

Charity registration number 1185650

Company registration number 11761835 (England and Wales)

PATIENT SAFETY WATCH

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2022

PATIENT SAFETY WATCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J Hunt
	Mr J R Titcombe
	Mr D Grunberg
Charity number	1185650
Company number	11761835
Registered office	5 Technology Park Colindeep Lane Colindale London United Kingdom NW9 6BX

PATIENT SAFETY WATCH

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PATIENT SAFETY WATCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JANUARY 2022

The Trustees present their annual report and financial statements for the year ended 31 January 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable 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 2019).

Objectives and activities

The objectives of the Charity remain the same as in previous years and are to promote, preserve and protect the health of the public, in particular by carrying out research, making the useful results publicly available, and to provide and disseminate information and advice on safety and standards in patient care to policy makers, service providers and patients, in particular on how to prevent error and harm in healthcare.

Like much of the previous year 2021 was overshadowed by the continued presence of the COVID-19 virus. Although we saw the successful roll out of the vaccine programme in the UK society, the economy and the NHS also had to deal with new variants such as Omicron and subsequent related lockdowns.

As such the decision was made that we would continue to work on our various research projects but, like the previous year, not to publish them whilst the NHS was under significant COVID related pressure. We would continue with our regular email updates and our work with our research partner Imperial College so that we would be ready to publish when the climate was right. One piece of research on burnout was completed and the second, on the national state of patient safety in England started.

In setting its objectives and planning these activities the Trustees have considered the Charity Commission's guidance on public benefit.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements and performance

Research Programme

As stated above we continued with our research programme and the generosity of Imperial College ensured work was carried out on two research projects on a pro-bono basis. The first of these was the impact of burnout on patient safety which was completed and sent for peer review. The second was on the amount of avoidable harm in the NHS in England. A significant amount of work went into this second piece in particular for which the Trustees are very grateful and we hope to be in a position to publish it in the course of 2022 when it is finalised. In the meantime, the supporting material that has been produced has been incredibly helpful so we are sure the report itself will be well received and provide vital insights to what we do and don't know about the level of avoidable harm in the NHS.

The research programme itself was slightly tweaked so that we will now produce two reports a year rather than four smaller pieces of work. The first will be the national picture mentioned above and the second a comparative piece of work looking at safety across the world.

Patient Safety Weekly Updates

We produced 42 editions of our patient safety updates and grew the subscriber list to 1011. This was from a base of 800 representing a 26% growth in subscribers. Most of our subscribers work within the NHS, the media, or the broader healthcare environment. Statements and facts from these updates were regularly picked up in the national media helping us promote and disseminate information and policy ideas on patient safety. The updates have also helped educate and inform a number of national journalists about patient safety as a concept. We also produced a Budget Special which analysed the impact of the October 2021 Budget on patient safety and healthcare in general. These updates focused on a number of big-ticket issues key to improving patient safety. These included the need for better workforce planning and increased staffing levels to ensure healthcare can be delivered safely.

PATIENT SAFETY WATCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

International and External Engagement

As with previous years we engaged closely with the World Health Organisation on their work promoting patient safety in particular World Patient Safety Day. We sat on their steering committee deciding on themes and events and our Trustees spoke at a number of events on the day itself.

We also appointed a Communications Consultant to handle the growing media interest in patient safety. They advised us on content for the weekly updates, secured interviews for our representatives in the national media, and handled incoming media queries.

Patient Safety Book

Our chairman pledged to donate to the Charity any advance he received for a book on patient safety and all royalties due to him from its sales. We therefore provided research into various aspects of patient safety to support the writing of the book. The book has now been published and includes reference to Patient Safety Watch. It supports the Charity in its objective of providing and disseminating information and advice on safety and standards in patient care to policy makers, service providers and patients, in particular on how to prevent error and harm in healthcare. We have also started receiving income from the book royalties, but this occurred outside of this financial period.

Financial review

In the financial period 1st February 2021 to 31st January 2022, the Charity received income of £164,400 and incurred total expenditure was £199,975.

For the period ended 31 January 2022 the Charity had therefore recorded net expenditure of £35,490.

As reported in the previous year's Trustee Report it was decided in November 2020 to end the lease on our office. Given the change in working arrangements caused by the COVID 19 pandemic it was no longer necessary to maintain a physical office. We have successfully worked remotely ever since and did not see the need to review this decision during this financial year. It saved us £12,600 over the period.

A reserves policy of three months operating costs was adopted. In August we dipped below this level for a few weeks but it was noted that our annual Mare Pond donation was due that month and so it was of no concern. In no other month did our end of month cash balance drop below this level.

Structure, governance and management

The Charity is controlled by its governing document, its articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Company is controlled by its articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J Hunt

Mr J R Titcombe

Mr D Grunberg

Trustee Recruitment

New Trustees are appointed by existing Trustees by a majority vote.

