



Report and accounts

1 April 2020 – 31 March 2021

Company Number: 03090774

Charity Number: 1048816



| Contents | Page |
|---------------------------------------|-------------|
| In Memoria | 2 |
| Message from the Chairman | 3 |
| Trustees Report | |
| 2020/21 A Year in View | 4 |
| Objectives and Activities | 5 |
| Achievements and Performance | 7 |
| Structure and Board | 12 |
| Statement of Trustee Responsibilities | 14 |
| Auditors Report | 15 |
| Financial Statements | 19 |
| Trustees, Officers and advisors | 46 |

In Memoria

Everyone at Education for Health wishes to note the contribution of Professor Ursula Gallagher who sadly died on the 25th of July 2021.

We miss our erudite friend who served Education for Health for several terms as trustee and lately as Chair of the Board

Ursula was an excellent servant of the charity and her contribution was immense. As a former professor of nursing she had a passion for seeing good care for those who need it. She saw education as key to equipping healthcare professionals for their work and tirelessly supported the work of Education for Health.

She had a keen strategic mind and served with commitment, humour and a kind pastoral touch as she interacted with the staff, board and at times students.

We celebrate her and thankfully acknowledge her service to healthcare and to Education for Health.





Message from our Chairman

Education for Health Chair's Report 2020-21

History will view the year from March 2020 as one of the most remarkable in the 21st century with the COVID 19 pandemic impacting all aspects of life nationally and globally. For Education for Health it was no different and the year has required the best from our team. They have delivered and it has been a pleasure to witness their achievements and now to report on them.

At the end of such a remarkable year, it seems an appropriate time to reflect on the challenges, changes and success that have taken place at Education for Health. Led by Linda Edwards the whole team undertook the radical operational changes that were necessary to navigate the period when traditional face to face education and training ceased and yet was needed. Staff contributed to effort and indeed to the welfare of Education for Health; some accepting furlough with others delivering a mammoth effort to morph our courses to online offerings. We note the contribution of all staff and thank them for their endeavours.

What has been achieved is remarkable with courses now available via a new learning platform, presented and accessed through a new website meaning that the vital training we can offer is maintained. This together with our new portfolio of Postgraduate certificates and Diplomas in addition to the Master's degree via Hertfordshire University means we have offerings to meet the needs of healthcare professionals as remobilisation following Covid begins

We have welcomed new members to both the Executive Team and Board of Trustees; and after many years on the Board, Professor Ursula Gallagher has stepped down as Co-Chairman. Her commitment to Education for Health was exemplary just as it was in her professional life lately with Care Quality Commission and we are delighted to note she was recently awarded an MBE. We thank her for her tireless dedication and service.

The pandemic has brought many changes to the world of healthcare – healthcare professionals found themselves working even longer hours than before, NHS training budgets were paused and the pharmaceutical industry was focused on vaccines. Yet, with many healthcare professionals being diverted from their usual specialities into urgent and acute respiratory care, the need for education and training felt more important than ever. A new delivery model was created, enabling people to access learning at a time and pace that suited them while maintaining the interactivity we know so many find essential to their learning. Post lockdown Education for Health is in an entirely different place than before. New courses and support resources have been created and the organisation restructured.

There is still much to do, but great strides have been made to futureproof the organisation and ensure it is able to best meet the training and education needs of healthcare professionals. We continue to be grateful to all those involved in the success of the organisation – staff, our associates, volunteers and partner organisations. Due to the hard work, dedication and support of these individuals, Education for Health continues to progress.

Dr Robert Angus, Chairman

March 2021



2020-21 A year in view: activities, achievements and impact

OUR YEAR AT A GLANCE

114 Courses delivered

1,800 Healthcare professionals completed our courses

2,350 People accessed free eLearning

£169,785 Bursaries awarded to students

Our people

The Chief Executive, Dr Linda Edwards, is supported by Deputy Chief Executive/Director of Learning Operations and Finance, Becky Harkcom; Director of Innovations, Stephen Ryan; Associate Director of Strategic Partnerships, Adam Smith; Director of Learning Design and Quality, Ann Saxon and since November 2020, Sarah Brighton, Associate Director of the Marketing and Intelligence Hub.

The organisation is configured into specialist teams; Learning Design & Quality, Partnerships, Finance, Business Systems & Technology, Data, Learning Operational Support, Marketing, Intelligence and Communications and Finance.

We also continue to value the ongoing contribution volunteers add to our activities. During this period, we have been supported by a volunteer who has completed a project within our HR department as part of her masters at Coventry University.



Objectives and Activities: vision, purpose, objects and aims

| Why we exist | How we achieve our objects |
|---|--|
| <p>Our Vision is a world where people with Long Term Conditions have access to the help and support they need to live healthy and fulfilling lives.</p> <p>The Charity's objects are:</p> <ol style="list-style-type: none"> 1. To promote the health and wellbeing of the general public through the provision of education to those who can influence others, including patients and the public, in such areas as the trustees of the Charity may at their absolute discretion from time to time determine; 2. For the public benefit, to relieve sickness through the promotion of preventative measures, and the provision of excellence in care, treatment and management of disease, and the carrying out of research into such diseases as the trustees of the Charity may at their absolute discretion from time to time determine; 3. The furtherance and pursuance of charitable purposes which are exclusively charitable according to the laws of England and Wales as the trustees of the Charity may at their absolute discretion from time to time determine. | <p>The Trustees confirm that they have referred to the Charity Commissions general guidance on public benefit when reviewing the aims and objectives of the charity and in planning future activities for the year.</p> <p>Our 4 strategic aims:</p> <ol style="list-style-type: none"> 1. Strengthen our profile in the provision of high quality support, education and training for health care professionals across a range of LTCs 2. Demonstrate the impact educating healthcare professionals can have on health outcomes 3. Create an organisation that inspires and encourages innovation and creativity 4. Be a financially strong, flexible and dynamic organisation |



Overview of our Activities, Achievements and Impact

What we intended to do in 2020/21

- Strengthen our foundations – by putting in place the right systems to support our work; paying attention to the detail; simplifying processes, and streamlined systems.
- Maximise our products – using our existing products to create different packages of learning materials in line with NHS needs.
- Grow income – by staying ahead of NHS changing needs and creating innovative ways to deliver our products that align with the needs of HCPs.

What we did in 2020/21

The pandemic affected the way in which we deliver education and training and support to our learners, including a focus on online learning.

- The Marketing, Communications and Intelligence Hub was created in November 2020 to ensure that market intelligence and a focus on customers was at the heart of the organisation's processes.
- Working groups examining roles and responsibilities within the organisation and learner evaluations began at the start of 2021. These groups are ensuring that processes internally are simplified and that feedback from our learners is given due consideration.
- All courses were moved to a new online blended learning model. This meant we were able to continue to support healthcare professionals by providing education and training when face to face learning was not an option due to the pandemic.
- We created an online resource centre focused on providing the latest information, guidance and expert support around Covid-19. This enabled our new audience pharmacists and other healthcare professionals to be trained to deliver vaccinations.
- New courses focusing on prevention (such as the Smoking Cessation course) were created to meet new needs within the NHS.



Achievements and Performance

Financial Performance Summary

| £'000 | Income | Expenditure | Operating result | Net Exceptional income 2019/20 and government grant 2020/21 | Investment gains/(losses) | Net Movement |
|-----------------|--------------|----------------|------------------|---|---------------------------|--------------|
| 2020/21 | 989 | (1,662) | (673) | 149 | 405 | (119) |
| 2019/20 | 1,799 | (2,344) | (545) | 361 | (269) | (453) |
| Movement | (810) | 682 | (128) | (212) | 674 | 334 |
| | (45%) | 29% | (23%) | | | |

Financial Results for the year

Income for the year of £989k (excluding government grant) is 45% lower than in the previous year, which is a direct result of the impact of Covid-19 leading to a change in healthcare professionals training needs. In addition to responding to these needs and offering support to front line healthcare professionals we have responded to the challenging external environment by reducing the costs of our business model. This has led to a 29% reduction in operating expenditure compared to the same period last year. These changes to our business model will drive the charity's sustainability. Education for Health has benefitted from receiving £149k from the Government's Job Retention Scheme between April 2020 and September 2021 during which time some staff were furloughed. Investments that had fallen in value at the end of 2019/20 recovered during 2020/21 resulting in a gain of £405k from realised and unrealised investment gains.



Designated Reserves

Our £0.76m designated reserves are made up of:

- 1) The designated development fund of £0.35m, is used to fund and support our strategic initiatives.
- 2) The operating fund of £0.2m reflects our moral obligation to support our existing students to complete their studies, the reduction from last year reflects the teach out of the undergraduate programme and the change in our business model.
- 3) £0.17m being fixed assets not readily convertible to cash.
- 4) £0.05m fund to support unexpected need for resource, for example in the case of long term sickness or maternity cover for key members of staff.

