-locked body, is nevertheless made for the benefit of the community

**Where transfers of either kind are made, the community interest company report must disclose the amount of the transfer, or, where this cannot be given precisely, a fair estimate of the value of the assets transferred. Please give the following details:**

i)	A description of the asset and the amount of the transfer or estimate of its value <b>Please state 'none', if applicable and move to section 5</b>
None	
ii)	Details of the recipient, to which the asset was transferred, including whether or not it is an asset-locked body
N/A	
iii)	If the recipient is an asset-locked body, whether it is specified in the company's memorandum or articles of association as a recipient of transfers of the company's assets other than for full consideration
N/A	
iv)	If the recipient is an asset-locked body, but is not so specified, brief details of how the Regulator's consent to the transfer was given
N/A	
v)	If the recipient is not an asset-locked body, how the transfer will benefit the community
N/A	

(Please continue on separate continuation sheet if necessary )

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31<sup>st</sup> March 2016

## PART 5 – DIVIDENDS FOR THE FINANCIAL YEAR TO WHICH THE REPORT RELATES

This part of the template should be completed if the company is limited by shares and has declared or proposed to declare a dividend in respect of the financial year to which the report relates or has declared a dividend in respect of any of the four financial years immediately preceding that financial year. If the company is limited by shares but has not declared or proposed any dividends in respect of the financial year to which the report relates, please indicate this.

Before completing this part you should consult Chapter 6.2 of, and Annex G to, the Regulator's information and guidance notes and regulations 17 to 20 of the Community Interest Company Regulations 2005, which contain the rules on dividend payments.

**For all dividends declared or proposed in respect of the financial year to which the report relates, please supply the following information:**

- |       |  |
|-------|--|
| (i)   | A description of the class, number and paid up value of the shares on which the dividend has been declared or paid. <b>Please state 'none', if applicable and move to section 6</b>  |
| None  |  |
| (ii)  | The amount of dividend declared or paid per share  |
| N/A   |  |
| (iii) | Whether or not the dividend is an exempt dividend (in essence, a dividend paid directly or indirectly to an asset-locked body where the asset-locked body is either specified in the company's constitution as a possible recipient of its assets, or the Regulator has consented to payment of the dividend, but see regulations 17(3) to (5) of the Community Interest Company Regulations 2005) |
| N/A   |  |
| (iv)  | if it is an exempt dividend, why it is an exempt dividend  |
| N/A   |  |

(Please continue on separate continuation sheet if necessary )

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*Where a dividend which is not an exempt dividend is declared or proposed in respect of the financial year to which the report relates, the report must explain how it complies with regulations 17 to 20 of the Community Interest Company Regulations 2005 by giving details of*

(i) The applicable share dividend cap

N/A

(ii) The maximum dividend per share

N/A

(iii) Whether any unused dividend capacity from previous financial years is included in the dividend (and, if so, how much and from which year)

N/A

(iv) The maximum aggregate dividend

N/A

(v) How each of the above figures has been calculated

N/A

(vi) In addition to the above information, the total amount of (a) all exempt, and (b) all non-exempt dividends declared or proposed in respect of the financial year to which the report relates should be given

N/A

(Please continue on separate continuation sheet if necessary )

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31<sup>st</sup> March 2016

## PART 6 – DIVIDENDS FOR PREVIOUS FINANCIAL YEARS

This part of the template should be completed if the company is limited by shares and has declared or proposed to declare a dividend in respect of the financial year to which the report relates or has declared a dividend in respect of any of the four financial years immediately preceding that financial year. If the company is limited by shares but has not declared any dividends in respect of any of the preceding four financial years, please indicate this.

