

THE HARLOW HEALTH CENTRES TRUST LIMITED

England & Wales · Charity number 1050493

Details

Other names H H C T

Status Registered

Legal form Charitable company

Company number [02955851](#)

Registered 1995-11-08

Register [View on the Charity Commission register](#)

Contact

Address Latton Bush Centre
Southern Way
Harlow
CM18 7BL

Phone 01279210322

Email info@hhct.org.uk

Website www.hhct.org.uk

Activities

Objects: (A) FOR THE RELIEF OF SICKNESS AND THE PRESERVATION AND PROTECTION OF HEALTH AND FOR THE RELIEF OF DISABILITIES, AND (B) THE ADVANCEMENT OF EDUCATION AND RESEARCH INTO HEALTH MATTERS FOR THE BENEFIT OF THE INHABITANTS OF HARLOW BY: (1) THE ADVANCEMENT OF PRIMARY HEALTH CARE GENERALLY IN THE DISTRICT OF HARLOW, AND (2) THE PROVISION OF HEALTH CENTRE ACCOMMODATION FOR GENERAL MEDICAL PRACTITIONERS, DENTISTS, HEALTH VISITORS, NURSING AND OTHER MEDICAL STAFF AND PRACTITIONERS AT VARIOUS LOCATIONS IN THE DISTRICT OF HARLOW AND ELSEWHERE IN THE COUNTIES OF ESSEX AND HERTFORDSHIRE (3)THE PROVISION AT ANY ONE OR MORE LOCATIONS IN THE DISTRICT OF HARLOW AND ELSEWHERE IN THE COUNTIES FO ESSEX AND HERTFORDSHIRE OF NURSING HOME ACCOMMODATION FOR THOSE WHO REQUIRE NURSING OR OTHER MEDICAL CARE IN DEDICATED ACCOMMODATION; AND (4) THE PROVISION OF ACCOMMODATION FOR ALL FACILITIES ANCILLARY TO THE RUNNING OF SUCH HEALTH CENTRES AND NURSING HOMES AND (5)THE PROVISION FROM TIME TO TIME OF MEDICAL AND OTHER EQUIPMENT AND FACILITIES IN FURTHERANCE OF THESE OBJECTS FOR THE BENEFIT OF THE PEOPLE OF HARLOW

Activities: Its objects are primarily to provide accommodation and facilities for health services, and additionally to support health related activities for the benefit of residents of Harlow and elsewhere in the counties of Essex and Hertfordshire.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space
- **What:** The Advancement Of Health Or Saving Of Lives, Accommodation/housing
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** ESSEX AND HERTFORDSHIRE
- Essex

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£3,284,774	£1,722,116	£22,999,763	3
2023-12-31	£2,932,877	£1,762,965	£21,698,798	3
2022-12-31	£2,888,506	£2,024,684	£26,439,324	3
2021-12-31	£2,714,557	£1,661,875	£25,575,402	2
2020-12-31	£2,779,564	£1,616,812	£22,583,932	2

Trustees

Name	Role	Appointed
ANTHONY JOHN EVANS		2020-01-22
BYRON JONES		2013-07-23
JILL ROWLINSON		2022-03-25
Jacqueline Lesley Sully		2026-02-13
Jane Marie Greer		2023-10-04
Miriam Patricia Shewry		2026-05-20
William Ernest Rammell		2023-10-01

THE HARLOW HEALTH CENTRES TRUST LIMITED

England & Wales - Charity number 1050493

Accounts

Registered company number: 02955851
Charity number: 1050493

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

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THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees	P Larkin B Jones A Evans T Manzi J Rowlinson J Greer W Rammell
Company registered number	02955851
Charity registered number	1050493
Registered office	The Latton Bush Centre Southern Way Harlow Essex CM18 7BL
Company secretary	P Larkin
Chief executive officer	G Roberts
Independent auditors	Price Bailey LLP Chartered Accountants & Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank 29 Broad Walk The Harvey Centre Harlow Essex CM20 1JF
Solicitors	Foskett Marr Gadsby and Head 106/108 High Road Loughton Essex IG10 4HN

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Harlow Health Centre's Trust Limited (the charity) for the year ended 31 December 2024. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

Harlow Health Centre's Trust owns and is responsible for six health centres in Harlow providing general practitioner (GP), dentistry, community services, and pharmaceutical and other specialist services. Since 1994 the Trust has undertaken a programme of redevelopment of existing centres, providing fit for purpose health facilities for the residents of Harlow. HHCT also provides grants and donations to support appropriate health initiatives and has a charitable mandate to expand its operations throughout Essex and Hertfordshire.

Vision and mission:

The Trust's mission is to provide high quality, community-based health centres and foster improved health outcomes through the targeted use of grants and donations. This will be achieved through the delivery of the Strategy.

Our corporate values are:

- We put our social and charitable health objectives at the heart of everything we do.
- We seek to achieve value for money by maximising the health-related outcomes resulting from the resources used.
- We work in partnership with statutory, private, community and voluntary organisations to achieve improved health outcomes for local people.
- We value and promote innovation and excellence.
- We value and promote equality and social inclusion in service delivery, partnership working and employment.

Our Corporate aims, objectives and Action Plan were developed following a programme of analysis and reviewed during 2024. HHCT had four overarching aims and objectives for 2024. These were to:

- 1) Improve and maintain existing HHCT health centres to provide high quality and cost-effective facilities for patients and health professionals.
- 2) Work in partnership with Local Authorities, NHS Clinical Commissioning Groups, local hospitals, hospices, care homes, pharmacies, young people's groups and health professionals and voluntary groups to identify local needs and offer expanded facilities in the Harlow area and other areas of Essex and Hertfordshire.
- 3) The Trustees relaunched the Trust's Grants and Donations programme to offer financial assistance to organisations in Harlow, West Essex and East Hertfordshire. This was budgeted at £150,000 per annum
- 4) Increase the profile of HHCT and its successes to increase future capacity for innovative health initiatives and partnership working.

The Board monitor the Action Plan which outlines the agreed steps to achieve the desired strategy and how progress is being made. In the achievements section, there is a summary of the state of play of those actions and their progress.

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Grants and donations:

Organisations and individuals may apply for grants which promote the objectives of the charity. Applications are considered by the trustees who will, if required, seek specialist advice and consult with the appropriate bodies. The Trustees have agreed to budget grants and donations in 2024 at £150,000 per annum.

ACHIEVEMENTS AND PERFORMANCE

Good progress has been made against the Action Plan for this Strategy period.

Key achievements:

The Strategy document sets out HHCT's journey and key achievements with a yearly refresh. The key achievements for 2024 strategy implementation are set out below.

End of year surplus and plans for the future:

The surplus for the year ended 31 December 2024 before realised and unrealised gains in 2024 excluding grants and depreciation was £1,728,271 compared with £1,288,261 for the year ended 31 December 2023.

To ensure that enough liquid funds are available the Trust will be retaining reserves to ensure that the start-up and progress of any redevelopment can proceed smoothly. This obviously has an impact on the reserves and grants policy.

Investment policy and returns

The Trust has an ongoing policy of improving and updating its premises. These projects are always carefully costed and appraised. The objective is always to ensure that the capital expense supports maintaining and improving our facilities and is always funded by rental returns.

Loan repayments

The annual surplus is also used to repay loans (capital and interest) raised for redeveloping the various premises.

FINANCIAL REVIEW

The surplus for the year ended 31 December 2024 before realised and unrealised gains in 2024 excluding grants and depreciation was £1,728,271 compared with £1,288,261 for the year ended 31 December 2023.

The net movement in funds for 2024 was £1,300,965 (2023: deficit of £4,740,526). The deficit arising in 2023 was a result of an updated valuation of the investment properties performed by external valuers (last undertaken in 2021), this movement arose due to the market for healthcare properties being under pressure since September 2022 which ultimately had an effect on the value of the underlying property assets. In 2024, the Trustees have continued to keep the fair value of the properties under regular review and confirm the value of the programme related investments included in these financial statements is considered to be accurate. The movement in 2024 is a result of improvements and adaptations made at a number of properties which has led to an overall increase in the programme related investments of £60,319.

As a result of the surplus in 2024, net assets have increased from £21,698,798 as at 31 December 2023 to £22,999,763 as at 31 December 2024.

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Going concern

The Company has continued to operate post year end. All of our tenants are related to the healthcare sector. The majority of tenants have likewise continued to operate post year end and we do not expect there to be a fall in rental cash inflows, the majority if not all is expected to be received by the end of the financial year. The Directors believe that by keeping open lines of communication with tenants, closely monitoring cash outflows and high levels of liquidity, this should allow the company to continue trading for the foreseeable future and therefore deemed it appropriate to prepare the financial statements on the going concern basis.

Reserves

The Trust maintains bank balances and sufficient funds at short notice to uphold the level of expenditure on management and running expenses for a period of at least nine months. When the Trust redevelops its health centres significant upfront funding is required which initially has to be provided from the cash reserves of the Trust. Therefore, for any redevelopment the Trust has to retain significant reserves to fund these initial costs until loan drawdowns are received. Loan repayments and interest due are covered by rental income. The reserves policy is reviewed annually and at the end of the financial year reserves are retained to aid and progress future developments.

To finance the redevelopment program of the health centres the trust uses loan finance as set out in notes 15 and 16. As a result the trust has to make significant surpluses to fund the annual repayment of these loans.

Governance and internal control

Two Trustees retire each year and may be re-elected. The financial position and cash-flow reports and project costings are presented to the Trustees for their examination at their regular meetings. The Trust is governed by its board of trustees which meet bimonthly to consider all aspects of the organisation's policies and activities.

Mr. Geoffrey Roberts was Chief Executive. Mr Roberts is responsible for the day-to-day management of the charity. Members of the board are also available on an ad hoc basis as required. As stated in note 9 all board members are unpaid.

Benefit statement

The Trust was established to provide and maintain primary health care premises for the people of Harlow. It has been able to redevelop and build six new premises providing modern state of the art facilities. This has also made possible expansion of further health care services across Harlow.

Since 2001 the Trust has been able to make grants and donations exceeding £2,000,000 to promote health initiatives and care within the community. The Trust re-launched its grants policy in March 2024.

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising any powers or duties to which the guidance is relevant.

Annual Review

An annual review is prepared on each occasion an open AGM is held.

PLANS FOR FUTURE PERIODS

Future plans

The Trust continues to work with Hertfordshire and West Essex Integrated Care Board (ICB), Harlow Council (HDC) and NHS England to develop health facilities on the peripheral of Harlow possibly into Hertfordshire.

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charity is a charitable company (No. 02955851) limited by guarantee and was set up in 1995. It is registered with the Charity Commission, No. 1050493. It is governed by its Memorandum and Articles of Association. Its objects are primarily to provide accommodation and facilities for health services, including nursing homes, and additionally to support health related activities for the benefit of residents of Harlow and elsewhere in the counties of Essex and Hertfordshire. The charity's address is Harlow Health Centres Trust Limited, The Latton Bush Centre, Southern Way, Harlow, Essex, CM18 7BL.

PAY POLICY AND SENIOR STAFF

Structure

The Trust's structure is simple and consists of a Board of seven Trustees (including a Chair), a Chief Executive Officer (CEO), an Operations Manager and an Office Manager. The services of several specialist consultants are used as and when required but are not employed directly by the Trust.

Governance

The Board of Trustees have responsibility for the Governance function. The Board meets bi-monthly and holds an annual AGM. Trustees are responsible for ensuring that the Trust continues to fulfil its mission and charitable remit, delivers the Corporate Strategy and operates in accordance with the Charity Commission and all other statutory regulations and requirements.

Method of appointment or election of trustees

Any additional trustees are appointed by the existing board members. The Trustees would look for individuals with an interest in the aims and objectives of the charity, but also with a skillset that can add to the current mix of experience. A new Trustee would have the terms governing the Trust and the policies and objectives explained to them at a meeting with the existing Trustees.

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular staff meetings and have been kept informed on specific matters directly by management.

The charity has implemented a number of detailed policies in relation to all aspects of personnel matters with the organisation and employees having access to HR support from an external provider.

In accordance with the charity's equal opportunities policy, the charity has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the charity's office.

Fundraising

The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate. It does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face-to-face campaigns and received no fundraising complaints during the year. The Charity is not a member of the Fundraising Regulator.

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Valuation of assets

The Trust has had a valuation of all its properties undertaken by Aitchison Raffety, a RICS registered company in February 2024. At 31 December 2024, the Trustees have reviewed the valuation and considered relevant 3rd party data available. The Trustees continue to keep the fair value of the properties under regular review and confirm the value of the programme related investments included in these financial statements is considered to be accurate.

This report will be renewed in 2025.

Risk management

The Trust reviews all risks via a S.W.O.T process, as part of the strategy update. The weakness and threats identified form the risks facing the trust. Actions are detailed for all these risks in strategic plan. Each risk is owned by a Trustee or the CEO, and progress is monitored.

Remuneration

The Trust reviews the remuneration of employees annually. Salary increases and bonus payments are agreed following the appraisal of both organisational and individual performance against relevant objectives and targets. Organisational objectives and targets are set out in the Corporate Strategy and related Action Plan. Most individual objectives and targets derive from the Corporate Strategy, are agreed at the beginning of each year and are documented in individual appraisal documents on a minimum six-monthly basis. The Trustees conduct an annual salary survey of what the NHS and Charity sector is paying for comparable jobs to ensure external equity.

Disclosure of information to Auditor

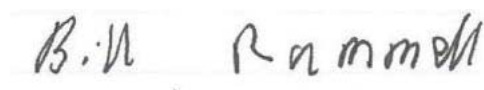
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

Auditor

A resolution proposing that Price Bailey LLP be re-appointed as auditors of the charity will be put to the Annual General Meeting.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:



W Rammell

Trustee

Date: 23 July 2025

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees (who are also directors of HHCT for the purposes of company law) are responsible for preparing the Trustees' Annual 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on its behalf by:



W Rammell

Trustee

Date: 23 July 2025

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HARLOW HEALTH CENTRES TRUST LIMITED

Opinion

We have audited the financial statements of The Harlow Health Centres Trust Limited (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities (incorporating Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 December 2024 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Trustees' Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information. 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. 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.

Opinion 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Director's Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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.

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company and how it operates and considered the risk of the charitable company not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included data protection and financial reporting.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.
- Reviewing minutes of Trustee Board meetings and correspondence with the Charity Commission,
- Agreeing the financial statement disclosures to underlying supporting documentation,
- Making enquiries of management including those responsible for the key regulations and a review of the risk management processes and procedures in place.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, 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 trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Shaun Jordan ACA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants &

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

Date: 26 July 2025

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Charitable activities	3	-	3,245,752	3,245,752	2,910,275
Investments	4	-	39,022	39,022	22,602
Total income		-	3,284,774	3,284,774	2,932,877
Expenditure on:					
Charitable activities	6	-	1,722,116	1,722,116	1,762,965
Total expenditure		-	1,722,116	1,722,116	1,762,965
Net movement in funds before other recognised gains		-	1,562,658	1,562,658	1,169,912
Other recognised gains/(losses):					
Losses on revaluation of fixed assets		-	(261,693)	(261,693)	(5,910,438)
Net movement in funds		-	1,300,965	1,300,965	(4,740,526)
Reconciliation of funds:					
Total funds brought forward		2,872,704	18,826,094	21,698,798	26,439,324
Net movement in funds		-	1,300,965	1,300,965	(4,740,526)
Total funds carried forward		2,872,704	20,127,059	22,999,763	21,698,798

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 31 form part of these financial statements.

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02955851

BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	67,075	67,587
Programme related investments	12	29,520,319	29,460,000
		29,587,394	29,527,587
Current assets			
Debtors	13	69,062	74,865
Short term investments	14	523,576	503,993
Cash and cash equivalents		1,652,571	1,427,924
		2,245,209	2,006,782
Current liabilities			
Creditors: amounts falling due within one year	15	(1,399,170)	(1,484,722)
		846,039	522,060
Net current assets			
		30,433,433	30,049,647
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	16	(7,433,670)	(8,350,849)
		22,999,763	21,698,798
Total net assets			
		22,999,763	21,698,798
Charity funds			
Restricted funds	17	2,872,704	2,872,704
Unrestricted funds			
General funds	17	12,493,088	10,930,430
Programme Related Investment Revaluation		7,633,971	7,895,664
		20,127,059	18,826,094
Total unrestricted funds			
		22,999,763	21,698,798
Total funds			

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02955851

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



W Rammell

Trustee

Date: 23 July 2025

The notes on pages 16 to 31 form part of these financial statements.