Reserves policy

As part of the 2020/21 budget setting process, our Finance, Audit and Risk Committee reviewed Education for Health's Reserves Policy. It was confirmed that the policy agreed previously was still valid and that Education for Health maintained free reserves:

- To provide a sustainable and appropriate level of working capital
- To allow for period of unexpected drops of planned income
- To cope with sudden short term increases in planned expenditure
- To provide cover for other risks, contingencies or unforeseen events.

As a result, a target free reserve of £1m was agreed.

At 31 March 2021, unrestricted free reserves of the group, excluding designated reserves, amounted to £0.98m, calculated as follows:-

| | <u>Group</u> <u>£'000</u> |
|-------------------------|--|
| Total funds | 1,745 |
| Less restricted funds | (3) |
| Less designated reserve | (761) |
| Free reserves | <u>981</u> |



Looking Forward

As a result of Covid -19 Education for Health has adapted its strategy to meet the changing needs of healthcare professionals:

- The pandemic has forced healthcare professionals to learn in a different way
- Time away from practice is increasingly difficult
- The need for a variety of support for health and care professionals is increasing
- Support needs to be flexible, accessible and in 'bite sized' chunks

Thus our business goals for 2021-2023 are:

1. Grow our market share:
Our focus is to raise the awareness of the breadth of experience of Education for Health and its applications to all healthcare professionals, to support NHS priorities including disease prevention, mental health, obesity and diabetes.
2. Build multiple income streams
The majority of our sales comes from direct sales through our website or partnerships with commissioners. We have now developed a subscription model to enable access and discussion in specialist areas. A further income stream will be created in 2021 with the launch of our Primary Care Profiling tools.
3. Deliver professional, high quality supported learning
A quality assurance project will be completed in 2021 allowing quality measures to be embedded within our learning material and support services.
4. Stay ahead of the competition
The creation of a marketing intelligence library will help enable our unique offerings to stay ahead of the competition.
5. Improving Health Outcomes
Our newly developed primary care profiling tools are designed to enable practices to target the people most in need.

Going Concern

The impact of Covid-19 as a global pandemic, has been significant, and has resulted in uncertainty within the wider environment. As a health charity whose history and expertise lies in respiratory disease, our response was to develop resources to support front line workers. We have therefore launched new products, with the support of sponsorship from our partners, most notably respiratory factsheets, an online respiratory failure toolkit, and online refresher workshops. To comply with government regulations our face-to-face training was transferred to interactive online blended learning. This enabled our learners to continue or start studying in the safety of their own environment.

The Trustees continue to closely monitor the financial position of the charity. Increased weekly cash flow updates have allowed tight control of our working capital. Cash has been maximised and remains stable by:

- The renegotiation with suppliers payment terms
- Focus on debtor management
- Use of Government help, through the job retention scheme and support of CBIL received April 2021
- Short term real savings through the temporary closure of the office, reduced travel, and operating costs



- A change in our business model enabling a reduction in the fixed costs, some of which move to the variable line
- An organisation restructure around a Marketing, Communications and Intelligence Hub
- More flexible offerings for commissioners in the form of licences
- Close monitoring of the value of our investments to ensure the longer-term cash requirements can be met

In response to the changes in our products, our sales started to recover in June 2020 with September and October exceeding the previous year's levels, the impact of the second lockdown on our trading was markedly less severe than the first. The roll out of the vaccination programme and NHS staff being encouraged to take much needed annual leave is causing people to postpone any learning which has a direct impact on income.

In May 2021 the Board of Trustees approved a 2-year budget which reflects the changes to our business model and expectations regarding the ongoing impact of Covid -19 during 2021. The budget forecasts that a break-even position will result in 2022/23 reflecting a small increase in sales of our core products, through a new marketing strategy, updated design and improved quality and the development of new products through our newly established Learning Academy and Specialist Units.

The forecast loss of £120k in 2021/22 will be supported by our investments.

The response to the bursaries we have been able to offer, with the support of our partners from Industry, have served to underline the need for the learning opportunities offered by Education for Health, which the Trustees remain confident will continue to grow to support the long term impact of Covid-19.

With our revised business model and business plans in place, the Board has reviewed the financial sustainability of the group and are of the opinion that Education for Health will continue to have adequate resources and is a going concern.

Investment policy and performance

Education for Health seeks to produce the best financial return within an acceptable level of risk. On behalf of the Board, the Finance, Audit and Risk Committee monitors the activities and performance of the investment managers (UBS), who were appointed in 2008. Our investment policy states:-

- The long-term investment objective is to produce a level of return in excess of inflation.
- The short-term investment objective is to produce sufficient income to support the ongoing activities of Education for Health. A target income is agreed with the investment manager on an annual basis to enable effective budgeting.
- Investment assets being held as reserves define our attitude to risk; thus, a maximum of 10% of the portfolio can be invested in property and hedge funds (assets that cannot be available to meet unanticipated cash flow requirements within five days of demand).
- The Charity's assets can be invested widely and is diversified by asset class, and by security. Asset classes could include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities and any other asset that is deemed suitable for the Charity. The Finance, Audit and Risk Committee is charged with agreeing a suitable asset allocation strategy for the invested reserves with the investment manager.
- The base currency of the investment portfolio is Sterling. Investment may be made in non-Sterling assets. Hedge funds are permitted, not exceeding 5% of the total value of the portfolio.
- The Charity's cash balances should be deposited with institutions with a minimum rating of A- or invested in a diversified money market fund.
- The Charity has adopted an ethical investment policy to ensure that its investments do not conflict with its aims and objectives. A company that generates revenues from the cultivation of tobacco or the manufacture of tobacco products is deemed to conflict with the Charity's aims and objectives. The policy therefore precludes:-



- Direct investment in a Tobacco Company.
- Indirect investment in a Tobacco Company through investment in any investment fund (but not an index tracker fund) which itself invests in a Tobacco Company

The Charity monitors investment performances against predetermined criteria and benchmarks. The unforeseen impact of COVID 19 has created some uncertainty within the global markets, however, they have recovered strongly after the fall in valuation in early 2020, this resulted in unrealised gains in the year of £255k (2019/20 loss for the year £293k). Realised gains of £150k were secured in the year compared with £23k in 2019/20. Investment income of £75k (2019/20 £87k) was received.

Risk

Education for Health has defined its strategic risks as those matters which could inhibit the achievement of our charitable objects.

A dynamic process is in place that allows the Board, Senior Leadership Team and all staff to identify events or actions, which may adversely affect the achievement of our strategy.

Once identified, appropriate systems and procedures are put in place to mitigate the risks. The Senior Leadership Team, which equates to our Executive Team, reviews the risks regularly, whilst the Board reviews the risk register at Finance, Audit and Risk Committee and Board Meetings in order to monitor progress made in mitigating the risks.

The major risks identified relate to the long term financial sustainability of the charity:

1. Dependency on a limited number of income sources
2. Ability of reserves to support the charity in the long term
3. Increased risk from cyber security attacks
4. The uncertainty around current trading conditions, due to the pandemic.

We are working closely with third party advisers to minimise the risk of security attacks and to ensure their impact is reduced, should it happen.

We continue to closely monitor the market needs to ensure we are able to provide a flexible response to the currently unknown future conditions.

The Board of Trustees is satisfied that reasonable steps are being taken to limit the probability and impact of these risks.



Structure and Board

Education for Health is a Company Limited by Guarantee and a Charity registered with the Charity Commission. The Charity is regulated by its Memorandum and Articles of Association adopted on 30 July 1995 and last amended on 27 September 2016.

The Board of Trustees (who are also Directors) are responsible for the overall governance of the Charity. The Articles specify that there are to be a minimum of five Trustees but no maximum is specified. Trustees are expected to attend a Strategic Planning Day each year where, with the Executive Team, the long-term aims of the Charity are developed. In addition to the Annual General Meeting, the Board meets four times per annum when Trustees review the Charity's performance, future operating plans and budgets. Extraordinary Board Meetings are also held as required. Meetings are sometimes convened via a teleconference call, to enable wider participation. The Board, Chief Executive and Senior Leadership Team are also involved in a joint annual strategic planning event.

There are two formal sub-committees of the Board of Trustees which are accountable to the Board; the Finance, Audit and Risk Committee and the Nominations Committee. Each committee has its own Terms of Reference and reports to the full Board.

The purpose of the Nominations Committee is:-

- to assist the Board in fulfilling its responsibilities by assessing, screening and nominating suitable and capable candidates to serve on the Board
- to make recommendations on the composition of the Board related to skill mix
- to oversee Trustee induction and developing and recommending to the Board performance measures to assess Board effectiveness.

Board Induction

The appointment of new Trustees follows advertisements placed with specialist bodies and stakeholders. Applicants are shortlisted against agreed criteria and interviews carried out by a representative panel of Trustees of the Charity. The preferred candidate is invited to join the Board subject to approval by the full Trustee Board and formal vetting. New Trustees are offered an induction and encouraged to become involved in the Charity's activities and sub-committees.