For each of the previous four financial years, and for all dividends declared or paid in respect of those years, the following information should be supplied

(i)	A description of the class, number and paid up value of the shares on which the dividend has been declared or paid <b>Please state 'None' if applicable and move to section 7.</b>
None	
(ii)	The amount of dividend declared or paid per share
N/A	
(iii)	Whether or not the dividend is an exempt dividend (in essence, a dividend paid directly or indirectly to an asset-locked body where the asset-locked body is either specified in the company's constitution as a possible recipient of its assets, or the Regulator has consented to payment of the dividend)
N/A	
(iv)	If it is an exempt dividend, why it is an exempt dividend
N/A	
(v)	The maximum dividend per share
N/A	

(Please continue on separate continuation sheet if necessary )

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Year Ending

31<sup>st</sup> March 2016

## PART 7 – INTEREST PAID AT A PERFORMANCE-RELATED RATE

This part should only be completed if the company has, at any time during the financial year to which this report relates, had a debt outstanding, or a debenture in issue on which a performance-related rate of interest was payable. A performance-related rate of interest is a rate which varies according to the level of the company's profits or turnover, or any item on its balance sheet. See further Chapter 6.3 of the Regulator's information and guidance notes, and regulation 21 of the Community Interest Company Regulations 2005 (this part is designed to monitor compliance with regulation 21 and Schedule 4 to the Regulations, which set out the interest capping regime and define its key terms).

Under the Regulations, the rate of performance-related interest payable is capped by reference to the Bank of England's base lending rate. However, this cap only applies in respect of agreements to pay a performance-related rate, which were entered into on or after the date on which the company became a community interest company.

In order to demonstrate compliance with the rules on performance-related rates of interest, please give the following details

- (i) The rates of interest paid on any debt or debenture of the company on which a performance-related rate of interest was payable as calculated over a 12 month period ending with the most recent date on which interest became payable in respect of that debt or debenture during the financial year **Please state 'none', if applicable and move to section 8**

None

- (ii) (If the interest cap applied to that debt or debenture) how any such rates of interest were calculated

N/A



- (iii) Either the interest cap applicable to the debt or debenture concerned (with an explanation of how it has been calculated), or an explanation of why the cap does not apply to it (i.e. because the agreement was entered into before the company became a community interest company).

N/A

(Please continue on separate continuation sheet if necessary )

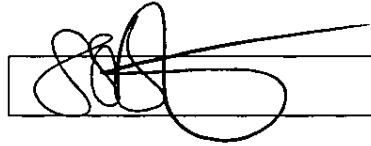
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(N.B. Please enclose a cheque for £15 payable to Companies House)

## PART 8 - SIGNATORY

Please ensure that a director or secretary signs the original CIC Report, which should be retained for your records. Please send a copy of the CIC Report to the Registrar of Companies (see below)

Signed



Date

22/6/16

Office held (delete as appropriate) Director/Secretary

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record

Simon Beeton	
Director of Finance	
Tel 01472 583002	
DX Number	DX Exchange

Please send a completed copy to one of the following addresses, with a cheque for £15 (payable to Companies House)

*Companies registered in **England and Wales*** Companies House, Crown Way, Cardiff, CF14 3UZ (DX 33050 Cardiff)

*Companies registered in **Scotland*** Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh EH3 9FF (DX235 Edinburgh)

*Companies registered in **Northern Ireland*** Companies House, 2nd Floor, The Linenhall, 32-38 Linenhall Street, Belfast, BT2 8BG

## **PART 1 – GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT (CONTD)**

**Company Number**                      **07458926**

**Year Ending**                              **31<sup>st</sup> March 2016**

Some of our activities include: -

- Services for people with common mental health problems
- In-patient, crisis and home support
- Services for people with dementia
- Eating Disorder services
- Support in the community
- Employment & training

Almost exclusively, people who use our services access them through the NHS NAViGO is about continuing to provide and improve the mental health and social care services that the people of North East Lincolnshire have come to expect: innovative services in a variety of settings

We will continue to work hard with our community to not only provide dynamic, innovative services, but to also break down the stigma and discrimination that is sometimes associated with mental health illnesses

Yet again in 2014/15 we have won national awards for some of our innovative and novel approaches to delivering services We have won an award for the way we deliver services for Dementia sufferers and been recognised as a Top 10 Place to Work in the prestigious Health Service Journal (HSJ) awards, the only Social Enterprise to do so.

Many of our services go beyond mental health into a variety of care settings, working with a varied cross section of people: including people with learning disabilities, people with employment issues, young people striving to get a foothold in life and people who are simply adapting to life as older people

NAViGO continues a tradition of a healthcare organisation based on people with powerful values rooted in commitment to our service users These values will continue to inform and guide the work of our organisation as a social enterprise We seek to provide services in partnership with the people who know our services best our service users and staff