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 £	2023 £
Cash flows from operating activities	Note		
Net cash generated by operating activities	19	1,917,639	1,776,795
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of programme related fixed assets		(338,369)	(255,932)
Movement of short term investments		(19,583)	(503,993)
Interest received		39,022	22,602
		<hr/>	<hr/>
Net cash used in investing activities		(318,930)	(737,323)
		<hr/>	<hr/>
Cash flows from financing activities			
Repayments of borrowing		(863,014)	(814,092)
Mortgage interest		(511,048)	(559,970)
		<hr/>	<hr/>
Net cash used in financing activities		(1,374,062)	(1,374,062)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		224,647	(334,590)
Cash and cash equivalents at the beginning of the year		1,427,924	1,762,514
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		<u>1,652,571</u>	<u>1,427,924</u>

The notes on pages 16 to 31 form part of these financial statements

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

Harlow Health Centres Trust is a charity, incorporated in England and Wales. Its Registered Office is The Latton Bush Centre, Southern Way, Harlow, Essex, CM18 7BL. Its Registered Number is 02955851 Charity Number 1050493.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and Charities Act 2011.

The Harlow Health Centres Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The charity's functional currency is pounds sterling (£).

2.2 Company Status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. 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.

2.3 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds available for the general purpose of the organisation which the Trustees have set aside for a particular purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes of the financial statements.

2.4 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. Any future plans will be financed from future rentals, whereby all tenants are related to the healthcare sector. The Trustees therefore deem it appropriate to prepare the financial statements on the going concern basis.

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Rental income is recognised on a straight-line basis over the terms of the rental agreement.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.6 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is accounted for on an accrual basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is notified to the recipient except in those cases where the offer is conditional, such grants are recognised as expenditure when the conditions attached are fulfilled. Grants offered subject to unfulfilled conditions at the year end are noted as a commitment, but not accrued as expenditure.

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.8 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20% reducing balance
Other fixed assets	-	20% reducing balance

2.10 Investments

Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets (programme related investments) are shown at their open market value for existing use as indicated in note 12.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Short term investments

Short term investments include investments with a maturity of between three and twelve months from the date of acquisition or opening of the deposit or similar account.

2.13 Cash and cash equivalents

Cash and cash equivalents includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.14 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

4. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Bank Interest	39,022	39,022
	<u>39,022</u>	<u>39,022</u>

	Unrestricted funds 2023 £	Total funds 2023 £
Bank Interest	22,602	22,602
	<u>22,602</u>	<u>22,602</u>

5. Analysis of grants

	Grants to Institutions 2024 £	Total funds 2024 £
Other health promotion activity	149,342	149,342
	<u>149,342</u>	<u>149,342</u>

	Grants to Institutions 2023 £	Total funds 2023 £
Other health promotion activity	102,180	102,180
	<u>102,180</u>	<u>102,180</u>

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Grant breakdown

	2024 £	2023 £
Harlow rugby club	-	6,000
St Clares Hospice	18,000	10,000
BASICS Essex	6,000	-
Accuro	5,000	-
Harlow Occupational Health	8,966	-
London Metropolitan University	10,000	-
Citizens advice	-	5,000
Michael Roberts Charity	10,000	-
Moot House	20,000	-
William Martin	-	5,000
Isabel's Hospice	-	10,000
Bump to Five	-	10,000
Roots to wellbeing	5,000	9,800
Rainbow Service	-	9,580
Harlow Community First Responders	-	7,000
Sarah Bracey	6,350	6,000
Harlow Stroke Support Group	-	5,485
Butterfly Effect Wellbeing	10,000	5,000
Open Road	5,000	-
Pardon Mill	5,000	-
Plant Pots and Wellies	10,000	-
Streets2homes	5,000	-
VAEF	15,000	-
Other Grants (£5,000 and under)	9,426	13,315
	148,742	102,180
	148,742	102,180

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Total 2024 £
Provision of premises for health services	1,572,774	1,572,774
Other health promotion activity	149,342	149,342
	1,722,116	1,722,116
	1,722,116	1,722,116

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

6. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	Unrestricted funds 2023 £	Total 2023 £
Provision of premises for health services	1,660,785	1,660,785
Other health promotion activity	102,180	102,180
	1,762,965	1,762,965

7. Analysis of expenditure on charitable activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £
Provision of premises for health services	1,488,435	-	84,339	1,572,774
Other health promotion activity	-	149,342	-	149,342
	1,488,435	149,342	84,339	1,722,116

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Provision of premises for health services	1,560,206	-	100,579	1,660,785
Other health promotion activity	-	102,180	-	102,180
	1,560,206	102,180	100,579	1,762,965

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Analysis of expenditure on charitable activities (continued)

Analysis of direct costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	197,071	208,407
Building maintenance	148,572	182,251
Motor vehicle allowance	17,618	22,970
Development expenses	2,545	1,710
Valuations	14,791	24,170
Legal fees	40,184	26,226
Depreciation	16,871	16,069
Mortgage interest	511,048	559,970
Services charge expenditure	539,280	517,433
Loss on disposal of fixed assets	-	100
Bank Charges	455	900
	<u>1,488,435</u>	<u>1,560,206</u>

Analysis of support costs

	Governance 2024 £	Support costs 2024 £	Total funds 2024 £
Running expenses	-	48,834	48,834
Rent / insurance	-	19,755	19,755
Audit and accountancy	14,500	1,250	15,750
Total 2024	<u>14,500</u>	<u>69,839</u>	<u>84,339</u>

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Governance 2023 £	Support costs 2023 £	Total funds 2023 £
Motor vehicle allowance	-	464	464
Running expenses	-	55,885	55,885
Rent / insurance	-	28,097	28,097
Audit and accountancy	10,100	4,256	14,356
Bad debt	-	3,752	3,752
	<u>10,100</u>	<u>92,454</u>	<u>102,554</u>

8. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £14,500 (2023 - £10,100), and statutory preparation of financial statements and other non-audit services of £1,250 (2023 - £4,256).

9. Staff costs

	2024 £	2023 £
Wages and salaries	170,328	178,002
Social security costs	15,020	19,610
Contribution to defined contribution pension schemes	11,723	10,795
	<u>197,071</u>	<u>208,407</u>

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	2023 No.
Employees	<u>3</u>	<u>3</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 No.	2023 No.
In the band £90,001 - £100,000	1	1

The key management personnel of the entity comprised the current Chief Executive. The total employee benefits of the key management personnel of the entity was £109,788 (2023: £111,516). Included within this figure is employer pension contributions of £8,801 (2023: £8,482).

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 December 2024, expenses totalling £784 were reimbursed or paid directly to 2 Trustees (2023 - £757 to 2 Trustees). The nature of expenses relate to mileages claims and items necessary to attend meetings.

11. Tangible fixed assets

	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation			
At 1 January 2024	559,332	90,920	650,252
Additions	16,357	-	16,357
At 31 December 2024	<u>575,689</u>	<u>90,920</u>	<u>666,609</u>
Depreciation			
At 1 January 2024	494,349	88,316	582,665
Charge for the year	16,348	521	16,869
At 31 December 2024	<u>510,697</u>	<u>88,837</u>	<u>599,534</u>
Net book value			
At 31 December 2024	<u>64,992</u>	<u>2,083</u>	<u>67,075</u>
At 31 December 2023	<u>64,983</u>	<u>2,604</u>	<u>67,587</u>

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

12. Programme Related Investments

	Freehold investment property £
Valuation	
At 1 January 2024	29,460,000
Additions	322,012
(Deficit) on revaluation	(261,693)
At 31 December 2024	29,520,319

The most recent formal valuations were made by Aitchison Raffety, a RICS registered company, for the year ended 31 December 2023. This was carried out on an open market value for existing use basis. At 31 December 2024, the Trustees have reviewed the valuation and considered relevant 3rd party data available. The Trustees continue to keep the fair value of the properties under regular review and confirm the value of the programme related investments included in these financial statements is considered to be accurate.

The historic cost of the properties is £20,512,731 (2023: £20,190,719).

13. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	18,250	18,250
Service Charge Owed	22,576	46,441
Other Debtors	28,236	10,174
	69,062	74,865

14. Short term investments

	2024 £	2023 £
Short-term sterling fixed deposits	523,576	503,993

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15. Creditors: Amounts falling due within one year

	2024 £	2023 £
Bank loans	920,152	865,987
Trade creditors	65,536	106,639
Other taxation and social security	14,805	66,022
Accruals and deferred income	398,677	436,074
Grants Payable	-	10,000
	<u>1,399,170</u>	<u>1,484,722</u>

	2024 £	2023 £
Movement of Deferred Income		
Deferred income at 1 January 2024	371,109	851,470
Resources deferred during the year	345,566	371,109
Amounts released from previous periods	(371,109)	(851,470)
	<u>345,566</u>	<u>371,109</u>

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

	2024 £	2023 £
Bank loans	7,433,670	8,350,849
	<u>7,433,670</u>	<u>8,350,849</u>

Included within the above are amounts falling due as follows:

Between one and five years

Bank loans	2,956,284	3,355,364
	<u>2,956,284</u>	<u>3,355,364</u>

After five years

Bank loans	4,477,386	4,995,485
	<u>4,477,386</u>	<u>4,995,485</u>

The various bank loans are secured by a fixed and floating charge over the assets of the charity and first legal charge on the programme related investments. The loans are with Aviva Private Finance and Lloyds Bank. These bank loans are at fixed interest rates of 5.34% for £702K (2023: £760K), 5.4% for £4,630K (2023: £4,842K), 5.93% for £555K (2023: £681K), 6.5% for £282K (2023: £423K), 7.05% for £947K (2023 £1,119K) and 5.84% for £1,238K (2023: £1,313K) expiring in Apr 2025, Feb 2039, Sept 2028, Sept 2026, March 2028 and Feb 2026 respectively.

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2024 £
Unrestricted funds					
Unrestricted income funds	10,930,430	3,284,774	(1,722,116)	-	12,493,088
Programme related investment revaluation reserve	7,895,664	-	-	(261,693)	7,633,971
	<u>18,826,094</u>	<u>3,284,774</u>	<u>(1,722,116)</u>	<u>(261,693)</u>	<u>20,127,059</u>
Restricted funds					
Freehold properties	<u>2,872,704</u>	-	-	-	<u>2,872,704</u>
Total of funds	<u><u>21,698,798</u></u>	<u><u>3,284,774</u></u>	<u><u>(1,722,116)</u></u>	<u><u>(261,693)</u></u>	<u><u>22,999,763</u></u>

Statement of funds - prior year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
Unrestricted funds					
Unrestricted income funds	9,760,518	2,867,817	(1,697,905)	-	10,930,430
Programme related investment revaluation reserve	13,806,102	-	-	(5,910,438)	7,895,664
	<u>23,566,620</u>	<u>2,867,817</u>	<u>(1,697,905)</u>	<u>(5,910,438)</u>	<u>18,826,094</u>
Restricted funds					
Freehold properties	<u>2,872,704</u>	-	-	-	<u>2,872,704</u>
Total of funds	<u><u>26,439,324</u></u>	<u><u>2,867,817</u></u>	<u><u>(1,697,905)</u></u>	<u><u>(5,910,438)</u></u>	<u><u>21,698,798</u></u>

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	67,075	67,075
Programme related investments	2,872,704	26,647,615	29,520,319
Current assets	-	2,245,209	2,245,209
Creditors due within one year	-	(1,399,170)	(1,399,170)
Creditors due in more than one year	-	(7,433,670)	(7,433,670)
Total	<u>2,872,704</u>	<u>20,127,059</u>	<u>22,999,763</u>

Analysis of net assets between funds - prior period

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	67,587	67,587
Programme related investments	2,872,704	26,587,296	29,460,000
Current assets	-	2,006,782	2,006,782
Creditors due within one year	-	(1,484,722)	(1,484,722)
Creditors due in more than one year	-	(8,350,849)	(8,350,849)
Total	<u>2,872,704</u>	<u>18,826,094</u>	<u>21,698,798</u>

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	1,562,658	1,169,912
Adjustments for:		
Depreciation charges	16,869	16,069
Interest receivable	(39,022)	(22,602)
Disposal of fixed assets	-	100
Decrease in debtors	5,803	475,790
Decrease in creditors	(139,717)	(422,444)
Mortgage Interest	511,048	559,970
Net cash provided by operating activities	<u>1,917,639</u>	<u>1,776,795</u>

20. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	1,652,571	1,427,924
Total cash and cash equivalents	<u>1,652,571</u>	<u>1,427,924</u>

21. Analysis of changes in net debt

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	1,427,924	224,647	1,652,571
Debt due within 1 year	(865,987)	(54,165)	(920,152)
Debt due after 1 year	(8,350,849)	917,179	(7,433,670)
Liquid investments	503,993	19,583	523,576
	<u>(7,284,919)</u>	<u>1,107,244</u>	<u>(6,177,675)</u>

THE HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

22. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £11,723 (2023: £10,795). Contributions totalling £NIL (2023: £NIL) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

At 31 December 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	12,182	15,419
Later than 1 year and not later than 5 years	36,841	2,337
	49,023	17,756

24. Operating lease receivables - Charity as lessor

The Charity rents out its properties under operating leases. At the balance sheet date the following future minimum lease amounts are contractually receivable from tenants:

	2024 £	2023 £
Amounts due within one year	2,111,192	2,277,734
Amounts due between one and five years	6,817,423	5,654,324
Amounts due after five years	10,239,974	5,127,302
	19,168,589	13,059,360

25. Related party transactions

During the year the charity made payments of £640 to E Roberts and £272 to L Roberts, (£778 and £225 respectively in 2023) the children of Geoff Roberts, CEO, for the performance of administrative services.

During the year, a close family member of B Jones, a trustee, was employed by the Charity. This appointment was made in open competition in which B Jones was not involved in the decision making process regarding appointment. Remuneration paid is deemed commercial for their role.

During the year grants were paid of £18,000, (£10,000 in 2023) to St Clares Hospice. J Rowlinson, a Trustee is also a director of the Hospice. Also a grant of £8,966 was paid to Harlow Occupational Health Service Limited (2023: £Nil) in which J Greer, a trustee, is a director of this company.

There were no other related party transactions.

THE HARLOW HEALTH CENTRES TRUST LIMITED

England & Wales - Charity number 1050493

Accounts

Registered number: 02955851
Charity number: 1050493

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

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HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees	P Larkin B Jones A Evans T Manzi J Rowlinson J Greer (appointed 4 October 2023) W Rammell (appointed 1 October 2023)
Company registered number	02955851
Charity registered number	1050493
Registered office	The Latton Bush Centre Southern Way Harlow Essex CM18 7BL
Chief executive officer	G Roberts
Independent auditors	Price Bailey LLP Chartered Accountants & Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank Bank House Primett Road Stevenage SG1 3EE
Solicitors	Foskett Marr Gadsby and Head 106/108 High Road Loughton Essex IG10 4HN

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Harlow Health Centres Trust Limited (the charity) for the year ended 31 December 2023. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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

Harlow Health Centres Trust (HHCT) owns and is responsible for six health centres in Harlow providing general practitioner (GP), dentistry, community services, and pharmaceutical and other specialist services. Since 1994 the Trust has undertaken a programme of redevelopment of existing centres, providing fit for purpose health facilities for the residents of Harlow. HHCT also provides grants and donations to support appropriate health initiatives and has a charitable mandate to expand its operations throughout Essex and Hertfordshire.

Vision and mission:

The Trust's mission is to provide high quality, community-based health centres and foster improved health outcomes through the targeted use of grants and donations. This will be achieved through the delivery of the Strategy.

Our corporate values are:

- We put our social and charitable health objectives at the heart of everything we do.
- We seek to achieve value for money by maximising the health-related outcomes resulting from the resources used.
- We work in partnership with statutory, private, community and voluntary organisations to achieve improved health outcomes for local people.
- We value and promote innovation and excellence.
- We value and promote equality and social inclusion in service delivery, partnership working and employment.

Our Corporate aims, objectives and Action Plan were developed following a programme of analysis and reviewed during 2023. HHCT have overarching aims as follows:

- 1) Maintain existing HHCT health centres to provide high quality and cost-effective facilities for patients and health professionals.
- 2) Work in partnership with Local Authorities, NHS organisations, local hospitals, hospices, care homes, pharmacies, young people's groups and health professionals and voluntary groups to identify local needs and offer expanded facilities in the Harlow area and other areas of Essex and Hertfordshire.
- 3) Ensuring the Trust's Grants and Donations programme continues to offer financial assistance to organisations in Harlow, West Essex and East Hertfordshire. This was budgeted at £123,000 per annum.
- 4) Increase the profile of HHCT and its successes to increase future capacity for innovative health initiatives and partnership working.
- 5) Improve succession planning to ensure that HHCT can continue to deliver its health objectives beyond the life of the Strategy.

The Board monitor the Action Plan which outlines the agreed steps to achieve the desired strategy and how progress is being made. In the achievements section, there is a summary of the state of play of those actions and their progress.

Grants and donations:

Organisations and individuals may apply for grants which promote the objectives of the charity. Applications are considered by the Trustees who will, if required, seek specialist advice and consult with the appropriate bodies. The Trustees have agreed to budget grants and donations in 2024 at £123,000 per annum.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

ACHIEVEMENTS AND PERFORMANCE

Good progress has been made against the Action Plan for this Strategy period.

Key achievements:

The Strategy document sets out HHCT's journey and key achievements with a yearly refresh. The key achievements for 2023 strategy implementation are set out below.