Management

The Board delegates the power in connection with the day-to-day management and administration of the Charity to the Chief Executive. Performance and risk is measured against strategic objectives, with regular reporting to the Board, so that decisions made under delegated power can be ratified by the full Board. The Chief Executive is responsible for the day-to-day management of the Charity's affairs and for implementing policies agreed by the Board.



Remuneration

The remuneration and rewards policy aims to pay all staff fairly and in a way that ensures we attract and retain the right skills to have the greatest impact on delivering the Charity's objectives. The Board of Trustees determines the salary of the Chief Executive. The Chief Executive recommends salary increases for the Senior Leadership team of the Charity for Board approval. Pay awards are made after taking into account Retail Price Index, the performance of the Charity and the extent to which its objectives have been achieved, and the contribution of the individual to achieving the Charity's objectives, which is measured through the annual appraisal process. All salaries are benchmarked against comparable roles in similar sectors.

For other staff, the Board of Trustees have delegated responsibility to the Internal Remuneration Committee to:-

- Administer the Charity's system of staff remuneration including: pay, pensions and any additional benefits in adherence with the Remuneration Policy and in line with the values of the Charity
- Review the recommendations for annual staff pay increases, which are then ratified by the Trustees as part of the budget process
- Ensure that the remuneration offered works both to reward staff for their performance, but also takes into account the affordability to the Charity
- Ensure that pay levels correspond with other policies the Charity has, such as the risk policy, and are aligned to the strategic aims
- Review salaries of staff against relevant benchmarks
- Consider the need for an independent evaluation of pay levels at least every five years so that Trustees are clear what is happening to salaries in this and other sectors
- Be aware of major changes in employee benefits, including pay, pensions and other rewards and make recommendations to amend the Remuneration Policy based on these changes
- Ensure the Policy is applied consistently across the Charity.

Purpose of the Finance, Risk and Audit Committee is to support Trustees in meeting their responsibilities for risk management, internal controls and efficient and effective use of funds.

The Charity has the following subsidiaries:- Education for Health Trading Limited (100% owned), National Respiratory Training Centre Limited (100% owned) dormant since its incorporation, and Respiratory Education UK (100% owned). All subsidiaries were dormant during 2020/21.

We have two Patrons. Mrs Greta Barnes MBE, the Founder of our Charity, and Baroness Julia Cumberlege CBE, DL.



Trustees' Responsibilities

The Trustees (also Directors of Education for Health for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Group for that period. In preparing these financial statements, the Trustees are required to:-

1. Select suitable accounting policies and then apply them consistently
2. Observe the methods and principles in the Charities SORP
3. Make judgements and estimates that are reasonable and prudent
4. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.


Auditors

The Directors resolved that RSM UK Audit LLP be re-appointed as auditors. RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to the Disclosure of Information to Auditors

The Directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the Auditors are unaware. Each of the Directors has confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the Auditors.

Approved by the Board on 27 July 2021 and signed on its behalf by:-



Robert Angus, Director/Chairman, the Board of Trustees



Independent Auditor's Report to the Members of Education for Health

Opinion

We have audited the financial statements of Education for Health (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



Independent Auditor's Report to the Members of Education for Health (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.



Independent Auditor's Report to the Members of Education for Health (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.



Independent Auditor's Report to the Members of Education for Health (continued)

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

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

Use of our report

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

Paul Oxtoby (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

Date 3 August 2021



Consolidated Statement of Financial Activities

(including Consolidated Income and Expenditure Account)

for the period ended 31 March 2021

| | | <u>Unrestricted</u> <u>Fund</u> | <u>Restricted</u> <u>Fund</u> | <u>12 months to</u> <u>31/3/2021</u> | <u>12 months to</u> <u>31/3/2020</u> |
|------------------------------------|----|------------------------------------|----------------------------------|---|---|
| <u>Notes</u> | | <u>£</u> | <u>£</u> | <u>Total</u> <u>£</u> | <u>Total</u> <u>£</u> |
| Income and | | | | | |
| Endowments from: | | | | | |
| Donations and legacies | 4 | - | 22,978 | 22,978 | 3,505 |
| Charitable activities | 5 | 864,130 | - | 864,130 | 1,695,023 |
| Other trading activities | 6 | 26,361 | - | 26,361 | 15,182 |
| Surplus on disposal of assets | 38 | - | - | - | 457,152 |
| Government grants | 34 | 148,679 | - | 148,679 | - |
| Investments | 7 | 75,229 | - | 75,229 | 85,638 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Income | | 1,114,399 | 22,978 | 1,137,377 | 2,256,500 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Expenditure on: | | | | | |
| Raising funds | 11 | 27,282 | - | 27,282 | 21,802 |
| Charitable activities | 12 | 1,614,716 | 20,106 | 1,634,822 | 2,322,655 |
| Exceptional charitable activities | 38 | - | - | - | 95,707 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Expenditure | | 1,641,998 | 20,106 | 1,662,104 | 2,440,164 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Net gains (losses) on investments | 23 | 405,038 | - | 405,038 | (269,318) |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Net Movement in Funds for the Year | | (122,561) | 2,872 | (119,689) | (452,982) |
| Reconciliation of Funds: | | | | | |
| Total funds brought forward | | 1,864,809 | - | 1,864,809 | 2,317,791 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Funds Carried Forward | | 1,742,248 | 2,872 | 1,745,120 | 1,864,809 |
| | | <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. All activity in the year was unrestricted.



Company Number 03090774

Balance Sheets at 31 March 2021

| | <u>Notes</u> | <u>Group</u> <u>31/03/2021</u> £ | <u>Group</u> <u>31/03/2020</u> £ | <u>Charity</u> <u>31/03/2021</u> £ | <u>Charity</u> <u>31/03/2020</u> £ |
|---------------------------------------|--------------|--|--|--|--|
| Fixed Assets: | | | | | |
| Intangible assets | 22 | 46,632 | 19,985 | 46,632 | 19,985 |
| Tangible assets | 21 | 119,427 | 156,497 | 119,427 | 156,497 |
| Investment assets | 23 | 2,844,524 | 2,565,227 | 2,844,526 | 2,565,229 |
| | | | | | |
| Total Fixed Assets | | 3,010,583 | 2,741,709 | 3,010,585 | 2,741,711 |
| Current Assets: | | | | | |
| Debtors and prepayments | 24 | 210,969 | 277,703 | 211,112 | 277,846 |
| Cash at bank and in hand | 33 | 331,896 | 326,282 | 331,802 | 326,188 |
| | | | | | |
| Total Current Assets | | 542,865 | 603,985 | 542,914 | 604,034 |
| Liabilities: | | | | | |
| Creditors falling due within one year | 25 | 1,024,131 | 800,226 | 1,024,131 | 800,226 |
| Fees received in advance | 26 | 784,197 | 680,659 | 784,197 | 680,659 |
| | | | | | |
| | | 1,808,328 | 1,480,885 | 1,808,328 | 1,480,885 |
| | | | | | |
| Net Current Liabilities | | (1,265,463) | (876,900) | (1,265,414) | (876,851) |
| | | | | | |
| Total Assets less Current Liabilities | | 1,745,120 | 1,864,809 | 1,745,171 | 1,864,860 |
| | | | | | |
| Net Assets | | 1,745,120 | 1,864,809 | 1,745,171 | 1,864,860 |
| The Funds of the Charity: | | | | | |
| Restricted Funds | 28 | 2,872 | - | 2,872 | - |
| Unrestricted funds | 27 | 1,742,248 | 1,864,809 | 1,742,299 | 1,864,860 |
| | | | | | |
| Total Charity Funds | | 1,745,120 | 1,864,809 | 1,745,171 | 1,864,860 |

The notes on pages 22 to 45 form part of these accounts.

Robert Angus

Signed by Robert Angus, Chairman of Trustees on behalf of the Trustees
Approved by the Trustees and authorised for issue on 27 July 2021



Company Number 03090774
Consolidated Statement of Cash Flows
for the period ended 31 March 2021

| | <u>Notes</u> | <u>Group</u> <u>12 Months to</u> <u>31/03/2021</u> <u>£</u> | <u>Group</u> <u>12 Months to</u> <u>31/03/2020</u> <u>£</u> |
|---|--------------|--|--|
| Cash Flows from Operating Activities: | | | |
| Net cash used in operating activities | 32 | (156,988) | (913,438) |
| Cash Flows from Investing Activities: | | | |
| Dividends and interest from investments | | 75,229 | 85,638 |
| Purchase of tangible fixed assets | | - | (164,903) |
| Purchase of intangible fixed assets | | (38,368) | (13,141) |
| Proceeds from sale of fixed assets | | - | 1,111,139 |
| Proceeds from sale of investments | | 1,283,136 | 2,195,183 |
| Purchase of investments | | (1,157,395) | (2,093,044) |
| Cash generated/(used in) provided by Investing Activities | | 162,602 | 1,120,872 |
| Increase/(decrease) in Cash and Cash Equivalents in the year | | 5,614 | 207,434 |
| Cash and cash equivalents at the beginning of the year | | 326,282 | 118,848 |
| Total Cash and Cash Equivalents at the End of the Year | 33 | 331,896 | 326,282 |



Notes to the Financial Statements

1. Accounting Policies-

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:-

a) Basis of Accounting

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

Education for Health meets the definition of a public benefit entity under the Charities Act, assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). 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 £, unless otherwise stated.

b) Preparation of the Accounts on a Going Concern Basis

The Charity has prepared detailed forecasts of both income and expenditure and cash on a Group basis. Reserves of the Group currently stand at £1,745k (31 March 2020: £1,865k). Having considered these documents together with risk and reserves policy the Trustees are of the view that the Charity is a going concern. The reserves are represented by investment assets of £2,845k (31 March 2020: £2,565k), cash of £332k (31 March 2020: £326k) and liabilities of £1,808k (31 March 2020: £1,481).