PATIENT SAFETY WATCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

Risk Management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees have identified the following as significant risks to the Charity: over-reliance on one source of income, COVID-19 implications, reputational damage, lower income than expected, and failure to secure a research partner. The Trustees are satisfied that appropriate measures are being taken to mitigate these risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

11761835 (England and Wales)

Registered Charity number

1185650

Registered office

5 Technology Park
Colindeep Lane
Colindale
London
NW9 6BX

Trustees

Mr J Hunt MP
Mr J R Titcombe
Mr D Grunberg

Chief Executive

Mr A J Smith

Independent Examiner

Grunberg & Co Limited
Chartered Accountants
5 Technology Park
Colindeep Lane
Colindale
London
NW9 6BX

Solicitors

Stone King LLP
Boundary House
91 Charterhouse Street
Barbican
London
EC1M 6HR

Bankers

Metro Bank Plc
1 Southampton Row
London
WC1B 5HA

PATIENT SAFETY WATCH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

The Trustees' was approved by the Board of Trustees.

Mr J R Titcombe

Trustee

4 October 2022

PATIENT SAFETY WATCH

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF PATIENT SAFETY WATCH

I report to the Trustees on my examination of the financial statements of Patient Safety Watch (the Charity) for the year ended 31 January 2022.

Responsibilities and basis of report

As the Trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Gedalia Waldman BA FCA
Grunberg & Co Limited
Chartered Accountants
5 Technology Park
Colindeep Lane
Colindale
London
NW9 6BX

Dated: 14 October 2022

PATIENT SAFETY WATCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Income and endowments from:</u>			
Donations and legacies	2	106,000	125,472
Other trading activities	3	58,400	32,800
Other income	4	-	5,204
		<hr/>	<hr/>
Total income		164,400	163,476
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	5	199,975	188,706
		<hr/>	<hr/>
Net expenditure for the year/ Net movement in funds		(35,575)	(25,230)
		<hr/>	<hr/>
Fund balances at 1 February 2021		52,918	78,148
		<hr/>	<hr/>
Fund balances at 31 January 2022		17,343	52,918
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

PATIENT SAFETY WATCH

STATEMENT OF FINANCIAL POSITION

AS AT 31 JANUARY 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		50		118
Current assets					
Debtors	10	100		1,800	
Cash at bank and in hand		24,855		59,047	
		<u>24,955</u>		<u>60,847</u>	
Creditors: amounts falling due within one year	11	<u>(7,662)</u>		<u>(8,047)</u>	
Net current assets			17,293		52,800
Total assets less current liabilities			<u>17,343</u>		<u>52,918</u>
Income funds					
Unrestricted funds			17,343		52,918
			<u>17,343</u>		<u>52,918</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 4 October 2022

Mr J R Titcombe
Trustee

Company registration number 11761835

PATIENT SAFETY WATCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

Charity information

Patient Safety Watch is a private company limited by guarantee incorporated in England and Wales. The registered office is 5 Technology Park, Colindeep Lane, Colindale, London, NW9 6BX, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable 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 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.

PATIENT SAFETY WATCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	33% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

PATIENT SAFETY WATCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Government grants

The Charity recognises Government grants received relating to the Job Retention Scheme on an accruals basis. The grants are recognised in the Statement of Financial Activities over the period in which the Charity recognises the related costs for which the grant is intended to compensate.

1.11 Pension costs and other post-retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	106,000	125,472

Donated goods and services

Recognition and valuation of donated goods, facilities and services are accounted as donation in kind income valued at the cost incurred. In the period under review this amounted to £50,000 (2021: £40,000).

PATIENT SAFETY WATCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

3 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Fundraising speaking fees	58,400	32,800

4 Other income

	Total	Unrestricted funds
	2022 £	2021 £
Government grants	-	5,204

5 Charitable activities

	Resources expended 2022 £	Resources expended 2021 £
Depreciation and impairment	68	-
Research	50,000	40,000
	50,068	40,000
Share of support costs (see note 6)	146,439	145,706
Share of governance costs (see note 6)	3,468	3,000
	199,975	188,706

PATIENT SAFETY WATCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

6 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Management	123,921	-	123,921	126,432	-	126,432
Other	22,000	-	22,000	19,274	-	19,274
Legal & professional	518	-	518	-	-	-
Accountancy	-	3,468	3,468	-	3,000	3,000
	<u>146,439</u>	<u>3,468</u>	<u>149,907</u>	<u>145,706</u>	<u>3,000</u>	<u>148,706</u>
Analysed between Charitable activities	<u>146,439</u>	<u>3,468</u>	<u>149,907</u>	<u>145,706</u>	<u>3,000</u>	<u>148,706</u>

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

8 Employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
<u>1</u>	<u>1</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£110,000-£120,000	<u>1</u>	<u>1</u>

PATIENT SAFETY WATCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2022

9 Tangible fixed assets

	Computers £
Cost	
At 1 February 2021	203
At 31 January 2022	203
Depreciation and impairment	
At 1 February 2021	85
Depreciation charged in the year	68
At 31 January 2022	153
Carrying amount	
At 31 January 2022	50
At 31 January 2021	118

10 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	100	1,800

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	4,307	4,792
Trade creditors	85	-
Other creditors	-	255
Accruals and deferred income	3,270	3,000
	7,662	8,047

12 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).