End of year surplus and plans for the future:

The surplus before realised and unrealised gains in 2023 excluding grants and depreciation was £1,288,161 compared with £984,978 for the year ended 31 December 2022.

To ensure that enough liquid funds are available the Trust will be retaining reserves to ensure that the start-up and progress of any redevelopment can proceed smoothly. This obviously has an impact on the reserves and grants policy.

Investment policy and returns

The Trust has an ongoing policy of improving and updating its premises. These projects are always carefully costed and appraised. The objective is always to ensure that the capital expense supports maintaining and improving our facilities and is always funded by rental returns.

Loan repayments

The annual surplus is also used to repay loans (capital and interest) raised for redeveloping the various premises.

FINANCIAL REVIEW

Going concern

All of our tenants are related to the healthcare sector. The majority of tenants have likewise continued to operate post year end, with a healthy lease position, the majority if not all is expected to be received by the end of the financial year. The Trustees believe that by keeping open lines of communication with tenants, investing in our buildings, closely monitoring cash outflows and maintaining high levels of liquidity, this should allow the Trust to continue trading for the foreseeable future and therefore deem it appropriate to prepare the financial statements on the going concern basis.

Valuations

Surveyors Aitchison Rafferty were recently instructed to provide an updated valuation for the HHCT estate, with the previous report being back in December 2021. Aitchison's advise HHCT on rent renewals and leases currently. The valuation reports on the estate as of December 2023 and was conducted to Global Standards (the "Red Book") and Practice Statement VPGA 60/2010, the Valuation of Medical Centre & Surgery Premises.

The valuation of the freehold interest has been carried out to establish Market Value. This value represents current condition of the portfolio, taking into account the tenancy position across the estate. In determining the Market Value and Market Rent Aitchison's have adopted a market approach which adopts market evidence and recent transactional history.

The valuation of the entire portfolio is £29,460,000, in comparison to the 2021 valuation of £35,100,300.

The report suggests that the market for healthcare properties is under pressure since September 2022 which has had an effect on value and is likely to continue short to medium term. The valuation in general reflects previous reports and is addressed in our strategic goals in concentrating on maximising income from our estate.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves

The Trust maintains bank balances and sufficient funds at short notice to uphold the level of expenditure on management and running expenses for a period of at least nine months. When the Trust redevelops its health centres significant upfront funding is required which initially has to be provided from the cash reserves of the Trust. Therefore, for any redevelopment the Trust has to retain significant reserves to fund these initial costs until loan drawdowns are received. Loan repayments and interest due are covered by rental income. The reserves policy is reviewed annually and at the end of the financial year reserves are retained to aid and progress future developments.

To finance the redevelopment program of the health centres the Trust uses loan finance as set out in note 15 and 16. As a result the trust has to make significant surpluses to fund the annual repayment of these loans. The actual reserves as at 31 December 2023 were £21,698,798 (2022: £26,439,324), of which unrestricted represented £18,826,094 (2022: £23,566,620) with the remaining balance of £2,872,704 (2022: £2,872,704) making up the residual held within the restricted fund. The majority of both the restricted and unrestricted funds may only be realised upon the disposal of programme related investments which amounted to £29,460,000 (2022: £35,183,510) at the year end. A further breakdown of the charity's reserves may be found within note 18 & 19.

Governance and internal control

Two Trustees seek re-election at the Annual General Meeting each year. The financial position and cash-flow reports and project costings are presented to the Trustees for their examination at their regular meetings.

The Trust is governed by its board of trustees which meet bimonthly to consider all aspects of the organisation's policies and activities.

Mr. Geoffrey Roberts is responsible for the day-to-day management of the charity. The Board has been further strengthened in 2023 with seven Trustees now being in position, with one Trustee acting as Chair. Members of the board are also available on an ad hoc basis as required. As stated in note 10 all board members are unpaid.

Benefit statement

The Trust was established to provide and maintain primary health care premises for the people of Harlow. It has been able to redevelop and build six new premises providing modern state-of-the-art facilities. This has also made possible expansion of further health care services across Harlow.

Since 2001 the Trust has been able to make grants and donations exceeding £1,900,000 to promote health initiatives and care within the community. The Trust re-launched its grants policy in March 2022.

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising any powers or duties to which the guidance is relevant.

Annual Review

An annual review is prepared on each occasion an open AGM is held.

PLANS FOR FUTURE PERIODS

Future plans

The Trust continues to work with Hertfordshire and West Essex Integrated Care Board (ICB), Harlow Council (HDC) and NHS England to develop health facilities on the periphery of Harlow possibly into Hertfordshire.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

The Charity is a charitable company (No. 02955851) limited by guarantee and was set up in 1995. It is registered with the Charity Commission, No. 1050493. It is governed by its Memorandum and Articles of Association. Its objects are primarily to provide accommodation and facilities for health services, including nursing homes, and additionally to support health related activities for the benefit of residents of Harlow and elsewhere in the counties of Essex and Hertfordshire. The charity's address is Harlow Health Centres Trust Limited, The Latton Bush Centre, Southern Way, Harlow, Essex, CM18 7BL.

PAY POLICY AND SENIOR STAFF

Structure

The Trust's structure is simple and consists of a Board of seven Trustees (including a Chair), a Chief Executive Officer (CEO), an Operations Manager and an Office Manager. The services of several specialist consultants are used as and when required but are not employed directly by the Trust.

Governance

The Board of Trustees have responsibility for the Governance function. The Board meets bi-monthly and holds an annual AGM. Trustees are responsible for ensuring that the Trust continues to fulfil its mission and charitable remit, delivers the Corporate Strategy and operates in accordance with the Charity Commission and all other statutory regulations and requirements.

Method of appointment or election of trustees

Any additional trustees are appointed by the existing board members. The Trustees would look for individuals with an interest in the aims and objectives of the charity, but also with a skillset that can add to the current mix of experience. A new Trustee would have the terms governing the Trust and the policies and objectives explained to them at a meeting with the existing Trustees.

Valuation of assets

The Trust had a valuation of all its properties undertaken by Aitchison Raffety, a RICS registered company. As of 14th February 2024, the valuation of assets is £29,460,000.

This report will be renewed in 2025.

Risk management

The Trust reviews all risks via a S.W.O.T process, as part of the strategy update. The weakness and threats identified form the risks facing the trust. Actions are detailed for all these risks in the strategic plan. Each risk is owned by a Trustee or the CEO, and progress is monitored.

Remuneration

The Trust reviews the remuneration of employees annually. Salary increases and bonus payments are agreed following the appraisal of both organisational and individual performance against relevant objectives and targets. Organisational objectives and targets are set out in the Corporate Strategy and related Action Plan. Most individual objectives and targets derive from the Corporate Strategy, are agreed at the beginning of each year and are documented in individual appraisal documents on a minimum six-monthly basis. The Trust has recruited for all 3 staff roles in the last two years and as part of this recruitment external benchmarking was carried out to ensure external equity and appropriate salaries are paid for all roles. For annual staff appraisals and remuneration, annual increases in RPI, Health care sector, NHS and Facilities maintenance industries are assessed to determine a fair increase.

Disclosure of information to Auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

unaware, and that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

Auditor

Price Bailey LLP were re-appointed as auditors for 2023 following a procurement exercise and their continuation for next year will be put to the Annual General Meeting.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:



W Rammell

Trustee

Date:

~~24/7~~ 17/7/24

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees (who are also directors of 'HHCT' for the purposes of company law) are responsible for preparing the Trustees' Annual 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on its behalf by:



W Rammell
Trustee
Date:

17/7/24

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED

Opinion

We have audited the financial statements of Harlow Health Centres Trust Limited (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities (incorporating Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 December 2023 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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. 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.

Opinion 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Director's Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company and how it operates and considered the risk of the charitable company not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included data protection and financial reporting.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.
- Reviewing minutes of Trustee Board meetings and correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, enquiries of management including those responsible for the key regulations and a review of the risk management processes and procedures in place. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Shaun Jordan ACA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants &

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

Date: 26 July 2024

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Charitable activities	3	-	2,910,275	2,910,275	2,887,533
Investments	4	-	22,602	22,602	973
Total income		-	2,932,877	2,932,877	2,888,506
Expenditure on:					
Charitable activities	6	-	1,762,965	1,762,965	2,024,684
Total expenditure		-	1,762,965	1,762,965	2,024,684
Net movement in funds before other recognised gains		-	1,169,912	1,169,912	863,822
Other recognised gains/(losses):					
Losses on revaluation of fixed assets		-	(5,910,438)	(5,910,438)	-
Net movement in funds		-	(4,740,526)	(4,740,526)	863,822
Reconciliation of funds:					
Total funds brought forward		2,872,704	23,566,620	26,439,324	25,575,502
Net movement in funds		-	(4,740,526)	(4,740,526)	863,822
Total funds carried forward		2,872,704	18,826,094	21,698,798	26,439,324

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 34 form part of these financial statements.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02955851

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	67,587	14,652
Fixed asset investments	13	-	100
Programme related investments	12	29,460,000	35,183,510
		29,527,587	35,198,262
Current assets			
Debtors	14	74,865	504,214
Short term investments	15	503,993	-
Cash and cash equivalents		1,427,924	1,762,514
		2,006,782	2,266,728
Creditors: amounts falling due within one year	16	(1,484,722)	(1,807,249)
		522,060	459,479
Total assets less current liabilities		30,049,647	35,657,741
Creditors: amounts falling due after more than one year	17	(8,350,849)	(9,218,417)
Total net assets		21,698,798	26,439,324
Charity funds			
Restricted funds	18	2,872,704	2,872,704
Unrestricted funds			
General funds	18	10,930,430	9,760,518
Programme Related Investment Revaluation		7,895,664	13,806,102
Total unrestricted funds	18	18,826,094	23,566,620
Total funds		21,698,798	26,439,324

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02955851

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2023

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



W Rammell
Trustee
Date:

17 / 7 / 24

The notes on pages 17 to 34 form part of these financial statements.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

		2023 £	2022 £
Cash flows from operating activities	Note		
Net cash generated by operating activities	19	1,776,795	1,450,479
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of programme related fixed assets		(255,932)	(83,210)
Purchase of short term investments		(503,993)	-
Interest received		22,602	973
		<hr/>	<hr/>
Net cash used in investing activities		(737,323)	(82,237)
		<hr/>	<hr/>
Cash flows from financing activities			
Repayments of borrowing		(814,092)	(766,167)
Mortgage interest		(559,970)	(606,488)
		<hr/>	<hr/>
Net cash used in financing activities		(1,374,062)	(1,372,655)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(334,590)	(4,413)
Cash and cash equivalents at the beginning of the year		1,762,514	1,766,927
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		1,427,924	1,762,514
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 17 to 34 form part of these financial statements

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

Harlow Health Centres Trust is a charity, incorporated in England and Wales. Its Registered Office is The Latton Bush Centre, Southern Way, Harlow, Essex, CM18 7BL. Its Registered Number is 02955851 Charity Number 1050493.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and Charities Act 2011.

Harlow Health Centres Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The charity's functional currency is pounds sterling (£).

2.2 Company Status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. 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.

2.3 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds available for the general purpose of the organisation which the Trustees have set aside for a particular purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes of the financial statements.

2.4 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. Any future plans will be financed from future rentals, whereby all tenants are related to the healthcare sector. The Trustees therefore deem it appropriate to prepare the financial statements on the going concern basis.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.6 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is accounted for on an accrual basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.8 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	20% reducing balance
Fixtures and fittings	-	20% reducing balance
Computer equipment	-	20% reducing balance

2.10 Investments

Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets (programme related investments) are shown at their open market value for existing use as indicated in note 12.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Short term investments

Short term investments include investments with a maturity of between three and twelve months from the date of acquisition or opening of the deposit or similar account.

2.13 Cash and cash equivalents

Cash and cash equivalents includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.14 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.15 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 fair value as at the balance sheet date. All financial instruments of the charity are measured at cost with the exception of programme related investments which are shown at their open market value. The value of programme related investments as well as their original cost is stated in note 12.

Financial assets include investments in the portfolio, the bank balances, trade debtors, accrued income and other debtors but exclude prepayments and taxation.

Financial liabilities include trade creditors, other creditors, accruals and deferred income but exclude social security and other taxes due.

2.16 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

2.17 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

3. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Income from charitable activities - Provision of premises for health services	2,910,275	2,910,275
	<u>2,910,275</u>	<u>2,910,275</u>

	Unrestricted funds 2022 £	Total funds 2022 £
Income from charitable activities - Provision of premises for health services	2,887,533	2,887,533
	<u>2,887,533</u>	<u>2,887,533</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

4. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Bank Interest	22,602	22,602
	<u>22,602</u>	<u>22,602</u>

	Unrestricted funds 2022 £	Total funds 2022 £
Bank Interest	973	973
	<u>973</u>	<u>973</u>

5. Analysis of grants

	Grants to Institutions 2023 £	Total funds 2023 £
Grants, Other health promotion activity	102,180	102,180
	<u>102,180</u>	<u>102,180</u>

	Grants to Institutions 2022 £	Total funds 2022 £
Grants, Other health promotion activity	117,493	117,493
	<u>117,493</u>	<u>117,493</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Grant breakdown

	2023 £	2022 £
Harlow rugby club	6,000	6,000
St Clares Hospice	10,000	10,000
BASICS Essex	-	5,000
Small Acts of Kindness	-	8,000
Herts Schools Outreach	-	10,000
Action for Family Carers	-	8,000
Citizens advice	5,000	5,000
Harlow Education Consortium	-	20,000
Youth Talk	-	10,000
William Martin	5,000	-
Isabel's Hospice	10,000	-
Bump to Five	10,000	-
Roots to wellbeing	9,800	-
Rainbow Service	9,580	-
Harlow Community First Responders	7,000	-
Sarah Bracey	6,000	-
Harlow Stroke Support Group	5,485	-
Butterfly Effect Wellbeing	5,000	-
Other Grants (£5,000 and under)	13,315	35,493
	<u>102,180</u>	<u>117,493</u>

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total 2023 £
Provision of premises for health services	1,660,785	1,660,785
Other health promotion activity	102,180	102,180
	<u>1,762,965</u>	<u>1,762,965</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

6. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	Unrestricted funds 2022 £	Total 2022 £
Provision of premises for health services	1,907,191	1,907,191
Other health promotion activity	117,493	117,493
	<u>2,024,684</u>	<u>2,024,684</u>

7. Analysis of expenditure on charitable activities

Summary by expenditure type

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Provision of premises for health services	1,558,231	-	102,554	1,660,785
Other health promotion activity	-	102,180	-	102,180
Total 2023	<u>1,558,231</u>	<u>102,180</u>	<u>102,554</u>	<u>1,762,965</u>

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Provision of premises for health services	1,735,197	-	171,994	1,907,191
Other health promotion activity	-	117,493	-	117,493
Total 2022	<u>1,735,197</u>	<u>117,493</u>	<u>171,994</u>	<u>2,024,684</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7. Analysis of expenditure on charitable activities (continued)

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	208,407	208,564
Building maintenance	182,251	259,504
Motor vehicle allowance	22,970	21,140
Development expenses	1,710	-
Valuations	24,170	13,549
Legal fees	26,226	70,757
Depreciation	16,069	3,663
Mortgage interest	559,970	606,448
Services charge expenditure	515,458	549,849
Loss on disposal of investments	100	-
Bank Charges	900	1,723
	<u>1,558,231</u>	<u>1,735,197</u>

Analysis of support costs

	Governance 2023 £	Support costs 2023 £	Total funds 2023 £
Running expenses	-	55,885	55,885
Motor vehicle allowance	-	464	464
Rent / insurance	-	28,097	28,097
Audit and accountancy	10,100	4,256	14,356
Bad debt	-	3,752	3,752
Total 2023	<u>10,100</u>	<u>92,454</u>	<u>102,554</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Governance	Support costs	Total funds
	2022	2022	2022
	£	£	£
Motor vehicle allowance	-	115	115
Running expenses	-	107,315	107,315
Rent / insurance	-	25,903	25,903
Audit and accountancy	10,000	10,379	20,379
Bad debt	-	18,282	18,282
	<u>10,000</u>	<u>161,994</u>	<u>171,994</u>

8. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £10,100 (2022 - £12,462), and payroll and administrative services of £4,256 (2022 - £4,859).

9. Staff costs

	2023	2022
	£	£
Wages and salaries	178,002	161,220
Social security costs	19,610	28,727
Contribution to defined contribution pension schemes	10,795	18,617
	<u>208,407</u>	<u>208,564</u>

The average number of persons employed by the Charity during the year was as follows:

	2023	2022
	No.	No.
Employees	<u>3</u>	<u>3</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
	No.	No.
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-

The key management personnel of the entity comprised the current Chief Executive. The total employee benefits of the key management personnel of the entity was £103,776 (2022: £152,852). Included within this figure is employer pension contributions of £8,482 (2022: £13,708).

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, expenses totalling £757 were reimbursed or paid directly to 2 Trustees (2022 - £924 to 1 Trustee). The nature of expenses relate to mileages claims, items necessary to attend meetings & wholesaler membership. In the prior year, £124 related to mileage claims with the remainder relating to a gift from the Trust to the retiring CEO.