Taking into account the impact of the COVID-19 pandemic the Trustees have modelled forecasts that show that the charity can absorb deficits within available working capital and without any material recourse either to the investment portfolio or to external debt. Based on this, the Trustees consider that adequate resources exist to continue in operational existence for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing the financial statements.

c) Group Financial Statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiaries on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006. The Charity has also taken advantage of the exemption available under FRS 102 and has not presented a statement of cash flows for the parent.



d) Fund Accounting

The general fund consists of the accumulated surpluses on the consolidated statement of financial activities, less any funds designated by the Directors for specific purposes.

Designated funds are funds which have been set aside by the Directors for specific purposes. The purpose of the designated funds is set out in the notes to the accounts.

Restricted funds are funds for which the donor has specifically restricted the purpose for which they can be used. The balance in the fund represents the amount still remaining for future expenditure.

e) Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation. The cost of minor additions to fixed assets, defined as those costing less than £85 each, is expensed in the year in which the cost is incurred.

Depreciation is provided to write off the cost of assets by equal instalments over their estimated useful lives as follows:-

| | | |
|---|---|-----------------|
| Equipment, furniture, fixtures and fittings | - | 5-20 years |
| Laptops | - | 3 years |
| Other Computer equipment | - | 5 years |
| Short leasehold property improvements | - | over lease term |

f) Investments

Listed investments are included in the accounts at fair value. Gains or losses on revaluation are recognised in the SOFA and credited or debited to the relevant funds.

Investments in subsidiaries are stated at cost.

g) Investment income

Dividends are credited to the SOFA when receivable.

Interest on cash held is accrued on a daily basis and is credited on this basis to the SOFA.

h) Government Grant

The Government grant received are included in the SOFA when legally entitled to the income and there is reasonable assurance all conditions are met.

i) Pension costs

The Charity operates defined contribution schemes available to all of its employees. The schemes' funds are administered by Trustees and are independent of the Charity's finances. The Charity's contributions to the schemes are charged in the accounts as they accrue.



j) Income

All incoming resources are included in the SOFA when the Charity is legally entitled to the income. Course fee income is recognised and included in the SOFA for the financial year in proportion to the total fee by a measure of the course length elapsed and value of services delivered by time and materials.

k) Expenditure and Irrecoverable VAT

All resources expended are accounted for on an accruals basis. Costs are classified under headings that aggregate all similar costs and which can then be related to costs of raising funds and charitable activities.

Costs of raising funds are primarily investment management fees and other expenses incurred in trading activities that raise funds.

Charitable activities expenditure primarily includes costs associated with educational activity, books and resources and research activity. They include both direct and support costs relating to these activities.

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities.

Support costs include central functions and governance costs and have been allocated to activity cost categories on a basis consistent with the use of resources by activities irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

l) Research

Expenditure on research is written off as incurred, other than when there is a defined project with certain income.

m) Operating Leases

The rentals payable under operating leases are charged/credited in the SOFA on a straight line basis over the lease term.

n) Intangible Fixed Assets

- Development Costs

Expenditure on developing new modules is carried forward to match against future revenue. Following the change in our portfolio the costs brought forward have been amortised in the year. As a result, at 31 March 2021, £8,386 (2020: £nil) has been carried forward.

- Software/Website

Expenditure on software and website development is carried forward to match against expected future benefit. As a result, at 31 March 2021, £34,701 (2020: £11,724) has been carried forward. The expenditure is being written off over three years (software) and five years (website).



- Other

Net book value of other intangible assets at 31 March 2021 £3,545 (2020 £8,261) is carried forward against expected future benefit. The expenditure is being written off over five years.

o) Recognition of Liabilities

Liabilities are recognised when either a constructive or legal obligation exists.

p) Basis of Consolidation

The consolidated financial statements incorporate those of Education for Health and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 March 2021.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

q) Financial instruments

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

r) Donated services

In accordance with the Charities SORP (FRS 102) the general volunteer time of the Trustees and administration volunteers is not recognised.

s) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In capitalising course development costs and their subsequent amortisation, management makes judgements as to the future viability of courses and the likely life of the courses.



2. Legal Status

The Charity is a Company Limited by Guarantee incorporated in England and Wales. Linda Edwards (Chief Executive) and all the current Trustees as shown on Page 46 are members of the Charity. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The address of the Charity's registered office and principal place of business is 1 Lowes Lane Business Park, Lowes Lane, Wellesbourne, CV35 9RB.

3. Financial Performance of the Charity

The consolidated statement of financial activities includes the results of the Charity's wholly owned subsidiaries Respiratory Education UK and Education for Health Trading Limited.

The results of the parent company Education for Health were as follows:-

| | <u>12 Months to 31/03/2021</u> | <u>12 Months to 31/03/2020</u> |
|------------------------------|---|---|
| | <u>Total</u> | <u>Total</u> |
| | <u>£</u> | <u>£</u> |
| Total Income | 1,114,679 | 2,256,500 |
| | <hr/> | <hr/> |
| Net Expenditure for the Year | (122,561) | (452,982) |
| | <hr/> <hr/> | <hr/> <hr/> |

4. Donations and Legacies

| | | <u>12 months to 31/03/2021</u> | <u>12 months to 31/03/2020</u> |
|------------------|--------------------------------|---|---|
| | <u>General Fund</u> | <u>Restricted Funds</u> | <u>Total</u> |
| | <u>£</u> | <u>£</u> | <u>£</u> |
| Covid Fact Sheet | - | 22,978 | 22,978 |
| Sundry Donations | - | - | 3,505 |
| | <hr/> | <hr/> | <hr/> |
| | - | 22,978 | 22,978 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

The income from donations and legacies is made up of £22,978 restricted income



5. Income from Charitable Activities

| | | | <u>12 months to</u> <u>31/03/2021</u> | <u>12 months to</u> <u>31/03/2020</u> |
|----------------------|-------------------------------|-----------------------------------|--|--|
| | <u>General</u> <u>Fund</u> | <u>Restricted</u> <u>Funds</u> | <u>Total</u> | <u>Total</u> |
| | <u>£</u> | <u>£</u> | <u>£</u> | <u>£</u> |
| Educational Activity | 857,117 | - | 857,117 | 1,649,149 |
| Books and Resources | - | - | - | 766 |
| Research Activity | 7,013 | - | 7,013 | 45,108 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 864,130 | - | 864,130 | 1,695,023 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

6. Income from other Trading Activities

| | | | <u>12 months to</u> <u>31/03/2021</u> | <u>12 months to</u> <u>31/03/2020</u> |
|---------------------------------|-------------------------------|----------------------------------|--|--|
| | <u>General</u> <u>Fund</u> | <u>Restricted</u> <u>Fund</u> | <u>Total</u> | <u>Total</u> |
| | <u>£</u> | <u>£</u> | <u>£</u> | <u>£</u> |
| Room hire | - | - | - | 480 |
| Sundry other trading activities | - | 26,361 | 26,361 | 14,702 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 26,361 | 26,361 | 26,361 | 15,182 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

7. Investment income

| | <u>12 months to</u> <u>31/03/2021</u> | <u>12 months to</u> <u>31/03/2020</u> |
|--|--|--|
| | <u>Total</u> | <u>Total</u> |
| | <u>£</u> | <u>£</u> |
| Dividends and interest from listed investments | 68,217 | 69,783 |
| Interest on cash held | 7,012 | 15,855 |
| | <hr/> | <hr/> |
| | 75,229 | 85,638 |
| | <hr/> | <hr/> |



8. Analysis of Income Resources

| | <u>12 months to 31/03/2021</u> | <u>12 months to 31/03/2020</u> |
|---|------------------------------------|------------------------------------|
| | <u>Total £</u> | <u>Total £</u> |
| The analysis of the income resources attributable to each geographical area is as follows: | | |
| United Kingdom | 1,134,216 | 1,795,710 |
| Other – European countries | 1,945 | 1,962 |
| Other – rest of the world | 1,216 | 1,676 |
| | <hr/> | <hr/> |
| | 1,137,377 | 1,799,348 |
| Add exceptional gain Note 37 | - | 457,152 |
| | <hr/> | <hr/> |
| | 1,137,377 | 2,256,500 |
| | <hr/> <hr/> | <hr/> <hr/> |