11. Tangible fixed assets

	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation			
At 1 January 2023	492,266	88,982	581,248
Additions	67,066	1,938	69,004
At 31 December 2023	<u>559,332</u>	<u>90,920</u>	<u>650,252</u>
Depreciation			
At 1 January 2023	478,932	87,664	566,596
Charge for the year	15,417	652	16,069
At 31 December 2023	<u>494,349</u>	<u>88,316</u>	<u>582,665</u>
Net book value			
At 31 December 2023	<u>64,983</u>	<u>2,604</u>	<u>67,587</u>
At 31 December 2022	<u>13,334</u>	<u>1,318</u>	<u>14,652</u>

HARLOW HEALTH CENTRES TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

12. Programme Related Investments

	Freehold investment property £
Valuation	
At 1 January 2023	35,183,510
Additions	186,928
Surplus / (Deficit) on revaluation	(5,910,438)
At 31 December 2023	29,460,000

The most recent valuations were made by Aitchison Raffety, a RICS registered company, for the year ended 31 December 2023. This was carried out on an open market value for existing use basis.

The historic cost of the properties is £20,190,719 (2022: £20,003,791).

13. Fixed asset investments

	Investments in subsidiary companies £
At 1 January 2023	100
Disposals	(100)
Net book value	
At 31 December 2023	-
At 31 December 2023	100

Harlow Resource Centre Limited which made up the Fixed Asset Investments balance was dissolved within the year ended 31st December 2023.

14. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	18,250	481,996
Service Charge Owed	46,441	22,218
Other Debtors	10,174	-
	74,865	504,214

HARLOW HEALTH CENTRES TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15. Short term investments

	2023 £	2022 £
Short-term sterling fixed deposits	503,993	-
	503,993	-

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	865,987	812,511
Trade creditors	106,639	133,141
Other taxation and social security	66,022	69,913
Accruals and deferred income	436,074	761,966
Grants Payable	10,000	29,718
	1,484,722	1,807,249

	2023 £	2022 £
Movement of Deferred Income		
Deferred income at 1 January 2023	851,470	881,825
Resources deferred during the year	371,109	851,470
Amounts released from previous periods	(851,470)	(881,825)
	371,109	851,470

HARLOW HEALTH CENTRES TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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

	2023 £	2022 £
Bank loans	8,350,849	9,218,417
	<u>8,350,849</u>	<u>9,218,417</u>

Included within the above are amounts falling due as follows:

Between one and five years

Bank loans	3,355,364	3,582,807
	<u>3,355,364</u>	<u>3,582,807</u>

After five years

Bank loans	4,995,485	5,635,610
	<u>4,995,485</u>	<u>5,635,610</u>

The various bank loans are secured by a fixed and floating charge over the assets of the charity and first legal charge on the programme related investments. The loans are with Aviva Private Finance and Lloyds Bank. These bank loans are at fixed interest rates of 5.34% for £760K (2022: £815K), 5.4% for £4,842K (2022: £5,042K), 5.93% for £681K (2022: £800K), 6.5% for £423K (2022: £556K), 7.05% for £1,199K (2022 £1,432K) and 5.84% for £1,313K (2022: £1,385K) expiring in Apr 2025, Feb 2039, Sept 2028, Sept 2026, March 2028 and Feb 2026 respectively.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
Unrestricted income funds	9,760,518	2,867,817	(1,697,905)	-	10,930,430
Programme related investment revaluation reserve	13,806,102	-	-	(5,910,438)	7,895,664
	<u>23,566,620</u>	<u>2,867,817</u>	<u>(1,697,905)</u>	<u>(5,910,438)</u>	<u>18,826,094</u>
Restricted funds					
Freehold Properties	<u>2,872,704</u>	-	-	-	<u>2,872,704</u>
Total of funds	<u><u>26,439,324</u></u>	<u><u>2,867,817</u></u>	<u><u>(1,697,905)</u></u>	<u><u>(5,910,438)</u></u>	<u><u>21,698,798</u></u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Unrestricted funds				
Unrestricted income funds	8,896,696	2,888,506	(2,024,684)	9,760,518
Programme related investment revaluation reserve	13,806,102	-	-	13,806,102
	<u>22,702,798</u>	<u>2,888,506</u>	<u>(2,024,684)</u>	<u>23,566,620</u>
	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Restricted funds				
Freehold Properties	2,872,704	-	-	2,872,704
	<u>2,872,704</u>	<u>-</u>	<u>-</u>	<u>2,872,704</u>
	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Total of funds	<u>25,575,502</u>	<u>2,888,506</u>	<u>(2,024,684)</u>	<u>26,439,324</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	67,587	67,587
Programme related investments	2,872,704	26,587,296	29,460,000
Current assets	-	2,491,781	2,491,781
Creditors due within one year	-	(1,969,721)	(1,969,721)
Creditors due in more than one year	-	(8,350,849)	(8,350,849)
Total	<u>2,872,704</u>	<u>18,826,094</u>	<u>21,698,798</u>

Analysis of net assets between funds - prior year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	14,652	14,652
Fixed asset investments	-	100	100
Programme related investments	2,872,704	32,310,806	35,183,510
Current assets	-	2,266,728	2,266,728
Creditors due within one year	-	(1,807,249)	(1,807,249)
Creditors due in more than one year	-	(9,218,417)	(9,218,417)
Total	<u>2,872,704</u>	<u>23,566,620</u>	<u>26,439,324</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	1,169,912	863,822
Adjustments for:		
Depreciation charges	16,069	3,663
Dividends, interests and rents from investments	(22,602)	(973)
Loss on the disposal of fixed assets	100	-
Decrease/(increase) in debtors	475,790	(17,340)
Decrease in creditors	(422,444)	(5,181)
Mortgage Interest	559,970	606,488
Net cash provided by operating activities	1,776,795	1,450,479

21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	1,427,924	1,762,514
Total cash and cash equivalents	1,427,924	1,762,514

22. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	1,762,514	(334,590)	1,427,924
Debt due within 1 year	(812,511)	(53,476)	(865,987)
Debt due after 1 year	(9,218,417)	867,568	(8,350,849)
Liquid investments	-	503,993	503,993
	(8,268,414)	983,495	(7,284,919)

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

23. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £10,795 (2022: £18,617). Contributions totalling £NIL (2022: £NIL) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 December 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	15,419	9,227
Later than 1 year and not later than 5 years	2,337	9,975
	17,756	19,202

25. Operating lease receivables - Charity as lessor

The Charity rents out its properties under operating leases. At the balance sheet date the following future minimum lease amounts are contractually receivable from tenants:

	2023 £	2022 £
Amounts due within one year	2,277,734	2,358,401
Amounts due between one and five years	5,654,323	7,145,513
Amounts due after five years	5,127,302	5,913,846
	13,059,359	15,417,760

26. Related party transactions

During the year the charity made payments of £778 to E Roberts & £225 to L Roberts, (£544 & £Nil respectively in 2022) the children of Geoff Roberts, CEO, for the performance of administrative services.

During the year grants were paid of £10,000, (£10,000 in 2022) to St Clares Hospice. J Rowlinson, a Trustee is also a director of the Hospice.

In the prior year grants were paid of £20,000 to Harlow Education Consortium. M Evans, spouse of Trustee A Evans is a director of Harlow Education Consortium.

In the prior year the Charity made payments of £304,720 to Valentis Property & Maintenance Services Ltd, the company of B Sizeland, the son of C Sizeland, former CEO, for maintenance services.

There were no other related party transactions.

THE HARLOW HEALTH CENTRES TRUST LIMITED

England & Wales - Charity number 1050493

Accounts

Registered number: 02955851
Charity number: 1050493

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



With offices in
Bishop's Cleeve, Ely, London City, London Mayfair, Norwich, Sawston
A member of IAPA
A global association of separately owned and independently
managed accountancy firms

HARLOW HEALTH CENTRES TRUST LIMITED
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HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees	D Fenny (resigned 9 January 2022) P Larkin S LeMay (resigned 15 July 2022) B Jones A Evans L Martini (resigned 9 September 2022) T Manzi (appointed 25 March 2022) J Rowlinson (appointed 25 March 2022)
Company registered number	02955851
Charity registered number	1050493
Registered office	The Latton Bush Centre Southern Way Harlow Essex CM18 7BL
Chief executive officer	C Sizeland (until 30 June 2022) G Roberts (from 5 April 2022)
Independent auditors	Price Bailey LLP Chartered Accountants & Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank Bank House Primett Road Stevenage SG1 3EE
Solicitors	Foskett Marr Gadsby and Head 106/108 High Road Loughton Essex IG10 4HN

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Harlow Health Centres Trust Limited (the charity) for the year ended 31 December 2022. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

Harlow Health Centres Trust owns and is responsible for six health centres in Harlow providing general practitioner (GP), dentistry, community services, and pharmaceutical and other specialist services. Since 1994 the Trust has undertaken a programme of redevelopment of existing centres, providing fit for purpose health facilities for the residents of Harlow. HHCT also provides grants and donations to support appropriate health initiatives and has a charitable mandate to expand its operations throughout Essex and Hertfordshire.

Vision and mission:

The Trust's mission is to provide high quality, community-based health centres and foster improved health outcomes through the targeted use of grants and donations. This will be achieved through the delivery of the Strategy.

Our corporate values are:

- We put our social and charitable health objectives at the heart of everything we do.
- We seek to achieve value for money by maximising the health-related outcomes resulting from the resources used.
- We work in partnership with statutory, private, community and voluntary organisations to achieve improved health outcomes for local people.
- We value and promote innovation and excellence.
- We value and promote equality and social inclusion in service delivery, partnership working and employment.

Our Corporate aims, objectives and Action Plan were developed following a programme of analysis and reviewed during 2020. HHCT had five overarching aims and objectives for 2022. These were to:

- 1) Maintain existing HHCT health centres to provide high quality and cost-effective facilities for patients and health professionals.
- 2) Work in partnership with Local Authorities, NHS Clinical Commissioning Groups, local hospitals, hospices, care homes, pharmacies, young people's groups and health professionals and voluntary groups to identify local needs and offer expanded facilities in the Harlow area and other areas of Essex and Hertfordshire.
- 3) The Trustees relaunched the Trust's Grants and Donations programme to offer financial assistance to organisations in Harlow, West Essex and East Hertfordshire. This was budgeted at £123,000 per annum.
- 4) Increase the profile of HHCT and its successes to increase future capacity for innovative health initiatives and partnership working.
- 5) Improve succession planning to ensure that HHCT can continue to deliver its health objectives beyond the life of the Strategy.

The Board monitor the Action Plan which outlines the agreed steps to achieve the desired strategy and how progress is being made. In the achievements section, there is a summary of the state of play of those actions and their progress.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Grants and donations:

Organisations and individuals may apply for grants which promote the objectives of the charity. Applications are considered by the trustees who will, if required, seek specialist advice and consult with the appropriate bodies. The Trustees have agreed to budget grants and donations in 2022 at £123,000 per annum.

ACHIEVEMENTS AND PERFORMANCE

Good progress has been made against the Action Plan for this Strategy period.

Key achievements:

The Strategy document sets out HHCT's journey and key achievements with a yearly refresh. The key achievements for 2022 strategy implementation are set out below.

End of year surplus and plans for the future:

The surplus before realised and unrealised gains in 2022 excluding grants and depreciation was £984,978 compared with £1,133,590 for the year ended 31 December 2021.

To ensure that enough liquid funds are available the Trust will be retaining reserves to ensure that the start-up and progress of any redevelopment can proceed smoothly. This obviously has an impact on the reserves and grants policy.

Investment policy and returns

The Trust has an ongoing policy of improving and updating its premises. These projects are always carefully costed and appraised. The objective is always to ensure that the capital expense supports maintaining and improving our facilities and is always funded by rental returns.

Loan repayments

The annual surplus is also used to repay loans (capital and interest) raised for redeveloping the various premises.

FINANCIAL REVIEW

Going concern

All of our tenants are related to the healthcare sector. The majority of tenants have likewise continued to operate post year end and we do not expect there to be a fall in rental cash inflows, the majority if not all is expected to be received by the end of the financial year. The Directors believe that by keeping open lines of communication with tenants, closely monitoring cash outflows and high levels of liquidity, this should allow the company to continue trading for the foreseeable future and therefore deemed it appropriate to prepare the financial statements on the going concern basis.

Reserves

The Trust maintains bank balances and sufficient funds at short notice to uphold the level of expenditure on management and running expenses for a period of at least nine months. When the Trust redevelops its health centres significant upfront funding is required which initially has to be provided from the cash reserves of the Trust. Therefore, for any redevelopment the Trust has to retain significant reserves to fund these initial costs until loan drawdowns are received. Loan repayments and interest due are covered by rental income. The reserves policy is reviewed annually and at the end of the financial year reserves are retained to aid and progress future developments.

To finance the redevelopment program of the health centres the Trust uses loan finance as set out in note 16 and 17. As a result the trust has to make significant surpluses to fund the annual repayment of these loans.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Governance and internal control

Two Trustees retire each year and may be re-elected. The financial position and cash-flow reports and project costings are presented to the Trustees for their examination at their regular meetings. The Trust is governed by its board of trustees which meet bimonthly to consider all aspects of the organisation's policies and activities.

Mrs. Carol Sizeland was Chief Executive with Mr. Geoffrey Roberts sharing the role from April 2022 to support a smooth transition, in preparation for Mrs. Sizeland's impending retirement. They were jointly responsible for the day-to-day management of the charity. Members of the board are also available on an ad hoc basis as required. As stated in note 11 all board members are unpaid.

Benefit statement

The Trust was established to provide and maintain primary health care premises for the people of Harlow. It has been able to redevelop and build six new premises providing modern state of the art facilities. This has also made possible expansion of further health care services across Harlow.

Since 2001 the Trust has been able to make grants and donations exceeding £1,800,000 to promote health initiatives and care within the community. The Trust re-launched its grants policy in March 2022.

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising any powers or duties to which the guidance is relevant.

Annual Review

An annual review is prepared on each occasion an open AGM is held.

PLANS FOR FUTURE PERIODS

Future plans

The Trust continues to work with Hertfordshire and West Essex Integrated Care Board (ICB), Harlow Council (HDC) and NHS England to develop health facilities on the periphery of Harlow possibly into Hertfordshire.

A succession plan to replace our CEO was undertaken and the transition successfully managed.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charity is a charitable company (No. 02955851) limited by guarantee and was set up in 1995. It is registered with the Charity Commission, No. 1050493. It is governed by its Memorandum and Articles of Association. Its objects are primarily to provide accommodation and facilities for health services, including nursing homes, and additionally to support health related activities for the benefit of residents of Harlow and elsewhere in the counties of Essex and Hertfordshire. The charity's address is Harlow Health Centres Trust Limited, The Latton Bush Centre, Southern Way, Harlow, Essex, CM18 7BL.

PAY POLICY AND SENIOR STAFF

Structure

The Trust's structure is simple and consists of a Board of five Trustees (including a Chair), a Chief Executive Officer (CEO), an Operations Manager and an Office Manager. The services of several specialist consultants are used as and when required but are not employed directly by the Trust.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Governance

The Board of Trustees have responsibility for the Governance function. The Board meets bi-monthly and holds an annual AGM. Trustees are responsible for ensuring that the Trust continues to fulfil its mission and charitable remit, delivers the Corporate Strategy and operates in accordance with the Charity Commission and all other statutory regulations and requirements.

Method of appointment or election of trustees

Any additional trustees are appointed by the existing board members. The Trustees would look for individuals with an interest in the aims and objectives of the charity, but also with a skillset that can add to the current mix of experience. A new Trustee would have the terms governing the Trust and the policies and objectives explained to them at a meeting with the existing Trustees.

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management.

The charity has implemented a number of detailed policies in relation to all aspects of personnel matters with the organisation and employees having access to HR support from an external provider.

In accordance with the charity's equal opportunities policy, the charity has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the charity's office.

Valuation of assets

The Trust had a valuation of all its properties undertaken by Aitchison Raffety, a RICS registered company. Within the year to 31st December 2021, the valuation of its assets increased to £35,100,30 at this time. The Trustees are of the opinion that the property values have not materially changed since the last valuation.

This report will be renewed in 2023.

Risk management

The Trust reviews all risks via a S.W.O.T process, as part of the strategy update. The weakness and threats identified form the risks facing the trust. Actions are detailed for all these risks in strategic plan. Each risk is owned by a Trustee or the CEO, and progress is monitored.

Remuneration

The Trust reviews the remuneration of employees annually. Salary increases and bonus payments are agreed following the appraisal of both organisational and individual performance against relevant objectives and targets. Organisational objectives and targets are set out in the Corporate Strategy and related Action Plan. Most individual objectives and targets derive from the Corporate Strategy, are agreed at the beginning of each year and are documented in individual appraisal documents on a minimum six-monthly basis. The Trustees conduct an annual salary survey of what the NHS and Charity sector is paying for comparable jobs to ensure external equity.

Disclosure of information to Auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

Auditor

A resolution proposing that Price Bailey LLP be re-appointed as auditors of the charity will be put to the Annual General Meeting.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:



B Jones
Trustee

Date: 13/07/2023

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees (who are also the directors of the Charity 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:



B Jones

Trustee

Date: 13/07/2023

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED

Opinion

We have audited the financial statements of Harlow Health Centres Trust Limited (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 December 2022 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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. 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 1) Enquiry of management concerning any potential or actual litigation or claims brought against the entity, along with enquiring as to whether there were any known or suspected instances of non-compliance with laws and regulations. Where there were any suspected instances of non-compliance identified by our work, enquiries of senior management and those charged with governance was made and suitable evidence was obtained to confirm our understanding and whether this affected our statutory or regulatory duties.
- 2) Reviewing minutes of meeting of those charged with governance.
- 3) Performing audit work over the risk of management override and controls, such as reviewing journal entries and reviewing property valuation. Assessing accounting policies for management bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants &

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

Date: 26 July 2023

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Charitable activities	3	-	2,887,533	2,887,533	2,714,488
Investments	4	-	973	973	69
Total income		-	2,888,506	2,888,506	2,714,557
Expenditure on:					
Raising funds	5	-	-	-	45,125
Charitable activities	7	-	2,024,684	2,024,684	1,616,763
Total expenditure		-	2,024,684	2,024,684	1,661,888
Net movement in funds before other recognised gains		-	863,822	863,822	1,052,669
Other recognised gains:					
Gains on revaluation of fixed assets		-	-	-	1,938,788
Net movement in funds		-	863,822	863,822	2,991,457
Reconciliation of funds:					
Total funds brought forward		2,872,704	22,702,798	25,575,502	22,584,045
Net movement in funds		-	863,822	863,822	2,991,457
Total funds carried forward		2,872,704	23,566,620	26,439,324	25,575,502

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 31 form part of these financial statements.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02955851

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	14,652	18,315
Fixed asset investments	14	100	100
Investment property	13	35,183,510	35,100,300
		35,198,262	35,118,715
Current assets			
Debtors	15	504,214	486,874
Cash at bank and in hand		1,762,514	1,766,927
		2,266,728	2,253,801
Creditors: amounts falling due within one year	16	(1,807,249)	(1,818,806)
		459,479	434,995
Total assets less current liabilities		35,657,741	35,553,710
Creditors: amounts falling due after more than one year	17	(9,218,417)	(9,978,208)
Net assets excluding pension asset		26,439,324	25,575,502
Total net assets		26,439,324	25,575,502
Charity funds			
Restricted funds	18	2,872,704	2,872,704
Unrestricted funds			
General funds	18	9,760,518	8,896,696
Programme related investment revaluation	18	13,806,102	13,806,102
Total unrestricted funds	18	23,566,620	22,702,798
Total funds		26,439,324	25,575,502

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02955851

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



B Jones

Trustee

Date: 13/07/2023

The notes on pages 16 to 31 form part of these financial statements.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

		2022 £	2021 £
Cash flows from operating activities	Note		
Net cash used in operating activities	20	1,451,452	2,004,101
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of programme related fixed assets		(83,210)	(611,869)
		<hr/>	<hr/>
Net cash used in investing activities		(83,210)	(611,869)
		<hr/>	<hr/>
Cash flows from financing activities			
Cash inflows from new borrowing		-	1,500,000
Repayments of borrowing		(766,167)	(1,451,944)
Mortgage interest		(606,488)	(642,967)
		<hr/>	<hr/>
Net cash used in financing activities		(1,372,655)	(594,911)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(4,413)	797,321
Cash and cash equivalents at the beginning of the year		1,766,927	969,606
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		<u>1,762,514</u>	<u>1,766,927</u>

The notes on pages 16 to 31 form part of these financial statements

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Harlow Health Centres Trust is a charity, incorporated in England and Wales. Its Registered Office is The Latton Bush Centre, Southren Way, Harlow, Essex, CM18 7BL. Its Registered Number is 02955851 Charity Number 1050493.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Harlow Health Centres Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The charity's functional currency is pounds sterling (£).

2.2 Company Status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. 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.

2.3 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds available for the general purpose of the organisation which the Trustees have set aside for a particular purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes of the financial statements.

2.4 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. Any future plans will be financed from future rentals, whereby all tenants are related to the healthcare sector. The Trustees therefore deem it appropriate to prepare the financial statements on the going concern basis.

2.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.6 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is accounted for on an accrual basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.8 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

Plant and machinery	- 20% reducing balance
Fixtures and fittings	- 20% reducing balance

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.10 Investments

Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

The subsidiary is shown at cost.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets (programme related investments) are shown at their open market value for existing use as indicated in note 13.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.14 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 fair value as at the balance sheet date. All financial instruments of the charity are measured at cost with the exception of programme related investments which are shown at their open market value. The value of programme related investments as well as their original cost is stated in note 13.

Financial assets include investments in the portfolio, the bank balances, trade debtors, accrued income and other debtors but exclude prepayments and taxation.

Financial liabilities include trade creditors, other creditors, accruals and deferred income but exclude social security and other taxes due.

2.15 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

2.16 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Income from charitable activities - Provision of premises for health services	2,887,533	2,887,533
	<u>2,887,533</u>	<u>2,887,533</u>

	Unrestricted funds 2021 £	Total funds 2021 £
Income from charitable activities - Provision of premises for health services	2,714,488	2,714,488
	<u>2,714,488</u>	<u>2,714,488</u>

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Bank Interest	973	973
	<u>973</u>	<u>973</u>

	Unrestricted funds 2021 £	Total funds 2021 £
Bank Interest	69	69
	<u>69</u>	<u>69</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Expenditure on raising funds

Fundraising trading expenses

		Total funds 2022 £
		-
		<u><u> </u></u>
	Unrestricted funds 2021 £	Total funds 2021 £
Allocated centrally incurred fundraising and governance costs	45,125	45,125
	<u><u> </u></u>	<u><u> </u></u>

6. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £
Grants, Other health promotion activity	117,493	117,493
	<u><u> </u></u>	<u><u> </u></u>

	Grants to Institutions 2021 £	Total funds 2021 £
Grants, Other health promotion activity	68,664	68,664
	<u><u> </u></u>	<u><u> </u></u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Grant breakdown

	2022 £	2021 £
Harlow rugby club	6,000	6,000
St Clares Hospice	10,000	8,500
BASICS Essex	5,000	-
Small Acts of Kindness	8,000	-
Herts Schools Outreach	10,000	-
Action for Family Carers	8,000	-
Citizens advice	5,000	-
Harlow Education Consortium	20,000	-
Youth Talk	10,000	-
Other grants	35,493	54,164
	<u>117,493</u>	<u>68,664</u>

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £
Provision of premises for health services	1,907,191	1,907,191
Other health promotion activity	117,493	117,493
	<u>2,024,684</u>	<u>2,024,684</u>

	Unrestricted funds 2021 £	Total 2021 £
Provision of premises for health services	1,548,099	1,548,099
Other health promotion activity	68,664	68,664
	<u>1,616,763</u>	<u>1,616,763</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Analysis of expenditure on charitable activities

Summary by expenditure type

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Provision of premises for health services	1,735,197	-	171,994	1,907,191
Other health promotion activity	-	117,493	-	117,493
Total 2022	1,735,197	117,493	171,994	2,024,684

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £
Provision of premises for health services	1,425,307	-	122,792	1,548,099
Other health promotion activity	-	68,664	-	68,664
Total 2021	1,425,307	68,664	122,792	1,616,763

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	208,564	138,434
Building maintenance	259,504	49,565
Motor vehicle allowance	21,140	9,865
Valuations	13,549	13,556
Legal fees	70,757	46,995
Depreciation	3,663	12,526
Mortgage interest	606,448	642,967
Services charge expenditure	549,849	480,560
Bank Charges	1,723	30,839
	1,735,197	1,425,307

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Analysis of support costs

	Governance 2022 £	Support costs 2022 £	Total funds 2022 £
Motor vehicle allowance	-	115	115
Running expenses	-	107,315	107,315
Rent / insurance	-	25,903	25,903
Audit and accountancy	10,000	10,379	20,379
Bad debt	-	18,282	18,282
Total 2022	10,000	161,994	171,994

	Governance 2021 £	Support costs 2021 £	Total funds 2021 £
Running expenses	-	58,587	58,587
Audit and accountancy	7,500	13,639	21,139
Rent / insurance	-	43,066	43,066
	7,500	115,292	122,792

9. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £12,462 (2021 - £7,500), and payroll and administrative services of £4,859 (2021 - £1,110).

10. Staff costs

	2022 £	2021 £
Wages and salaries	161,220	108,158
Social security costs	28,727	15,584
Contribution to defined contribution pension schemes	18,617	14,692
	208,564	138,434

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Employees	3	2

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £80,001 - £90,000	1	1

The key management personnel of the entity comprises of the Chief Executive. The total employee benefits of the key management personnel of the entity was £152,852 (2021: £96,191). Included within this figure is employer pension contributions of £13,708 (2021: £10,255).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, reimbursement of Trustees expenses incurred during the cause of performing their duties amounted to £924 (2021 - £NIL), £124 related to mileage claims with the remainder relating to a gift from the Trust to the retiring CEO.

12. Tangible fixed assets

	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation			
At 1 January 2022	492,266	88,982	581,248
At 31 December 2022	492,266	88,982	581,248
Depreciation			
At 1 January 2022	475,599	87,334	562,933
Charge for the year	3,333	330	3,663
At 31 December 2022	478,932	87,664	566,596
Net book value			
At 31 December 2022	13,334	1,318	14,652
At 31 December 2021	16,667	1,648	18,315

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Programme Related Investments

	Freehold investment property £
Valuation	
At 1 January 2022	35,100,300
Additions	83,210
	35,183,510
At 31 December 2022	35,183,510

The most recent valuations were made by Aitchison Raffety, a RICS registered company, for the year ended 31 December 2021. This was carried out on an open market value for existing use basis. The Trustees have not undertaken a formal valuation within the current year but are of the opinion that the properties carrying values remain unchanged since the last formal valuation was carried out.

The historic cost of the properties is £20,003,791 (2021: £19,920,581).

14. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022	100
	100
At 31 December 2022	100
Net book value	
At 31 December 2022	100
	100
At 31 December 2021	100

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Holding
Harlow Resource Centre Limited	10457685	100%

Harlow Resource Centre Limited was dormant during the financial year and has £NIL net assets as at 31 December 2022 (2021: £NIL).

15. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	481,996	439,521
Other debtors	22,218	47,353
	<u>504,214</u>	<u>486,874</u>

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	812,511	818,887
Other taxation and social security	44,848	69,272
Accruals and deferred income	920,172	930,647
Grants Payable	29,718	-
	<u>1,807,249</u>	<u>1,818,806</u>

	2022 £	2021 £
Movement of Deferred Income		
Deferred income at 1 January 2022	881,825	918,813
Resources deferred during the year	851,470	881,825
Amounts released from previous periods	(881,825)	(918,813)
	<u>851,470</u>	<u>881,825</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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

	2022 £	2021 £
Bank loans	9,218,417	9,978,208
	<u>9,218,417</u>	<u>9,978,208</u>

Included within the above are amounts falling due as follows:

Between one and five years

Bank loans	3,582,807	4,205,767
	<u>3,582,807</u>	<u>4,205,767</u>

After five years

Bank loans	5,635,610	5,772,441
	<u>5,635,610</u>	<u>5,772,441</u>

The various bank loans are secured by a fixed and floating charge over the assets of the charity and first legal charge on the programme related investments. The loans are with Aviva Private Finance and Lloyds Bank. These bank loans are at fixed interest rates of 5.34% for £815K (2021: £871K), 5.4% for £5,042K (2021: £5,249K), 5.93% for £800K (2021: £912K), 6.5% for £556K (2021: £680K), 7.05% for £1,432K (2021: £1,650K) and 5.84% for £1,385K (2021: £1,452K) expiring in Apr 2025, Feb 2039, Sept 2028, Sept 2026, March 2028 and Feb 2026 respectively.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
Unrestricted income funds	8,896,696	2,888,506	(2,024,684)	-	9,760,518
Programme related investment revaluation reserve	13,806,102	-	-	-	13,806,102
	<u>22,702,798</u>	<u>2,888,506</u>	<u>(2,024,684)</u>	<u>-</u>	<u>23,566,620</u>
Restricted funds					
Freehold Properties	<u>2,872,704</u>	-	-	-	<u>2,872,704</u>
Total of funds	<u><u>25,575,502</u></u>	<u><u>2,888,506</u></u>	<u><u>(2,024,684)</u></u>	<u><u>-</u></u>	<u><u>26,439,324</u></u>

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
Unrestricted income funds	7,844,027	2,714,557	(1,661,888)	-	8,896,696
Programme related investment revaluation reserve	11,867,314	-	-	1,938,788	13,806,102
	<u>19,711,341</u>	<u>2,714,557</u>	<u>(1,661,888)</u>	<u>1,938,788</u>	<u>22,702,798</u>
Restricted funds					
Freehold Properties	<u>2,872,704</u>	-	-	-	<u>2,872,704</u>
Total of funds	<u><u>22,584,045</u></u>	<u><u>2,714,557</u></u>	<u><u>(1,661,888)</u></u>	<u><u>1,938,788</u></u>	<u><u>25,575,502</u></u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	14,652	14,652
Fixed asset investments	-	100	100
Investment property	2,872,704	32,310,806	35,183,510
Current assets	-	2,266,728	2,266,728
Creditors due within one year	-	(1,807,249)	(1,807,249)
Creditors due in more than one year	-	(9,218,417)	(9,218,417)
Total	<u>2,872,704</u>	<u>23,566,620</u>	<u>26,439,324</u>

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	18,315	18,315
Fixed asset investments	-	100	100
Investment property	2,872,704	32,227,596	35,100,300
Current assets	-	2,253,801	2,253,801
Creditors due within one year	-	(1,818,806)	(1,818,806)
Creditors due in more than one year	-	(9,978,208)	(9,978,208)
Total	<u>2,872,704</u>	<u>22,702,798</u>	<u>25,575,502</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	863,822	1,052,669
Adjustments for:		
Depreciation charges	3,663	12,526
Loss on the sale of fixed assets	-	45,038
Decrease/(increase) in debtors	(17,340)	199,239
Increase/(decrease) in creditors	(5,181)	51,662
Mortgage Interest	606,488	642,967
Net cash provided by operating activities	1,451,452	2,004,101

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	1,762,514	1,766,927
Total cash and cash equivalents	1,762,514	1,766,927

22. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	1,766,927	(4,413)	1,762,514
Debt due within 1 year	(818,887)	6,376	(812,511)
Debt due after 1 year	(9,978,208)	759,791	(9,218,417)
	(9,030,168)	761,754	(8,268,414)

23. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £15,121 (2021: £11,318). Contributions totalling £NIL (2021: £NIL) were payable to the fund at the balance sheet date and are included in creditors.

HARLOW HEALTH CENTRES TRUST LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

24. Operating lease commitments

At 31 December 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	9,227	11,154
Later than 1 year and not later than 5 years	9,975	5,177
	<u>19,202</u>	<u>16,331</u>

25. Operating lease receivables - Charity as lessor

The Charity rents out its properties under operating leases. At the balance sheet date the following future minimum lease amounts are contractually receivable from tenants:

	2022 £	2021 £
Amounts due within one year	2,245,471	1,468,852
Amounts due between one and five years	5,348,091	5,583,251
Amounts due after five years	4,475,595	5,709,287
	<u>12,069,157</u>	<u>12,761,390</u>

26. Related party transactions

During the year the charity made payments of £544 to E Roberts, the daughter of Geoff Roberts, CEO, for the performance of administrative services, (£Nil in 2021).

During the year the charity made payments of £304,720 to Valentis Property & Maintenance Services Ltd, the company of B Sizeland, the son of C Sizeland, CEO, for maintenance services, (£132,012 in 2021).

During the year grants were paid of £20,000 to Harlow Education Consortium. M Evans, spouse of Trustee A Evans is a director of Harlow Education Consortium, (£Nil in 2021).

During the year grants were paid of £10,000 to St Clares Hospice. J Rowlinson, a Trustee is also a director of the Hospice.

There were no other related party transactions.