9. Staff Costs

| | <u>12 months to 31/03/2021</u> | <u>12 months to 31/03/2020</u> |
|-------------------------|------------------------------------|------------------------------------|
| | <u>£</u> | <u>£</u> |
| Wages and salaries | 920,870 | 1,212,543 |
| Social security costs | 83,351 | 104,414 |
| Other pension costs | 51,588 | 67,669 |
| Staff recruitment costs | 4,623 | 2,630 |
| Redundancy costs | 16,189 | 34,827 |
| | <hr/> | <hr/> |
| | 1,076,621 | 1,422,083 |
| | <hr/> <hr/> | <hr/> <hr/> |

| | <u>12 months to 31/03/2021</u> | <u>12 months to 31/03/2020</u> |
|---|------------------------------------|------------------------------------|
| | <u>Headcount No</u> | <u>Headcount No</u> |
| The average number of employees during the period was 35. They were associated with the following activities:- | | |
| Educational activity | 33 | 39 |
| Books and resources | 0 | 1 |
| Research activity | 1 | 1 |
| Advocacy work | 1 | 1 |
| | <hr/> | <hr/> |
| | 35 | 42 |
| | <hr/> <hr/> | <hr/> <hr/> |



9. Staff Costs (continued)

**12 months to
31/03/2021**

**12 months to
31/03/2020**

The average number of full-time equivalent (FTE) employees during the period was 27. They were associated with the following activities:-

| | <u>FTE No</u> | <u>FTE No</u> |
|----------------------|----------------------|----------------------|
| Educational activity | 25 | 31 |
| Books and resources | 0 | 1 |
| Research activity | 1 | 1 |
| Advocacy work | 1 | 1 |
| | 27 | 34 |

During the 12 months to 31 March 2021, no Trustees (12 months to 31 March 2020: two) received reimbursements of personal travel and subsistence expenditure (12 months to 31 March 2020: £597).

No Trustees received remuneration during the year (one trustee 12 months to 31 March 2020: £7,812) for qualifying services.

The key management personnel of the parent Charity and the Group in 12 months to 31 March 2021 comprises the Chief Executive, Deputy Chief Executive, Director of Innovations, Associate Director of Strategic Partnerships, Director of Learning and Quality and since November 2020 Associate Director of the Marketing Intelligence Hub (12 months to 31 March 2020: Chief Executive, Deputy Chief Executive, Director of Innovations, Associate Director of Strategic Partnerships and Director of Learning and Quality). The total employee benefits of the key management personnel in 12 months to 31 March 2021 was £347k (12 months to 31 March 2020: £372k).

**12 months to
31/03/2021**

**12 months to
31/03/2020**

The numbers of employees whose emoluments were in excess of £60,000 (excluding employers National Insurance and pension contributions):-

| | | |
|--------------------------|----------|----------|
| £60,000 - £70,000 | 1 | 1 |
| £70,001 - £80,000 | 1 | 1 |
| £80,001 - £90,000 | - | 1 |

Contributions amounting to £19,055 (12 month to 31 March 2020: £13,211) were made to a defined contribution pension scheme for the above employees, in the period.



10. Outgoing Resources

| | <u>12 months to 31/03/2021</u> | <u>12 months to 31/03/2020</u> |
|---|------------------------------------|------------------------------------|
| | <u>£</u> | <u>£</u> |
| This is stated after charging/(crediting) | | |
| Auditor's remuneration audit | 21,600 | 21,000 |
| other | - | 5,700 |
| Trustee's indemnity insurance | 2,272 | 2,272 |
| Payments under operating leases – fixtures and fittings | 15,788 | 14,179 |
| Payments under operating leases – Building | - | 15,121 |
| Depreciation of tangible assets | 37,070 | 25,403 |
| Ammortisation of intangible assets | 11,721 | 28,342 |
| | <u> </u> | <u> </u> |

11. Expenditure on raising Funds

| | <u>General Fund</u> | <u>Restricted Funds</u> | <u>12 months to 31/03/2021</u> | <u>12 months to 31/03/2020</u> |
|----------------------------|-------------------------|-----------------------------|------------------------------------|------------------------------------|
| | <u>£</u> | <u>£</u> | <u>Total £</u> | <u>Total £</u> |
| Lecturer fees and expenses | - | - | - | 119 |
| Development costs | 704 | - | 704 | - |
| Investment management fee | 16,842 | - | 16,842 | 16,907 |
| Professional fees | 9,648 | - | 9,648 | 3,116 |
| Share of support (note 18) | - | - | - | 1,660 |
| Sundries | 88 | - | 88 | - |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | 27,282 | - | 27,282 | 21,802 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

12. Expenditure on Charitable Activities

| | <u>General Fund</u> | <u>Restricted Funds</u> | <u>12 months to 31/03/2021</u> | <u>12 months to 31/03/2020</u> |
|--------------------------------|-------------------------|-----------------------------|------------------------------------|------------------------------------|
| | <u>£</u> | <u>£</u> | <u>Total £</u> | <u>Total £</u> |
| Educational activity (note 13) | 1,553,254 | 20,106 | 1,573,360 | 2,226,048 |
| Books and resources (note 14) | - | - | - | 4,475 |
| Research activity (note 15) | 16,502 | - | 16,502 | 31,699 |
| Advocacy work (note 16) | 44,960 | - | 44,960 | 60,433 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | 1,614,716 | 20,106 | 1,634,822 | 2,322,655 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |



**13. Cost of Charitable Activities
– Educational Activities**

| | General | Restricted | 12 months to 31/03/2021 | 12 months to 31/03/2020 |
|---|------------------|-------------------|------------------------------------|------------------------------------|
| | Fund | Funds | Total | Total |
| | £ | £ | £ | £ |
| Course development | 9,126 | - | 9,126 | 28,894 |
| Salaries and staff costs | 677,505 | 20,106 | 697,611 | 934,759 |
| Redundancy Costs | 16,189 | - | 16,189 | 22,281 |
| Lecturer's fees, travel and subsistence | 80,395 | - | 80,395 | 222,930 |
| Computer consultancy and support | 59,098 | - | 59,098 | 93,663 |
| Printing and stationery | 85 | - | 85 | 458 |
| Course material | - | - | - | 331 |
| Course accommodation | - | - | - | 68,472 |
| Postage | 1,307 | - | 1,307 | 6,467 |
| Sundries and cleaning | 2,928 | - | 2,928 | 7,825 |
| Bank charges | 10,521 | - | 10,521 | 18,155 |
| Catering | - | - | - | 38 |
| Professional charges | 16,597 | - | 16,597 | 22,913 |
| Registration fees | 123,355 | - | 123,355 | 139,201 |
| Material cost for bespoke learning | - | - | - | 30,095 |
| Share of support and governance (note 18) | 556,402 | - | 556,402 | 630,747 |
| Subscription | 355 | - | 355 | 602 |
| Bad debt provision | (609) | - | (609) | (1,783) |
| | 1,553,254 | 20,106 | 1,573,360 | 2,226,048 |

Registration fees represent the cost of registering students with the University of Hertfordshire, Royal College of General Physicians, Open University and the Association for Respiratory Technology and Physiology for our accredited courses. Course development largely represents the amortisation of eLearning development in the year. Material costs for bespoke learning represent the development of material for non-accredited projects.



**14. Cost of Charitable Activities –
Books and Resources**

| | | | <u>12 months to</u> <u>31/03/2021</u> | <u>12 months to</u> <u>31/03/2020</u> |
|--|-------------------------------|-----------------------------------|--|--|
| | <u>General</u> <u>Fund</u> | <u>Restricted</u> <u>Funds</u> | <u>Total</u> | <u>Total</u> |
| | <u>£</u> | <u>£</u> | <u>£</u> | <u>£</u> |
| Cost of items sold | - | - | - | 746 |
| Wages, salaries and staff costs | - | - | - | 616 |
| Professional fees | - | - | - | 1,453 |
| Share of support and governance (note 18) | - | - | - | 1,660 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | - | - | - | 4,475 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

**15. Cost of Charitable Activities –
Research Activity**

| | | | <u>12 months to</u> <u>31/03/2021</u> | <u>12 months to</u> <u>31/03/2020</u> |
|--|-------------------------------|-----------------------------------|--|--|
| | <u>General</u> <u>Fund</u> | <u>Restricted</u> <u>Funds</u> | <u>Total</u> | <u>Total</u> |
| | <u>£</u> | <u>£</u> | <u>£</u> | <u>£</u> |
| Wages, salaries and staff costs | 4,730 | - | 4,730 | 6,557 |
| Professional fees | - | - | - | 8,041 |
| Share of support and governance (note 18) | 5,796 | - | 5,796 | 9,959 |
| Miscellaneous | 5,976 | - | 5,976 | 7,142 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 16,502 | - | 16,502 | 31,699 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