THE HARLOW HEALTH CENTRES TRUST LIMITED

England & Wales - Charity number 1050493

Accounts

Registered number: 02955851
Charity number: 1050493

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	Pat Larkin John Houston (resigned 12 April 2021) Derek Fenny (resigned 9 January 2022) Pam Heeks (resigned 11 June 2021) Stephen LeMay (resigned 15 July 2022) Byron Jones Luigi Martini Anthony Evans Jill Rowlinson (appointed 25 March 2022) Tracy Manzi (appointed 25 March 2022)
Company registered number	02955851
Charity registered number	1050493
Registered office	The Latton Bush Centre Southern Way Harlow Essex CM18 7BL
Chief executive officer	Carol Sizeland (until 30 June 2022) Geoff Roberts (from 5 April 2022)
Independent auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank Bank House Primett Road Stevenage SG1 3EE
Solicitors	Foskett Marr Gadsby and Head 106/108 High Road Loughton Essex IG10 4HN

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Harlow Health Centres Trust Limited (the charity) for the year ended 31 December 2021. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

Harlow Health Centres Trust owns and is responsible for six health centres in Harlow providing general practitioner (GP), dentistry, community services, and pharmaceutical and other specialist services. Since 1994 the Trust has undertaken a programme of redevelopment of existing centres, providing new health facilities for the residents of Harlow. HHCT also provides grants and donations to support appropriate health initiatives and now has a charitable mandate to expand its operations throughout Essex and Hertfordshire.

Vision and mission:

The Trust's mission is to provide high quality, community based health centres and foster improved health outcomes through the targeted use of grants and donations. This will be achieved through the delivery of the Strategy.

Our corporate values are:

- We put our social and charitable health objectives at the heart of everything we do.
- We seek to achieve value for money by maximising the health-related outcomes resulting from the resources used.
- We work in partnership with statutory, private, community and voluntary organisations to achieve improved health outcomes for local people.
- We value and promote innovation and excellence.
- We value and promote equality and social inclusion in service delivery, partnership working and employment.

Our Corporate aims, objectives and Action Plan were developed following a programme of analysis and review during 2018. HHCT has five overarching aims and objectives for the period 2021-2022. These are to:

- 1) Maintain existing HHCT health centres to provide high quality and cost-effective facilities for patients and health professionals.
- 2) Work in partnership with Local Authorities, NHS Clinical Commissioning Groups, local hospitals, hospices, care homes, pharmacies, young people's groups and health professionals and voluntary groups to identify local needs and offer expanded facilities in the Harlow area and other areas of Essex and Hertfordshire.
- 3) The Trustees agreed to Relaunch the Trust's Grants and Donations programme to offer financial assistance to organisations in Harlow, West Essex and East Hertfordshire. This was budgeted at £123,000 per annum.
- 4) Increase the profile of HHCT and its successes to increase future capacity for innovative health initiatives and partnership working.
- 5) Improve succession planning to ensure that HHCT can continue to deliver its health objectives beyond the life of the Strategy.

The Board monitor the Action Plan which outlines the agreed steps to achieve the desired strategy and how progress is being made. In the achievements section, there is a summary of the state of play of those actions and their progress.

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Grants and donations:

Organisations and individuals may apply for grants which promote the objectives of the charity. Applications are considered by the trustees who will, if required, seek specialist advice and consult with the appropriate bodies. The Trustees have agreed to budget grants and donations in 2021 at £123,000 per annum.

ACHIEVEMENTS AND PERFORMANCE

Good progress has been made against the Action Plan in the sixth year of the Strategy period.

Key achievements:

The Strategy document set out HHCT's journey and key achievements over a ten-year period from 2014 to 2021. The key achievements in the seventh year of Strategy implementation are set out below.

End of year surplus and plans for the future

The surplus before realised and unrealised gains in 2021 excluding grants and depreciation on the canal boat and the Health Resource Centre was £913,655 compared with £1,189,139 for the year ended 31 December 2020.

To ensure that enough liquid funds are available the Trust will be retaining reserves to ensure that the start up and progress of any redevelopment can proceed smoothly. This obviously has an impact on the reserves and grants policy.

Lister House

The Trust completed its redevelopment of facilities at Lister House, Abercrombie Way, Harlow in October 2018 at a cost of £7.5 million. The Trust have signed a lease agreement with Harlow South PCN in April 2022 for the remaining lettable space.

Investment policy and returns

The Trust has an ongoing policy of improving and updating its premises. These projects are always carefully costed and appraised. The objective is always to ensure that the capital expense is always funded by rental returns.

Loan repayments

The annual surplus is also used to repay loans (capital and interest) raised for redeveloping the various premises. In 2021 this amounted to £1,320,285 (2020: £1,392,358)

FINANCIAL REVIEW

Going concern

The Company has continued to operate post year end ensuring that the UK Government's guidance in managing the coronavirus pandemic is complied with by the business. All of our tenants are related to the healthcare sector. The majority of tenants have likewise continued to operate post year end and we do not expect there to be a fall in rental cash inflows, the majority if not all is expected to be received by the end of the financial year. The Directors believe that by keeping open lines of communication with tenants, closely monitoring cash outflows and high levels of liquidity, this should allow the company to continue trading for the foreseeable future and therefore deemed it appropriate to prepare the financial statements on the going concern basis.

Reserves

The Trust maintains bank balances and sufficient funds at short notice to uphold the level of expenditure on

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

management and running expenses for a period of at least nine months. When the Trust redevelops its health centres significant upfront funding is required which initially has to be provided from the cash reserves of the Trust. Therefore for any redevelopment the Trust has to retain significant reserves to fund these initial costs until loan draw-downs are received. Loan repayments and interest due are covered by rental income. The reserves policy is reviewed annually and at the end of the financial year reserves are retained to aid and progress future developments.

To finance the redevelopment program of the health centres the trust uses loan finance as set out in notes 13 and 14. As a result the trust has to make significant surpluses to fund the annual repayment of these loans.

Governance and internal control

Two Trustees retire each year and may be re-elected. The financial position and cash-flow reports and project costings are presented to the Trustees for their examination at their regular meetings.

The Trust is governed by its board of trustees which meet bimonthly to consider all aspects of the organisations policies and activities. Mrs Carol Sizeland is the Chief Executive and is responsible for the day to day management of the charity. Members of the board are also available on an ad hoc basis as required. As stated in note 9 all board members are unpaid.

Benefit statement

The Trust was established to provide and maintain primary health care premises for the people of Harlow. It has been able to redevelop and build six new premises providing modern state of the art facilities. This has also made possible expansion of further health care services across Harlow.

Since 2001 the Trust has been able to make grants and donations exceeding £1,700,000 to promote health initiatives and care within the community. The Trust re-launched its grants policy in March 2022. However £68,664 (2020; £31,172) of grants have been provided throughout 2021

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising any powers or duties to which the guidance is relevant.

Annual Review

The Trust has historically prepared an annual review however due to COVID 19 this has not been completed in 2021 and HHCT will prepare one in 2023.

PLANS FOR FUTURE PERIODS

Future plans

The Trust continues to work with West Essex Clinical Commissioning Group (CCG), Integrated Care Board (ICB), Harlow Council (HDC) and NHS England to develop health facilities on the peripheral of Harlow possibly into Hertfordshire.

A succession plan was put into place to recruit a Chief Executive Officer to replace Mrs Carol Sizeland who is retiring from the post in June 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charity is a charitable company (No. 02955851) limited by guarantee and was set up in 1995. It is registered with the Charity Commission, No. 1050493. It is governed by its Memorandum and Articles of Association. Its objects are primarily to provide accommodation and facilities for health services, including nursing homes, and additionally to support health related activities for the benefit of residents of Harlow and elsewhere in the counties of Essex and Hertfordshire. The charity's address is Harlow Health Centres Trust

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Limited, The Latton Bush Centre, Southern Way, Harlow, Essex, CM18 7BL.

PAY POLICY AND SENIOR STAFF

Structure

The Trust's structure is simple and consists of a Board of seven Trustees (including a Chair, Vice Chair and a Company Secretary), a Chief Executive Officer (CEO) and an Operations Manager, to assist the CEO. The services of several specialist consultants are used as and when required but are not employed directly by the Trust.

Governance

The Board of Trustees have responsibility for the Governance function. The Board meets bimonthly and holds an annual AGM, which is an open meeting. Trustees are responsible for ensuring that the Trust continues to fulfil its mission and charitable remit, delivers the Corporate Strategy and operates in accordance to Charity Commission and all other statutory regulations and requirements.

Method of appointment or election of trustees

Any additional trustees are appointed by the existing board members. The Trustees would look for individuals with an interest in the aims and objectives of the charity. A new Trustee would have the terms governing the Trust and the policies and objectives explained to them at a meeting with the existing Trustees. There are no specific induction arrangements.

Employee involvement and employment of the disabled.

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The charity carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and trustees.

The charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

Equal Opportunities policy
Volunteers' policy
Health & Safety policy

In accordance with the charity's equal opportunities policy, the charity has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the charity's office.

Valuation of assets

The Trust has had a valuation of all its properties undertaken by Aitchison Raffety, a RICS registered company as at 31st December 2021. The valuation of its assets has now increased to £35,100,300

Risk management

Aitchison and Raffety completed an independent risk assessment / audit for the Trust in 2015. All risks identified were found to be of medium to low risk. A new Risk Register was created to manage, and where possible, mitigate risk.

The following risks have been identified –

- Uncertainty regarding future income/rent rises/property values - The Trust has been advised that there will

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

be potential minimal rises in rent that we are likely to see over the next few years. Yields have been fairly consistent and at present there is no sign of any real threat. However HHCT has adopted the approach in its Five Year Plan by assuming no rental growth and no property growth. The Trusts specialist property advisor will advise the Trust immediately should there be any signs that rents will fall, or indeed yields rise

- Changes to the NHS - Historically the Trust had looked to its tenants as NHS and therefore rents were guaranteed/underwritten by the Secretary of State for Health. However some of the Trust leases (NHS Property Services) are perceived to have less covenant strength. In addition, instead of doctors, in some instances private companies offering the NHS service to patients may want to take leases such as "Stella Healthcare". These will have short term contracts with the NHS and thus, once again, have not as strong a covenant.
- The leases on one of the Trusts properties (Keats House) came to an end in 2018. Whilst the premises are flexible works have been undertaken to bring them up to the latest CQC Standards and the Trust has successfully re-negotiated lease terms to ensure continued income.

The Trustees will continue to monitor risk and review the Risk Register on an annual basis. A further independent risk assessment was undertaken in 2022.

Remuneration

The Trust reviews the remuneration of employees annually. Salary increases and bonus payments are agreed following the appraisal of both organisational and individual performance against relevant objectives and targets. Organisational objectives and targets are set out in the Corporate Strategy and related Action Plan. Most individual objectives and targets derive from the Corporate Strategy, are agreed at the beginning of each year and are documented in individual appraisal documents. The Trustees conduct an annual salary survey of what the NHS is paying for comparable jobs to ensure external equity.

Disclosure of information to Auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that

so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and

that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

Auditor

A resolution proposing that Price Bailey LLP be re-appointed as auditors of the charity will be put to the Annual General Meeting.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees on

28 Sep 2022

B Jones

and signed on their behalf by:

Byron Jones
Byron Jones (Sep 28, 2022, 9:44am)
Trustee

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees (who are also the directors of the Charity 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

B Jones

Byron Jones (Sep 28, 2022, 9:44am)

Trustee

Date: 28 Sep 2022

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED

Opinion

We have audited the financial statements of Harlow Health Centres Trust Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Group's and of the parent charitable company's affairs as at 31 December 2021 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' 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. 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 1) Enquiry of management around actual and potential litigation and claims, and any known instances of non-compliance was performed, with no instances found.
- 2) Reviewing minutes of meeting of those charges with governance found no instance of irregularities or fraud.
- 3) Performing audit work over the risk of management override and controls, such as reviewing journal entries and reviewing property valuation. This found no indication of irregularities or fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST LIMITED (CONTINUED)

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, and to the charitable company's trustees, as a body. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

H Wilkinson

Helena Wilkinson BSc FCA DChA (senior statutory auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

28 September 2022

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Continuing operations 2021 £	Discontinued operations 2021 £	Total funds 2021 £	Continuing operations 2020 £	Discontinued operations 2020 £	Total funds 2020 £
Income from:									
Charitable activities	3	2,714,488	-	2,714,488	-	2,714,488	2,727,727	43,697	2,771,424
Other trading activities		-	-	-	-	-	7,129	-	7,129
Investments		69	-	69	-	69	1,011	-	1,011
Total income		2,714,557	-	2,714,557	-	2,714,557	2,735,867	43,697	2,779,564
Expenditure on:									
Raising funds		45,125	-	45,125	-	45,125	14,357	-	14,357
Charitable activities	4	1,616,750	-	1,616,763	(13)	1,616,750	1,562,132	40,267	1,602,399
Total expenditure		1,661,875	-	1,661,888	(13)	1,661,875	1,576,489	40,267	1,616,756
Net income before taxation		1,052,682	-	1,052,669	13	1,052,682	1,159,378	3,430	1,162,808
Taxation		-	-	-	-	-	-	(56)	(56)
Net income being net movement in funds before other recognised gains and losses		1,052,682	-	1,052,669	13	1,052,682	1,159,378	3,374	1,162,752
Other recognised gains:									
Gains on revaluation of fixed assets		1,938,788	-	1,938,788	-	1,938,788	-	-	-
Net movement in funds		2,991,470	-	2,991,457	13	2,991,470	1,159,378	3,374	1,162,752

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Continuing operations 2021 £	Discontinued operations 2021 £	Total funds 2021 £	Continuing operations 2020 £	Discontinued operations 2020 £	Total funds 2020 £
Reconciliation of funds:								
Total funds brought forward	19,711,228	2,872,704	22,584,045	(113)	22,583,932	21,424,667	(3,487)	21,421,180
Net movement in funds	2,991,470	-	2,991,457	13	2,991,470	1,159,378	3,374	1,162,752
Total funds carried forward	<u><u>22,702,698</u></u>	<u><u>2,872,704</u></u>	<u><u>25,575,502</u></u>	<u><u>(100)</u></u>	<u><u>25,575,402</u></u>	<u><u>22,584,045</u></u>	<u><u>(113)</u></u>	<u><u>22,583,932</u></u>

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

The notes on page 12 to 28 for part of these financial statements.

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 02955851

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	18,315	75,879
Programme related investments		35,100,300	32,549,643
		<u>35,118,615</u>	<u>32,625,522</u>
Current assets			
Debtors	14	486,874	687,197
Cash at bank and in hand		1,766,927	971,531
		<u>2,253,801</u>	<u>1,658,728</u>
Creditors: amounts falling due within one year	15	(1,818,806)	(2,343,637)
Net current assets / liabilities		<u>434,995</u>	<u>(684,909)</u>
Total assets less current liabilities		<u>35,553,610</u>	<u>31,940,613</u>
Creditors: amounts falling due after more than one year	16	(9,978,208)	(9,356,681)
Total net assets		<u><u>25,575,402</u></u>	<u><u>22,583,932</u></u>
Charity funds			
Restricted funds	17	2,872,704	2,872,704
Unrestricted funds			
General funds	17	9,736,331	8,683,649
Programme related investment revaluation reserve		12,966,367	11,027,579
Total unrestricted funds	17	<u>22,702,698</u>	<u>19,711,228</u>
Total funds		<u><u>25,575,402</u></u>	<u><u>22,583,932</u></u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 02955851

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Date: 28 Sep 2022

B. Jones

The notes on pages 19 to 36 form part of these financial statements.

Byron Jones (Sep 28, 2022, 9:44am)

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 02955851

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	18,315	75,879
Investments	13	100	100
Programme related investments		35,100,300	32,549,643
		<u>35,118,715</u>	<u>32,625,622</u>
Current assets			
Debtors	14	486,874	686,113
Cash at bank and in hand		1,766,927	969,606
		<u>2,253,801</u>	<u>1,655,719</u>
Creditors: amounts falling due within one year	15	(1,818,806)	(2,340,615)
Net current assets / liabilities		<u>434,995</u>	<u>(684,896)</u>
Total assets less current liabilities		<u>35,553,710</u>	<u>31,940,726</u>
Creditors: amounts falling due after more than one year	16	(9,978,208)	(9,356,681)
Net assets excluding pension asset		<u>25,575,502</u>	<u>22,584,045</u>
Total net assets		<u><u>25,575,502</u></u>	<u><u>22,584,045</u></u>
Charity funds			
Restricted funds	17	2,872,704	2,872,704
Unrestricted funds			
General funds	17	10,835,484	7,844,027
Programme related investment revaluation reserve		11,867,314	11,867,314
Total unrestricted funds	17	<u>22,702,798</u>	<u>19,711,341</u>
Total funds		<u><u>25,575,502</u></u>	<u><u>22,584,045</u></u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 02955851

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

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

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

The financial statements were approved and authorised for issue by the Trustees on
28 Sep 2022 and signed on their behalf by:

B. Jones

Byron Jones
Byron Jones (Sep 28, 2022, 9:44am)
Trustee

The notes on pages 19 to 36 form part of these financial statements.

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	2,002,176	1,941,150
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	-	214
Purchase of programme related fixed assets	(611,869)	(305,218)
	<hr/>	<hr/>
Net cash used in investing activities	(611,869)	(305,004)
	<hr/>	<hr/>
Cash flows from financing activities		
Cash inflows from new borrowing	1,500,000	-
Repayments of borrowing	(1,451,944)	(939,079)
Mortgage interest	(642,967)	(670,306)
	<hr/>	<hr/>
Net cash used in financing activities	(594,911)	(1,609,385)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	795,396	26,761
Cash and cash equivalents at the beginning of the year	971,531	944,770
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	<u>1,766,927</u>	<u>971,531</u>

The notes on pages 19 to 36 form part of these financial statements

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Harlow Health Centres Trust is a charity, incorporated in England and Wales. Its Registered Office is The Latton Bush Centre, Southren Way, Harlow, Essex, CM18 7BL. Its Registered Number is 02955851 Charity Number 1050493.

2. Accounting policies

2.1 Basis of preparation of financial statements

The have been prepared in accordance with the Charities SORP (FRS 102) - 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) and the Companies Act 2006.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. 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.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes of the financial statements.

2.4 Going concern

Following the year end the company has been largely unaffected by restrictions imposed by the UK Government in response to the COVID-19 pandemic and therefore believe that the company can continue for the foreseeable future as a going concern.

2.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.6 Expenditure

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is accounted for on an accrual basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.7 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the consolidated statement of financial activities as the related expenditure is incurred.

2.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.9 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.10 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.10 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

Plant and machinery	- 20% reducing balance
Fixtures and fittings	- 20% reducing balance

2.11 Investments

Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

The subsidiary is shown at cost.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets (programme related investments) are shown at their open market value for existing use as indicated in note 12..

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.14 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.15 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 fair value as at the balance sheet date. All financial instruments of the charity are measured at cost with the exception of programme related investments which are shown at their open market value. The value of programme related investments as well as their original cost is stated in note 12.

Financial assets include investments in the portfolio, the bank balances, trade debtors, accrued income and other debtors but exclude prepayments and taxation.

Financial liabilities include trade creditors, other creditors, accruals and deferred income but exclude social security and other taxes due.

2.16 Operating leases

Rentals paid under operating leases are charged to the consolidated statement of financial activities on a straight line basis over the lease term.

2.17 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.18 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Income from charitable activities - Provision of premises for health services	2,714,488	2,714,488

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Income from charitable activities (continued)

	Unrestricted funds 2020 £	Total funds 2020 £
Income from charitable activities - Provision of premises for health services	<u>2,771,424</u>	<u>2,771,424</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total 2021 £
Provision of premises for health services	1,548,086	1,548,086
Other health promotion activity	68,664	68,664
Total 2021	<u><u>1,616,750</u></u>	<u><u>1,616,750</u></u>

	Unrestricted funds 2020 £	Total 2020 £
Provision of premises for health services	1,571,227	1,571,227
Other health promotion activity	31,172	31,172
Total 2020	<u><u>1,602,399</u></u>	<u><u>1,602,399</u></u>

5. Analysis of expenditure by activities

	Direct costs 2021 £	Grant payable 2021 £	Support costs 2021 £	Total funds 2021 £
Provision of premises for health services	1,425,294	-	122,792	1,548,086
Other health promotion activity	-	68,664	-	68,664
Total 2021	<u><u>1,425,294</u></u>	<u><u>68,664</u></u>	<u><u>122,792</u></u>	<u><u>1,616,750</u></u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5. Analysis of expenditure by activities (continued)

	Direct costs 2020 £	Grant payable 2020 £	Support costs 2020 £	Total funds 2020 £
Provision of premises for health services	1,452,775	-	118,452	1,571,227
Other health promotion activity	-	31,172	-	31,172
Total 2020	1,452,775	31,172	118,452	1,602,399

6. Direct costs and grants payable

	2021 £	2020 £
Building Maintenance	49,565	70,859
Motor Vehicle allowance	9,865	11,864
Valuation fees	13,556	13,590
Legal fees	46,995	26,265
Depreciation	12,526	15,658
Mortgage interest	642,967	670,306
Service charge expenditure	393,056	516,125
Bank charges	30,839	8,013
Wages and salaries	115,039	102,856
National insurance	12,077	7,853
Pension cost	11,318	9,386
	1,337,803	1,452,775

In addition, Grants of £68,664 (2020; £31,172) included grants made to Maybury Open Door Project £10,000, St Clare Hospice £8,500, Harlow Rugby Club £18,000, Chipping Field Project £6,000 (2020 included St Clares Hospice £1,000, Bears Essex Accident Rescue £15,500, Harlow Food Bank £5,000, Harlow Stoke Support £9,500)

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Support costs

	Governance 2021 £	Support costs 2021 £	Total funds 2021 £
Running expenses	-	58,587	58,587
Rent/insurance	-	43,066	43,066
Audit and accountancy	7,500	13,639	21,139
Total 2021	<u>7,500</u>	<u>115,292</u>	<u>122,792</u>

	Governance 2020 £	Support costs 2020 £	Total funds 2020 £
Running expenses	-	53,159	53,159
Rent/insurance	-	25,665	25,665
Audit and accountancy	6,825	9,096	15,921
Wages and salaries	-	22,843	22,843
Pension cost	-	864	864
Total 2020	<u>6,825</u>	<u>111,627</u>	<u>118,452</u>

8. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	7,500	6,825
Fees payable to the Charity's auditor in respect of:		
Audit of Subsidiary	-	1,995
All non-audit services not included above	1,110	370
	<u>1,110</u>	<u>370</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Staff costs

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	108,158	118,269	108,158	96,477
Social security costs	15,584	10,941	15,584	10,941
Contribution to defined contribution pension schemes	14,692	14,592	14,692	12,677
	<u>138,434</u>	<u>143,802</u>	<u>138,434</u>	<u>120,095</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2021 No.	Group 2020 No.
Management	<u>2</u>	<u>2</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £60,001 - £70,000	1	1

The key management personnel of the group comprise of the Chief Executive. The total employee benefits of the key management personnel of the group were £96,191 (2020: £84,325). Included within this figure is Pension contributions of £10,255 (2020: £8,335).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. Tangible fixed assets

Group and Charity

	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation			
At 1 January 2021	875,201	88,982	964,183
Disposals	(382,935)	-	(382,935)
At 31 December 2021	492,266	88,982	581,248
Depreciation			
At 1 January 2021	802,107	86,197	888,304
Charge for the year	11,389	1,137	12,526
On disposals	(337,897)	-	(337,897)
At 31 December 2021	475,599	87,334	562,933
Net book value			
At 31 December 2021	16,667	1,648	18,315
At 31 December 2020	73,094	2,785	75,879

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Programme related investments

Group and Charity

	Freehold investment property £	2020 £
Valuation		
At 1 January 2020	32,549,643	32,244,425
Additions	611,869	305,218
Disposals	-	-
Impairment charge (P&L)	-	-
Revaluation	1,938,788	-
At 31 December 2020	35,100,300	32,549,643

The 2021 valuations were made by Aitchison Raffety, a RICS registered company, on an open market value for existing use basis.

The historic cost of the properties is £19,920,581 (2020: £19,308,712).

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Fixed asset investments

Charity	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2021	100
At 31 December 2021	<u>100</u>
Net book value	
At 31 December 2021	<u>100</u>
At 31 December 2020	<u>100</u>

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Holding	Included in consolidation
Harlow Resource Centre Limited	10457685	100%	Yes

The financial results of the subsidiary for the year were:

Name

14. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Due within one year				
Trade debtors	439,521	588,546	439,521	587,462
Other debtors	47,353	98,651	47,353	98,651
	<u>486,874</u>	<u>687,197</u>	<u>486,874</u>	<u>686,113</u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans	818,887	1,392,358	818,887	1,392,358
Trade creditors	-	601	-	-
Corporation tax	-	56	-	-
Other taxation and social security	69,272	-	69,272	-
Accruals and deferred income	930,647	950,622	930,647	948,257
	<u>1,818,806</u>	<u>2,343,637</u>	<u>1,818,806</u>	<u>2,340,615</u>
	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Deferred income at 1 January 2021	739,033	167,464	736,033	164,464
Resources deferred during the year	762,747	739,033	762,747	739,033
Amounts released from previous periods	(739,033)	(167,464)	(739,033)	(167,464)
	<u>762,747</u>	<u>739,033</u>	<u>759,747</u>	<u>736,033</u>

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

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans	9,978,208	9,356,681	9,978,208	9,356,681

Included within the above are amounts falling due as follows:

Between two and five years

Bank loans	4,205,767	3,690,012	4,205,767	3,690,012
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Over five years

Bank loans	5,772,441	5,666,669	5,772,441	5,666,669
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The various bank loans are secured by a fixed and floating charge over the assets of the charity and first legal charge on the programme related investments. The loans are with Aviva Private Finance and Lloyds Bank. These bank loans are at fixed interest rates of 5.34% for £871K (2020: £916K), 5.4% for £5,249K (2020: £5,414K), 5.93% for £912K (2020: £1,017K), 6.42% for £- (2020: £747K), 6.5% for £680K (2020: £797K), 7.05% for £1,650K (2020: £1,853K) expiring in Feb 2039, Feb 2034, Mar 2028, Feb 2021, Sept 2026 and Sept 2028 respectively. During the year the charity took out a new loan of £1.5M at a rate of 5.84% repayable in Feb 2036.

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
Unrestricted income funds	8,683,649	2,685,597	(1,632,915)	-	9,736,331
Programme related investment valuation reserve	11,027,579	-	-	1,938,788	12,966,367
	<u>19,711,228</u>	<u>2,685,597</u>	<u>(1,632,915)</u>	<u>1,938,788</u>	<u>22,702,698</u>
Restricted funds					
Freehold properties	<u>2,872,704</u>	-	-	-	<u>2,872,704</u>
Total of funds	<u><u>22,583,932</u></u>	<u><u>2,685,597</u></u>	<u><u>(1,632,915)</u></u>	<u><u>1,938,788</u></u>	<u><u>25,575,402</u></u>

Statement of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Taxation £	Balance at 31 December 2020 £
Unrestricted funds					
Unrestricted income funds	7,520,897	2,779,564	(1,616,756)	(56)	8,683,649
Programme related investment valuation reserve	11,027,579	-	-	-	11,027,579
	<u>18,548,476</u>	<u>2,779,564</u>	<u>(1,616,756)</u>	<u>(56)</u>	<u>19,711,228</u>
Restricted funds					
Freehold properties	<u>2,872,704</u>	-	-	-	<u>2,872,704</u>
Total of funds	<u><u>21,421,180</u></u>	<u><u>2,779,564</u></u>	<u><u>(1,616,756)</u></u>	<u><u>(56)</u></u>	<u><u>22,583,932</u></u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	18,315	-	18,315
Investment property	32,227,596	2,872,704	35,100,300
Current assets	2,253,801	-	2,253,801
Creditors due within one year	(1,818,806)	-	(1,818,806)
Creditors due in more than one year	(9,978,208)	-	(9,978,208)
Total	<u><u>22,702,698</u></u>	<u><u>2,872,704</u></u>	<u><u>25,575,402</u></u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	75,879	-	75,879
Investment property	29,676,939	2,872,704	32,549,643
Current assets	1,658,728	-	1,658,728
Creditors due within one year	(2,343,637)	-	(2,343,637)
Creditors due in more than one year	(9,356,681)	-	(9,356,681)
Total	<u><u>19,711,228</u></u>	<u><u>2,872,704</u></u>	<u><u>22,583,932</u></u>

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

19. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	1,052,682	1,162,752
Adjustments for:		
Depreciation charges	12,526	15,659
Dividends, interests and rents from investments	-	(214)
Loss on the sale of fixed assets	45,038	-
Decrease/(increase) in debtors	200,323	(555,553)
Increase in creditors	48,640	648,200
Mortgage interest	642,967	670,306
Net cash provided by operating activities	2,002,176	1,941,150

20. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	1,766,927	971,531
Total cash and cash equivalents	1,766,927	971,531

21. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	971,531	795,396	1,766,927
Debt due within 1 year	(1,392,358)	573,471	(818,887)
Debt due after 1 year	(9,356,681)	(621,527)	(9,978,208)
	(9,777,508)	747,340	(9,030,168)

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

22. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £11,318 (2020: £9,386). Contributions totalling £Nil (2020: £Nil) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

At 31 December 2021 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £
Land and building		
Not later than 1 year	-	6,083
	-	6,083

24. Operating lease receivables - Group as lessor

The Group rents out its properties under operating leases. At the balance sheet date the following future minimum lease amounts are contractually receivable from tenants:

	Group and charity 2021 £	Group and charity 2020 £
Within one year	1,468,852	2,215,502
Greater than one year but less than 5 years	5,583,251	5,818,411
After five years	5,709,287	6,942,979
Total minimum lease receivables	12,761,390	14,976,892

HARLOW HEALTH CENTRES TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

25. Related party transactions

During the year the company had an occupational lease on the Leisurezone premises with Harlow and District Sports Trust, a company in which Derek Fenny, a Trustee, is a director of. During the year the company paid rent of £Nil (2020: £63,672) to Harlow and District Sports Trust for the premises.

During the year the Trading Subsidiary was charged £Nil (2020: £8,680) in respect of electricity and service charge costs by Harlow District Sport Trust, a company in which Derek Fenny, a Trustee, is a Director.

During the year the company made payments of £Nil (2020: £9,529) to Louise Fenny, the daughter-in-law of Derek Fenny, a Trustee for casual work.

No amounts were due to related parties at the year end (2020: £Nil).

There were no other related party transactions.

THE HARLOW HEALTH CENTRES TRUST LIMITED

England & Wales - Charity number 1050493

Accounts

Registered number: 02955851
Charity number: 1050493

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

**HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees	Pat Larkin John Houston Derek Fenny Pam Heeks Stephen LeMay Byron Jones
Company registered number	02955851
Charity registered number	1050493
Registered office	The Latton Bush Centre, Southern Way Harlow Essex CM18 7BL
Independent auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	National Westminster Bank PLC PO Box 27 12 The Rows Harlow Essex CM20 1DA
Solicitors	Foskett Marr Gadsby and Head 106/108 High Road Loughton Essex IG10 4HN

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Harlow Health Centres Trust Limited (the charity) for the year ended 31 December 2020. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

Harlow Health Centres Trust owns and is responsible for seven health centres in Harlow providing general practitioner (GP), dentistry, community services, and pharmaceutical and other specialist services. Since 1994 the Trust has undertaken a programme of redevelopment of existing centres, providing new health facilities for the residents of Harlow. HHCT also provides grants and donations to support appropriate health initiatives and now has a charitable mandate to expand its operations throughout Essex and Hertfordshire.

Vision and mission:

The Trust's mission is to provide high quality, community based health centres and foster improved health outcomes through the targeted use of grants and donations. This will be achieved through the delivery of the Strategy.

Our corporate values are:

- We put our social and charitable health objectives at the heart of everything we do.
- We seek to achieve value for money by maximising the health-related outcomes resulting from the resources used.
- We work in partnership with statutory, private, community and voluntary organisations to achieve improved health outcomes for local people.
- We value and promote innovation and excellence.
- We value and promote equality and social inclusion in service delivery, partnership working and employment.

Our Corporate aims, objectives and Action Plan were developed following a programme of analysis and review during 2018. HHCT has six overarching aims and objectives for the period 2020-2021. These are to:

- 1) Maintain existing HHCT health centres to provide high quality and cost-effective facilities for patients and health professionals.
- 2) Redevelop two older facilities (Lister House and Osler House) to provide modern, state of the art health centres.
- 3) Work in partnership with Local Authorities, NHS Clinical Commissioning Groups, local hospitals, hospices, care homes, pharmacies, young people's groups and health professionals and voluntary groups to identify local needs and offer expanded facilities in the Harlow area and other areas of Essex and Hertfordshire.
- 4) The Trustees agreed to Relaunch the Trust's Grants and Donations programme to offer financial assistance to organisations in Harlow, West Essex and East Hertfordshire. This was capped at £97,250.
- 5) Increase the profile of HHCT and its successes to increase future capacity for innovative health initiatives and partnership working.
- 6) Improve succession planning to ensure that HHCT can continue to deliver its health objectives beyond the life of the Strategy.

**HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Board monitor the Action Plan which outlines the agreed steps to achieve the desired strategy and how progress is being made. In the achievements section, there is a summary of the state of play of those actions and their progress.

Donations:

Organisations and individuals may apply for grants of £1,000 upwards which promote the objectives of the charity. Applications are considered by the trustees who will, if required, seek specialist advice and consult with the appropriate bodies. The Trustees have agreed to cap grants and donations in 2020 to £97,250 per annum.

ACHIEVEMENTS AND PERFORMANCE

Good progress has been made against the Action Plan in the sixth year of the Strategy period.

Key achievements:

The Strategy document set out HHCT's journey and key achievements over a ten-year period from 2003 to 2020. The key achievements in the sixth year of Strategy implementation are set out below.

The Harlow Resource Centre located within the Harlow Leisurezone lease has a break clause in February 2021 which the Trustees have agreed to implement due to the impact COVID 19 has had on its income.

End of year surplus and plans for the future

The surplus in 2020 excluding grants and depreciation on the canal boat and the Health Resource Centre was £1,189,139 compared with £1,295,408 for the year ended 31 December 2019.

To ensure that enough liquid funds are available the Trust will be retaining reserves to ensure that the start up and progress of any redevelopment can proceed smoothly. This obviously has an impact on the reserves and grants policy.