**16. Cost of Charitable Activities –
Advocacy**

| | | | <u>12 months to</u> <u>31/03/2021</u> | <u>12 months to</u> <u>31/03/2020</u> |
|--|-------------------------------|-----------------------------------|--|--|
| | <u>General</u> <u>Fund</u> | <u>Restricted</u> <u>Funds</u> | <u>Total</u> | <u>Total</u> |
| | <u>£</u> | <u>£</u> | <u>£</u> | <u>£</u> |
| Wages, salaries and staff costs | 27,572 | - | 27,572 | 40,515 |
| Share of support and governance (note 18) | 17,388 | - | 17,388 | 19,918 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 44,960 | - | 44,960 | 60,433 |
| | <hr/> | <hr/> | <hr/> | <hr/> |



17. Analysis of Governance and Support Costs

| | | | <u>12 months to</u> <u>31/03/2021</u> | <u>12 months to</u> <u>31/03/2020</u> |
|------------------------------------|----------------|-------------------|--|--|
| | <u>Support</u> | <u>Governance</u> | <u>Total</u> | <u>Total</u> |
| | £ | £ | £ | £ |
| Salaries and staff costs | 330,519 | - | 330,519 | 404,809 |
| Redundancy | - | - | - | 12,546 |
| Rates | 4,193 | - | 4,193 | 6,141 |
| Heat and light | 5,917 | - | 5,917 | 6,349 |
| Travel and subsistence | 21 | - | 21 | 5,381 |
| Computer consultancy and equipment | 71,727 | - | 71,727 | 73,832 |
| Rent | 51,132 | - | 51,132 | 15,122 |
| Printing and stationery | 7,336 | - | 7,336 | 10,314 |
| Postage | 1,732 | - | 1,732 | 2,436 |
| Telephone | 5,565 | - | 5,565 | 13,928 |
| Staff development | 100 | - | 100 | 5,687 |
| Professional fees | 12,781 | 78 | 12,859 | 15,182 |
| Property maintenance | - | - | - | 15,438 |
| Sundries | 8,708 | 41 | 8,749 | 8,766 |
| Bank interest, charges | 3,856 | - | 3,856 | 333 |
| Foreign Exchange (gain)/loss | (841) | - | (841) | 2,228 |
| Subscriptions | 1,040 | - | 1,040 | 1,737 |
| Depreciation | 48,029 | - | 48,029 | 35,046 |
| Insurance | 3,779 | 2,273 | 6,052 | 7,072 |
| Audit | - | 21,600 | 21,600 | 21,000 |
| Trustees meetings | - | - | - | - |
| Trustees expenses | - | - | - | 597 |
| | 555,594 | 23,992 | 579,586 | 663,944 |

18. Allocation of Costs of Support and Governance

| | | | <u>12 months to</u> <u>31/03/2021</u> | <u>12 months to</u> <u>31/03/2020</u> |
|----------------------|----------------|-------------------|--|--|
| | <u>General</u> | <u>Restricted</u> | <u>Total</u> | <u>Total</u> |
| | <u>Fund</u> | <u>Funds</u> | <u>£</u> | <u>£</u> |
| | £ | £ | £ | £ |
| Allocated to: | | | | |
| Educational activity | 556,402 | - | 556,402 | 630,747 |
| Books and resources | - | - | - | 1,660 |
| Research activity | 5,796 | - | 5,796 | 9,959 |
| Advocacy | 17,388 | - | 17,388 | 19,918 |
| Generating funds | - | - | - | 1,660 |
| | 579,586 | - | 579,586 | 663,944 |



19. Total Expenditure

| | <u>Staff Costs</u> | <u>Depreciation and Amortisation</u> | <u>Support Costs</u> | <u>Other</u> | <u>12 months to 31/03/2021 Total</u> | <u>12 months to 31/03/2020 Total</u> |
|--|--------------------|--|----------------------|----------------|--|--|
| | £ | £ | £ | £ | £ | £ |
| Expenditure on Raising Funds: | | | | | | |
| Investment management fees | - | - | - | 16,842 | 16,842 | 16,907 |
| Other expenses | - | - | - | 10,440 | 10,440 | 4,895 |
| | | | | 27,282 | 27,282 | 21,802 |
| Expenditure on Charitable Activity: | | | | | | |
| Educational activity | 713,800 | 9,126 | 556,402 | 294,032 | 1,573,360 | 2,226,048 |
| Books and resources | - | - | - | - | - | 4,475 |
| Research activity | 4,730 | - | 5,796 | 5,976 | 16,502 | 31,699 |
| Advocacy | 27,572 | - | 17,388 | - | 44,960 | 60,433 |
| | 746,102 | 9,126 | 579,586 | 300,008 | 1,634,822 | 2,322,655 |
| Exceptional charitable activity | - | - | - | - | - | 95,707 |
| Total Expenditure | 746,102 | 9,126 | 579,586 | 327,290 | 1,662,104 | 2,440,164 |
| Reconciliation to other Notes to the Accounts: | | | | | | |
| Items in costs of support (note 17) (prior to allocation) | 330,519 | 48,733 | | | | |
| Per Note 9 | 1,076,621 | 57,859 | | | | |

The expenditure was £1,662,104 (2020: £2,440,164) of which £1,641,998 was unrestricted (2020: £2,440,164) and £22,978 was restricted (2020: £Nil).



20. Taxation

No tax has been provided in the accounts of Education for Health because it is a registered Charity and much of its activity is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988, and no taxation is due for payment. The Charity has borne VAT on expenditure where appropriate.

21A. Tangible Fixed Assets

| <u>Group</u> | <u>Equipment, Fixtures and Fittings</u> <u>£</u> | <u>Total</u> <u>£</u> |
|---|---|--------------------------|
| At cost: 01 April 2020 | 191,820 | 191,820 |
| Additions | - | - |
| Disposals | - | - |
| | <hr/> | <hr/> |
| Balance: 31 March 2021 | 191,820 | 191,820 |
| | <hr/> | <hr/> |
| Depreciation: 01 April 2020 | 35,323 | 35,323 |
| Charge for period | 37,070 | 37,070 |
| Disposals | - | - |
| | <hr/> | <hr/> |
| Balance: 31 March 2021 | 72,393 | 72,393 |
| | <hr/> | <hr/> |
| Net book values: 31 March 2021 | 119,427 | 119,427 |
| | <hr/> | <hr/> |
| 31 March 2020 | 156,497 | 156,497 |
| | <hr/> | <hr/> |



21B. Tangible Fixed Assets

Charity

| | <u>Equipment, Fixtures and Fittings</u> | <u>Total</u> |
|---|---|----------------|
| | <u>£</u> | <u>£</u> |
| At cost: 01 April 2020 | 185,925 | 185,925 |
| Additions | - | - |
| Disposals | - | - |
| | <hr/> | <hr/> |
| Balance: 31 March 2021 | 185,925 | 185,925 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Depreciation: 01 April 2020 | 29,428 | 29,428 |
| Charge for period | 37,070 | 37,070 |
| Disposals | | |
| | <hr/> | <hr/> |
| Balance: 31 March 2021 | 66,498 | 66,498 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Net book values: 31 March 2021 | 119,427 | 119,427 |
| | <hr/> <hr/> | <hr/> <hr/> |
| 31 March 2020 | 156,497 | 156,497 |
| | <hr/> <hr/> | <hr/> <hr/> |



22. Intangible Fixed Assets – Development Costs

| <u>Group:</u> | <u>Contract Related Intangibles</u> | <u>Course Development Costs</u> | <u>Software and Website Development</u> | <u>Social Impact</u> | <u>Total</u> |
|-------------------------------|---|---|---|--------------------------|----------------|
| | <u>£</u> | <u>£</u> | <u>£</u> | <u>£</u> | <u>£</u> |
| At cost: 01 April 2020 | 140,276 | 583,357 | 207,845 | 23,588 | 955,066 |
| Additions | - | 9,148 | 29,220 | - | 38,368 |
| Balance: 31 March 2021 | 140,276 | 592,505 | 237,065 | 23,588 | 993,434 |
| Amortised: 01 April 2020 | 140,276 | 583,357 | 196,121 | 15,327 | 935,081 |
| Charged in the period | - | 762 | 6,243 | 4,716 | 11,721 |
| Balance: 31 March 2021 | 140,276 | 584,119 | 202,364 | 20,043 | 946,802 |
| Net book values: | | | | | |
| 31 March 2021 | - | 8,386 | 34,701 | 3,545 | 46,632 |
| 31 March 2020 | - | - | 11,724 | 8,261 | 19,985 |
| <u>Charity:</u> | | <u>Course Development Costs</u> | <u>Software and Website Development</u> | <u>Social Impact</u> | <u>Total</u> |
| | | <u>£</u> | <u>£</u> | <u>£</u> | <u>£</u> |
| At cost: 01 April 2020 | | 583,357 | 207,845 | 23,588 | 814,790 |
| Additions | | 9,148 | 29,220 | - | 38,368 |
| Balance: 31 March 2021 | | 592,505 | 237,065 | 23,588 | 853,158 |
| Amortised: 01 April 2020 | | 583,357 | 196,121 | 15,327 | 794,805 |
| Charged in the period | | 762 | 6,243 | 4,716 | 11,721 |
| Balance: 31 March 2021 | | 584,119 | 202,364 | 20,043 | 806,526 |
| Net book values: | | | | | |
| 31 March 2021 | | 8,386 | 34,701 | 3,545 | 46,632 |
| 31 March 2020 | | - | 11,724 | 8,261 | 19,985 |

Amortisation of intangibles is charged within charitable activities.



23. Fixed Asset Investments

| | <u>2021</u> | <u>2020</u> |
|---|------------------|------------------|
| | <u>£</u> | <u>£</u> |
| Group: | | |
| Listed investments | | |
| Fair value as at 01 April 2020 | 2,565,227 | 2,936,684 |
| Additions | 1,157,395 | 2,093,044 |
| Disposals proceeds | (1,283,136) | (2,195,183) |
| Realised and unrealised gains | 405,038 | (269,318) |
| | <hr/> | <hr/> |
| Fair value at 31 March 2021 | 2,844,524 | 2,565,227 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Historical cost at 31 March 2021 | 2,673,418 | 2,651,551 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Fixed asset investments are represented by: | | |
| UK listed investments | 2,128,240 | 2,055,770 |
| Non UK listed investments | 716,284 | 509,457 |
| | <hr/> | <hr/> |
| | 2,844,524 | 2,565,227 |
| | <hr/> <hr/> | <hr/> <hr/> |

The following represented more than five percent of the fair value of investments at:-

| | | <u>31/03/2021</u> | <u>31/03/2020</u> |
|-----------|---|-------------------|-------------------|
| | | - | - |
| 939 | IShares CR GBP CRP SHS (GBP) | 142,540 | - |
| 21,851 | IShares II PLC Core UK Gilt UCITS ETF GBP | 299,796 | 311,987 |
| | UBS ETF SICAV MSCI EMU SOC RES CLA EUR | | 130,639 |
| 11,247 | UBS ETF PLC MSCI UK SOC RES UCITS ETF | 179,300 | 227,677 |
| 1,572 | UBS ETF SICAV MSCI USA SOC RESP UCIT USD | 144,243 | 254,041 |
| 114,887.5 | Charities Property Income Units | | 146,171 |
| 23,401 | Pimco funds UK corp bd FD inst shs | 247,817 | 221,692 |
| 32,093 | UBS IRL ETF PLC MSCI USA SOC RESP A USD | 317,992 | |

Charity:

Investments held by the Charity also include an additional £2 (2020: £2) investment in the wholly-owned subsidiary company Education for Health Trading Limited (Company number 03281397) at cost. The Charity also owns 100% of National Respiratory Training Centre Ltd (Company number 05630081) and Respiratory Education UK (Company number 03632077, Registered Charity number 1073428) for which there is no cost of investment.

All subsidiaries are incorporated in England. Education for Health Trading Limited and National Respiratory Training Centre were dormant throughout the year and prior year.



| 24. Debtors and Prepayments | <u>Group</u> <u>31/03/2021</u> <u>£</u> | <u>Group</u> <u>31/03/2020</u> <u>£</u> | <u>Charity</u> <u>31/03/2021</u> <u>£</u> | <u>Charity</u> <u>31/03/2020</u> <u>£</u> |
|--------------------------------------|---|---|---|---|
| Trade Debtors | 139,313 | 202,628 | 139,313 | 202,628 |
| Other debtors | 6 | - | 6 | - |
| Amounts owed by Group undertakings | | - | 143 | 143 |
| Prepayments and other accrued income | 71,650 | 75,075 | 71,650 | 75,075 |
| | 210,969 | 277,703 | 211,112 | 277,846 |

| 25. Creditors | <u>Group</u> <u>31/03/2021</u> <u>£</u> | <u>Group</u> <u>31/03/2020</u> <u>£</u> | <u>Charity</u> <u>31/03/2021</u> <u>£</u> | <u>Charity</u> <u>31/03/2020</u> <u>£</u> |
|------------------------------------|---|---|---|---|
| Trade Creditors | 101,294 | 78,732 | 101,294 | 78,732 |
| Taxation and social security costs | 24,951 | 35,111 | 24,951 | 35,111 |
| Other creditors | 26,779 | 28,610 | 26,779 | 28,610 |
| Loan | 613,339 | 503,619 | 613,339 | 503,619 |
| Accruals | 257,768 | 154,154 | 257,768 | 154,154 |
| | 1,024,131 | 800,226 | 1,024,131 | 800,226 |

Included within other creditors is an amount of £19,878 owed to UKIG (2020: £21,172), in relation to funds held on their behalf.

Financial instruments measured at amortised cost comprise a loan provided by UBS.

| | <u>Group</u> <u>31/03/2021</u> <u>£</u> | <u>Group</u> <u>31/03/2020</u> <u>£</u> | <u>Charity</u> <u>31/03/2021</u> <u>£</u> | <u>Charity</u> <u>31/03/2020</u> <u>£</u> |
|---|---|---|---|---|
| Carrying amount of financial assets | | | | |
| Debt instruments measured at amortised cost | 139,313 | 202,628 | 139,313 | 206,771 |
| Carrying amount of financial liabilities | | | | |
| Measured at amortised cost | 999,180 | 765,115 | 999,180 | 765,115 |

The loan is in the form of a loan secured against the investment portfolio, with a variable 1.75% above LIBOR interest rate until 18/2/21 when rate reduced to 1.5% above LIBOR. The loan is included in Creditors (note 26).



26. Fees Received in Advance

| | <u>Group</u> | <u>Charity</u> |
|-------------------------|----------------|----------------|
| | <u>£</u> | <u>£</u> |
| At 01 April 2020 | 680,659 | 680,659 |
| Released during period | (870,672) | (870,672) |
| Deferred during period | 974,210 | 974,210 |
| | <hr/> | <hr/> |
| At 31 March 2021 | 784,197 | 784,197 |
| | <hr/> <hr/> | <hr/> <hr/> |

27. Unrestricted Funds

| | <u>1 April</u> | <u>Net Incoming</u> | | <u>31 March</u> |
|--|----------------|-----------------------------|------------------|-----------------|
| | <u>2020</u> | <u>Resources/(Resources</u> | <u>Transfers</u> | <u>2021</u> |
| | <u>£</u> | <u>Expended) in Year</u> | <u>£</u> | <u>£</u> |
| Group: | | | | |
| General fund | 938,378 | (112,138) | 155,000 | 981,240 |
| Trading subsidiaries | (51) | - | - | (51) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 938,327 | (112,138) | 155,000 | 981,189 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Designated funds: | | | | |
| Equipment, furniture, fixtures and fittings fund | 156,497 | (37,070) | - | 119,427 |
| Intangible fixed assets | 19,985 | 26,647 | - | 46,632 |
| New educational technologies/IT systems Development fund | - | - | - | - |
| Operating fund | 355,000 | - | (155,000) | 200,000 |
| Resource management reserve | 45,000 | - | - | 45,000 |
| Strategic development fund | 350,000 | - | - | 350,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total designated reserves | 926,482 | (10,423) | (155,000) | 761,059 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Unrestricted reserves | 1,864,809 | (122,651) | - | 1,742,248 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |



27. Unrestricted Funds (continued)

| | <u>1 April</u> <u>2020</u> £ | <u>Net Incoming</u> <u>Resources/(Resources</u> <u>expended) in Year</u> £ | <u>Transfers</u> £ | <u>31 March</u> <u>2021</u> £ |
|---|------------------------------------|---|-----------------------|-------------------------------------|
| Charity: | | | | |
| General fund | 938,378 | (112,138) | 155,000 | 981,240 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Designated funds: | | | | |
| Equipment, furniture, fixtures and fittings fund | 156,497 | (37,070) | - | 119,427 |
| Intangible fixed assets New educational technologies/IT systems Development fund | 19,985 | 26,647 | - | 46,632 |
| Operating fund | 355,000 | - | (155,000) | 200,000 |
| Resource management reserve | 45,000 | - | - | 45,000 |
| Strategic development fund | 350,000 | - | - | 350,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total designated reserves | 926,482 | (10,423) | (155,000) | 761,059 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Unrestricted reserves | 1,864,860 | (122,561) | - | 1,742,299 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

The strategic development fund is to support the period of change the charity is currently undergoing. With the intention to ensure infrastructure, resource and products are fully aligned to enable delivery of our strategic aims over the next three years. The operating fund is the amount required to allow students to complete programmes of study. The reduction in the year reflects the teach out of our undergraduate programme. The resource management fund is to fund unexpected resource requirements in the unexpected circumstances of maternity leave or long term illness. Fixed assets and intangible assets reserves reflect assets not readily converted to cash.



28. Restricted Funds

| | <u>1 April</u> <u>2020</u> £ | <u>Net Incoming</u> <u>Resources/(Resources</u> <u>expended) in Year</u> £ | <u>Expenditure</u> £ | <u>31 March</u> <u>2021</u> £ |
|----------------------------------|------------------------------------|---|-------------------------|-------------------------------------|
| <u>Charity and Group:</u> | | | | |
| Restricted fund | - | 22,978 | (20,106) | 2,872 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

29. Analysis of Net Assets Between Funds

| | <u>Tangible &</u> <u>Intangible</u> <u>Fixed Assets</u> £ | <u>Investments</u> £ | <u>Net Current</u> <u>Assets /</u> <u>(Liabilities)</u> <u>and</u> <u>Provisions</u> £ | <u>31/03/2021</u> <u>Total</u> £ | <u>31/03/2020</u> <u>Total</u> £ |
|----------------------|--|-------------------------|---|--|--|
| <u>Group:</u> | | | | | |
| Restricted Funds | - | - | 2,872 | 2,872 | - |
| Unrestricted funds: | | | | | |
| Designated | - | 761,059 | - | 761,059 | 926,482 |
| General | 166,059 | 2,083,465 | (1,268,335) | 981,189 | 938,327 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 166,059 | 2,844,524 | (1,265,463) | 1,745,120 | 1,864,809 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

Charity:

| | | | | | |
|---------------------|---------|-----------|-------------|-----------|-----------|
| Restricted Funds | - | - | 2,872 | 2,872 | - |
| Unrestricted funds: | | | | | |
| Designated | - | 761,059 | - | 761,059 | 926,482 |
| General | 166,059 | 2,083,467 | (1,268,286) | 981,240 | 938,378 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 166,059 | 2,844,526 | (1,265,414) | 1,745,171 | 1,864,860 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |



30. Commitment Under Operating Leases

| | <u>Group</u> <u>31/03/21</u> | <u>Group</u> <u>31/03/20</u> | <u>Charity</u> <u>31/03/21</u> | <u>Charity</u> <u>31/03/20</u> |
|-------------------------------|---------------------------------|---------------------------------|-----------------------------------|-----------------------------------|
| | £ | £ | £ | £ |
| Land and Buildings | | | | |
| Within one year | 48,000 | 40,706 | 48,000 | 40,706 |
| Within two to five years | 192,000 | 192,000 | 192,000 | 192,000 |
| Within five to ten years | 122,838 | 170,838 | 122,838 | 170,838 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 362,838 | 403,544 | 362,838 | 403,544 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| Fixtures and fittings: | | | | |
| Within one year | 19,095 | 16,843 | 19,095 | 16,843 |
| Within two to five years | 44,916 | 46,198 | 44,916 | 46,198 |
| Within five to ten years | - | 4,889 | - | 4,889 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 64,011 | 67,930 | 64,011 | 67,930 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

31. Capital Commitments

On 31 March 2021, the Group and Charity had no tangible or intangible capital commitment (March 2020: £Nil).

32. Reconciliation of Net Income (expenditure) to Net Cash Flow from Operating Activities

| | <u>Group</u> <u>31/03/2021</u> | <u>Group</u> <u>31/03/2020</u> |
|--|-----------------------------------|-----------------------------------|
| | £ | £ |
| Net expenditure for the year | (119,689) | (452,982) |
| Add back depreciation charge | 37,070 | 25,403 |
| Add amortisation intangible assets | 11,721 | 28,342 |
| Deduct investment income | (75,229) | (85,638) |
| Add losses/deduct (gains) on investments | (405,038) | 269,318 |
| Profit/(Loss) on disposal | - | (411,419) |
| Decrease in stock | - | 1,020 |
| Decrease (increase) in debtors | 66,734 | 66,121 |
| Decrease in creditors and provisions | 327,443 | (353,603) |
| | <hr/> | <hr/> |
| Net cash used in operating activities | (156,988) | (913,438) |
| | <hr/> <hr/> | <hr/> <hr/> |



33. Reconciliation of Net Income (expenditure) to Net Cash Flow from Operating Activities

| | £ |
|---|----------------|
| Analysis of cash and cash equivalents: | |
| Cash in hand at 31/03/2020 | 326,382 |
| Movement in year | 5,614 |
| | <hr/> |
| Cash in hand at 31/03/2021 | 331,896 |
| | <hr/> <hr/> |

34. Government Grant

A government grant in the form of Government Job Retention Scheme valuing £148,679 during the year ending 31 March 2021 was received.

35. Related Party Transactions

There were no Related Party Transactions in the period ending 31 March 2021.

36. Contingent Liability

Education for Health and REUK are party to a group VAT registration effective from 01 March 2015. At 31 March 2021, there was a VAT liability of £1,137 (31 March 2020: £9,000).

| 37. Exceptional Items | <u>2020/21</u> | <u>2019/20</u> |
|--|-----------------------|-----------------------|
| | £ | £ |
| Income | | |
| Profit from the disposal of land and property | - | 457,152 |
| | <hr/> | <hr/> |
| Cost | | |
| Loss from the sale of fixtures and fittings relating to the move | - | (45,733) |
| One off costs of the move | - | (49,974) |
| | <hr/> | <hr/> |
| Total exceptional Costs | - | 95,707 |
| | <hr/> <hr/> | <hr/> <hr/> |

Last year Education for Heath sold their land and buildings in Warwick realising a profit which was treated as exceptional income in the accounts.

The exceptional loss in 2019/20 comprised of the one off costs relating to the sale and our move to rented property in Wellesbourne.



38. Comparative Information – Consolidated Statement of Financial Activities

| | <u>12 months to</u> <u>31/3/2020</u> | <u>12 months to</u> <u>31/3/2019</u> |
|------------------------------------|---|---|
| | <u>Total</u> <u>£</u> | <u>Total</u> <u>£</u> |
| Income and Endowments from: | | |
| Donations and legacies | 3,505 | 14,265 |
| Charitable activities | 1,695,023 | 1,713,060 |
| Other trading activities | 15,182 | 30,253 |
| Surplus on disposal of assets | 457,152 | - |
| Investments | 85,638 | 101,280 |
| Total Income | 2,256,500 | 1,858,858 |
| Expenditure on: | | |
| Raising funds | 21,802 | 28,076 |
| Charitable activities | 2,322,655 | 2,249,373 |
| Exceptional charitable activities | 95,707 | - |
| Total Expenditure | 2,440,164 | 2,277,449 |
| Net (losses) gains on investments | (269,318) | 64,637 |
| Net Movement in Funds for the Year | (452,982) | (353,954) |
| Reconciliation of Funds: | | |
| Total funds brought forward | 2,317,791 | 2,671,745 |
| Total Funds Carried Forward | 1,864,809 | 2,317,791 |



Reference and Administration Details

Registered Charity No: 1048816

Company No: 03090774

VAT No: GB210922057

Board of Trustees:

Dr Robert Angus (Chairman)
Professor Ursula Gallagher (Co-Chairman)
(retired 26.1.2021)
Mr Robert Strange
Mr Gary Parkinson
Mrs Aileen Muir
Mr Christopher Rowles
Mr Mike Attwood
Dr Cathy Winfield appointed 12/5/2021
Mr Stephen Landrey appointed 12/5/2021
Dr Robert Angus and Mr Gary Parkinson
retire and being eligible offer themselves for
re-election
Mr Stephen Landrey and Dr Cathy Winfield
having been appointed since the last AGM
retire and offers themselves for re-election.

Chief Executive:

Dr Linda Edwards

Senior Leadership Team, assisting Chief Executive:

Mrs Rebecca Harkcom, Deputy Chief Executive
Mrs Ann Saxon, Director of Quality and Learning
Mr Stephen Ryan, Director of Innovations Unit
Mr Adam Smith, Assistant Director of Strategic Partnerships
Mrs Sarah Brighton, Associate Director of Marketing and Market Intelligence Hub (appointed 9 November 2020)

Company Secretary:

Mrs Rebecca Harkcom

Registered Office and Principal Address:

1 Lowes Lane Business Park, Lowes Lane
Wellesbourne, CV35 9RB

Website: www.educationforhealth.org

Nominations Committee:

Mr Gary Parkinson
Professor Ursula Gallagher (retired
26.1.2021)
Dr Robert Angus

Finance, Audit and Risk Committee:

Mr Robert Strange
Mr Gary Parkinson
Mrs Aileen Muir

Patrons:

Mrs Greta Barnes MBE
Baroness Julia Cumberlege CBE, DL

Legal Advisors:

Wright Hassall and Co
Olympus Avenue
Leamington Spa
Warwickshire CV34 6BF

Shakespeare Martineau
Brideway House
Stratford on Avon, CV37 6YX

Investment Advisors:

UBS Wealth Management
1 Finsbury Avenue
London EC2M 2PP

EFG Harris Allday (appointed April 2021)
33 Great Charles Street
Birmingham B33JN

Bankers:

Barclays Bank plc
PO Box 1352
25 High Street
Coventry CV1 5QZ

Auditors:

RSM UK Audit LLP
St Philips Point
Temple Row
Birmingham B2 5AF