Lister House

The Trust completed its redevelopment of facilities at Lister House, Abercrombie Way, Harlow in October 2018 at a cost of £7.5 million. The Trust continues to actively market the lettable space on the 1st floor and is hopeful that a tenant will be found in 2021.

Investment policy and returns

The Trust has an ongoing policy of improving and updating its premises. These projects are always carefully costed and appraised. The objective is always to ensure that the capital expense is always funded by rental returns.

Loan repayments

The annual surplus is also used to repay loans raised for redeveloping the various premises. In 2020 this amounted to £1,392,358 (2019: £939,077)

**HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

FINANCIAL REVIEW

Going concern – Directors Report

The Company has continued to operate post year end ensuring that the UK Government's guidance in managing the coronavirus pandemic is complied with by the business. All of our tenants are related to the healthcare sector. The majority of tenants have likewise continued to operate post year end and without an effect on cash inflows. The Directors will continue to keep open lines of communication with tenants, closely monitor cash outflows and maintain high levels of liquidity. This will allow the company to continue trading for the foreseeable future and therefore the Directors deem it appropriate to prepare the financial statements on a going concern basis.

Going Concern Accounting Policy

Following the year end the company has been largely unaffected by restrictions imposed by the UK Government in response to the COVID-19 pandemic and therefore believe that the company can continue for the foreseeable future as a going concern.

Reserves

The Trust maintains bank balances and sufficient funds at short notice to uphold the level of expenditure on management and running expenses for a period of at least nine months. When the Trust redevelops its health centres significant upfront funding is required which initially has to be provided from the cash reserves of the Trust. Therefore for any redevelopment the Trust has to retain significant reserves to fund these initial costs until loan draw-downs are received. Loan repayments and interest due are covered by rental income. The reserves policy is reviewed annually and at the end of the financial year reserves are retained to aid and progress future developments.

To finance the redevelopment program of the health centres the trust uses loan finance as set out in notes 16 and 17. As a result the trust has to make significant surpluses to fund the annual repayment of these loans.

Governance and internal control

Two Trustees retire each year and may be re-elected. The financial position and cash-flow reports and project costings are presented to the Trustees for their examination at their regular meetings.

The Trust is governed by its board of trustees which meet bimonthly to consider all aspects of the organisations policies and activities. Mrs Carol Sizeland is the Chief Executive and is responsible for the day to day management of the charity. Members of the board are also available on an ad hoc basis as required. As stated in note 9 all board members are unpaid.

Benefit statement

The Trust was established to provide and maintain primary health care premises for the people of Harlow. It has been able to redevelop and build six new premises providing modern state of the art facilities. This has also made possible expansion of further health care services across Harlow.

Since 2001 the Trust has been able to make grants and donations exceeding £1,700,000 to promote health initiatives and care within the community. During the year ended 31 December 2020 the Trust continued to curtail any grants. The Lister House development completed in October 2018 and the Trustees took the decision to reinstate grants in January 2019 but capping them at £50,000 per annum.

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising any powers or duties to which the guidance is relevant.

**HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Annual Review

The Trust has prepared an annual review which will be published on a regular basis. In addition to this, the Trust prepares a 5 year plan which is aligned with the strategic review carried out each year. This is reviewed on an ongoing basis during the financial year.

PLANS FOR FUTURE PERIODS

Future plans

The Trust continues to work with West Essex Clinical Commissioning Group (CCG), Harlow Council (HDC) and NHS England to develop health facilities on the peripheral of Harlow possibly into Hertfordshire.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charity is a charitable company (No. 02955851) limited by guarantee and was set up in 1995. It is registered with the Charity Commission, No. 1050493. It is governed by its Memorandum and Articles of Association. Its objects are primarily to provide accommodation and facilities for health services, including nursing homes, and additionally to support health related activities for the benefit of residents of Harlow and elsewhere in the counties of Essex and Hertfordshire. The charity's address is Harlow Health Centres Trust Limited, The Latton Bush Centre, Southern Way, Harlow, Essex, CM18 7BL.

PAY POLICY AND SENIOR STAFF

Structure

The Trust's structure is simple and consists of a Board of seven Trustees (including a Chair, Vice Chair and a Company Secretary), a Chief Executive Officer (CEO) and an Operations Manager, to assist the CEO. The services of several specialist consultants are used as and when required but are not employed directly by the Trust.

Governance

The Board of Trustees have responsibility for the Governance function. The Board meets bimonthly and holds an annual AGM, which is an open meeting. Trustees are responsible for ensuring that the Trust continues to fulfil its mission and charitable remit, delivers the Corporate Strategy and operates in accordance to Charities Commission and all other statutory regulations and requirements.

Method of appointment or election of trustees

Any additional trustees are appointed by the existing board members. The Trustees would look for individuals with an interest in the aims and objectives of the charity. A new Trustee would have the terms governing the Trust and the policies and objectives explained to them at a meeting with the existing Trustees. There are no specific induction arrangements.

Employee involvement and employment of the disabled.

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The charity carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and trustees.

**HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

The charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

Equal Opportunities policy
Volunteers' policy
Health & Safety policy

In accordance with the charity's equal opportunities policy, the charity has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the charity's office.

Valuation of assets

The Trust has had all its properties valued by Aitchison Raffety, a RICS registered company on 31st December 2018. The valuation of its assets has increased to £32,304,700

Risk management

Aitchison and Raffety completed an independent risk assessment / audit for the Trust in 2015. All risks identified were found to be of medium to low risk. A new Risk Register was created to manage, and where possible, mitigate risk.

The following risks have been identified –

- Uncertainty regarding future income/rent rises/property values - The Trust has been advised that there will be potential minimal rises in rent that we are likely to see over the next few years. Yields have been fairly consistent and at present there is no sign of any real threat. However HHCT has adopted the approach in its Five Year Plan by assuming no rental growth and no property growth. The Trusts specialist property advisor will advise the Trust immediately should there be any signs that rents will fall, or indeed yields rise
- Changes to the NHS - Historically the Trust had looked to its tenants as NHS and therefore rents were guaranteed/underwritten by the Secretary of State for Health. However some of the Trust leases (NHS Property Services) are perceived to have less covenant strength. In addition, instead of doctors, in some instances private companies offering the NHS service to patients may want to take leases such as "Stella Healthcare". These will have short term contracts with the NHS and thus, once again, have not as strong a covenant.
- The leases on one of the Trusts properties (Keats House) came to an end in 2018. Whilst the premises are flexible works have been undertaken to bring them up to the latest CQC Standards and the Trust has successfully re-negotiated lease terms to ensure continued income.

The Trustees will continue to monitor risk and review the Risk Register on an annual basis. A further independent risk assessment was undertaken in 2020 and no specific risks were identified in addition to the above. The risk assessment identified that the Trust is in a good financial and trading position following the coronavirus pandemic.

Remuneration

The Trust reviews the remuneration of employees annually. Salary increases and bonus payments are agreed following the appraisal of both organisational and individual performance against relevant objectives and targets. Organisational objectives and targets are set out in the Corporate Strategy and related Action Plan. Most individual objectives and targets derive from the Corporate Strategy, are agreed at the beginning of each year and are documented in individual appraisal documents. The Trustees conduct an annual salary survey of what the NHS is paying for comparable jobs to ensure external equity.

**HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Disclosure of information to Auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

Auditor

A resolution proposing that Price Bailey LLP be re-appointed as auditors of the charity will be put to the Annual General Meeting.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The report was approved by the Trustees on 7 June 2021 and signed on their behalf by:

Stephen LeMay
Trustee

Approved by order of the members of the board of Trustees on 7 June 2021 and signed on their behalf by:

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees (who are also the directors of the Charity 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

Steve LeMay
Trustee
Date: 7 June 2021

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST

Opinion

We have audited the financial statements of Harlow Health Centres Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Group's and of the parent charitable company's affairs as at 31 December 2020 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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 Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

**HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST
(CONTINUED)**

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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARLOW HEALTH CENTRES TRUST
(CONTINUED)**

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 1) Enquiry of management around actual and potential litigation and claims, and any known instances of non-compliance was performed, with no instances found.
- 2) Reviewing minutes of meeting of those charges with governance found no instance of irregularities or fraud.
- 3) Performing audit work over the risk of management override and controls, such as reviewing journal entries and reviewing property valuation. This found no indication of irregularities or fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' 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, and to the charitable company's trustees, as a body. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Helena Wilkinson BSc FCA DChA (senior statutory auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

Causeway House

1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

11 June 2021

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Continuing operations 2020 £	Discontinued operations 2020 £	Total funds 2020 £	Continuing operations 2019 £	Discontinued operations 2019 £	Total funds 2019 £
Income from:									
Charitable activities	3	2,771,424	-	2,727,727	43,697	2,771,424	2,805,992	104,178	2,910,170
Other trading activities		7,129	-	7,129	-	7,129	-	-	-
Investments		1,011	-	1,011	-	1,011	8,585	16	8,601
Total income		<u>2,779,564</u>	<u>-</u>	<u>2,735,867</u>	<u>43,697</u>	<u>2,779,564</u>	<u>2,814,577</u>	<u>104,194</u>	<u>2,918,771</u>
Expenditure on:									
Raising funds		14,357	-	14,357	-	14,357	17,234	-	17,234
Charitable activities	5	1,602,399	-	1,562,132	40,267	1,602,399	1,521,762	128,265	1,650,027
Total expenditure		<u>1,616,756</u>	<u>-</u>	<u>1,576,489</u>	<u>40,267</u>	<u>1,616,756</u>	<u>1,538,996</u>	<u>128,265</u>	<u>1,667,261</u>
Net income before net losses on investments		<u>1,162,808</u>	<u>-</u>	<u>1,159,378</u>	<u>3,430</u>	<u>1,162,808</u>	<u>1,275,581</u>	<u>(24,071)</u>	<u>1,251,510</u>
Net losses on investments		-	-	-	-	-	(30,000)	-	(30,000)
Net income before taxation		<u>1,162,808</u>	<u>-</u>	<u>1,159,378</u>	<u>3,430</u>	<u>1,162,808</u>	<u>1,245,581</u>	<u>(24,071)</u>	<u>1,221,510</u>
Taxation		(56)	-	-	(56)	(56)	-	-	-
Net movement in funds		<u><u>1,162,752</u></u>	<u><u>-</u></u>	<u><u>1,159,378</u></u>	<u><u>3,374</u></u>	<u><u>1,162,752</u></u>	<u><u>1,245,581</u></u>	<u><u>(24,071)</u></u>	<u><u>1,221,510</u></u>
Reconciliation of funds:									
Total funds brought forward		18,548,476	2,872,704	21,424,667	(3,487)	21,421,180	20,179,086	20,584	20,199,670

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Continuing operations 2020 £	Discontinued operations 2020 £	Total funds 2020 £	Continuing operations 2019 £	Discontinued operations 2019 £	Total funds 2019 £
Note								
Net movement in funds	1,162,752	-	1,159,378	3,374	1,162,752	1,245,581	(24,071)	1,221,510
Total funds carried forward	<u>19,711,228</u>	<u>2,872,704</u>	<u>22,584,045</u>	<u>(113)</u>	<u>22,583,932</u>	<u>21,424,667</u>	<u>(3,487)</u>	<u>21,421,180</u>

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

The notes on page 12 to 28 for part of these financial statements.

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 02955851

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	75,879	91,537
Investment property		32,549,643	32,244,425
		32,625,522	32,335,962
Current assets			
Debtors	15	687,197	134,222
Cash at bank and in hand		971,531	944,770
		1,658,728	1,078,992
Creditors: amounts falling due within one year	16	(2,343,637)	(1,244,733)
Net current liabilities		(684,909)	(165,741)
Total assets less current liabilities		31,940,613	32,170,221
Creditors: amounts falling due after more than one year	17	(9,356,681)	(10,749,041)
Total net assets		22,583,932	21,421,180
Charity funds			
Restricted funds	18	2,872,704	2,872,704
Unrestricted funds			
General funds	18	8,683,649	7,520,897
Revaluation reserve		11,027,579	11,027,579
Total unrestricted funds	18	19,711,228	18,548,476
Total funds		22,583,932	21,421,180

**HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 02955851**

**CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020**

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Stephen LeMay

Date: 7 June 2021

The notes on pages 19 to 37 form part of these financial statements.

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 02955851

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	75,879	91,537
Investments	14	100	100
Investment property		32,549,643	32,244,425
		32,625,622	32,336,062
Current assets			
Debtors	15	686,113	119,618
Cash at bank and in hand		969,606	935,055
		1,655,719	1,054,673
Creditors: amounts falling due within one year	16	(2,340,615)	(1,231,927)
Net current liabilities		(684,896)	(177,254)
Total assets less current liabilities		31,940,726	32,158,808
Creditors: amounts falling due after more than one year	17	(9,356,681)	(10,749,041)
Net assets excluding pension asset		22,584,045	21,409,767
Total net assets		22,584,045	21,409,767
Charity funds			
Restricted funds	18	2,872,704	2,872,704
Unrestricted funds			
General funds	18	7,844,027	6,669,749
Revaluation reserve		11,867,314	11,867,314
Total unrestricted funds	18	19,711,341	18,537,063
Total funds		22,584,045	21,409,767

**HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 02955851**

**CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020**

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

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

The financial statements were approved and authorised for issue by the Trustees on 07 June 2021 and signed on their behalf by:

Pat Larkin

The notes on pages 19 to 37 form part of these financial statements.

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	1,270,844	737
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	214	240
Purchase of tangible fixed assets	(305,218)	(169,825)
Proceeds from sale of investments	-	200,000
	<hr/>	<hr/>
Net cash (used in)/provided by investing activities	(305,004)	30,415
	<hr/>	<hr/>
Cash flows from financing activities		
Cash inflows from new borrowing	-	1,000,000
Repayments of borrowing	(939,079)	(435,446)
	<hr/>	<hr/>
Net cash (used in)/provided by financing activities	(939,079)	564,554
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	26,761	595,706
Cash and cash equivalents at the beginning of the year	944,770	349,064
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	971,531	944,770
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 19 to 37 form part of these financial statements

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Harlow Health Centres Trust is a charity, incorporated in England and Wales. Its Registered Office is The Latton Bush Centre, Southren Way, Harlow, Essex, CM18 7BL. Its Registered Number is 02955851 Charity Number 1050493.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. 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.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes of the financial statements.

2.4 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Charity has continued to operate post year end ensuring that the UK Government's guidance in managing the coronavirus pandemic is complied with by the business. All of the tenants related to the healthcare sector. The majority of tenants have likewise continued to operate post year end and we expect there to be a fall in Q2 and Q3 rental cash flows, the majority if not all is expected to be received by the end of the financial year. The Trustees believe that by keeping open lines of communication with tenants, closely monitoring cash outflows and high levels of liquidity entering the UK 'lockdown', this should allow the charity to continue for the foreseeable future and therefore deemed it appropriate to prepare the financial statements on the going concern basis.

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.6 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is accounted for on an accrual basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.7 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the consolidated statement of financial activities as the related expenditure is incurred.

2.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.9 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**HARLOW HEALTH CENTRES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.10 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

Plant and machinery	- 20% reducing balance
Fixtures and fittings	- 20% reducing balance

2.11 Investments

Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

The subsidiary is shown at cost.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets (programme related investments) are shown at cost less provision for impairment.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.14 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**HARLOW HEALTH CENTRES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.15 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 fair value as at the balance sheet date. All financial instruments of the charity are measured at cost with the exception of investments in the charity's portfolio, which are measured at fair value as at the balance sheet date using the closing market value. The value of investments as well as their original cost is stated in note 14.

Financial assets include investments in the portfolio, the bank balances, trade debtors, accrued income and other debtors but exclude prepayments and taxation.

Financial liabilities include trade creditors, other creditors, accruals and deferred income but exclude social security and other taxes due.

2.16 Operating leases

Rentals paid under operating leases are charged to the consolidated statement of financial activities on a straight line basis over the lease term.

2.17 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.18 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £
Income from charitable activities - Provision of premises for health services	2,771,424	2,771,424

**HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. Income from charitable activities (continued)

	Unrestricted funds 2019 £	Total funds 2019 £
Income from charitable activities - Provision of premises for health services	2,910,170	2,910,170
	<u>2,910,170</u>	<u>2,910,170</u>

4. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Other interest receivable	214	214
	<u>214</u>	<u>214</u>

Prior year

	Unrestricted funds 2019 £	Total funds 2019 £
Other interest receivable	8,585	8,585
	<u>8,585</u>	<u>8,585</u>

HARLOW HEALTH CENTRES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Total funds 2020 £
Provision of premises for health services	1,571,227	1,571,227
Other health promotion activity	31,172	31,172
	<u>1,602,399</u>	<u>1,602,399</u>

	Unrestricted funds 2019 £	Total funds 2019 £
Provision of premises for health services	<u>1,650,027</u>	<u>1,650,027</u>

6. Analysis of expenditure by activities

	Direct costs 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Provision of premises for health services	1,452,775	-	118,452	1,571,227
Other health promotion activity	-	31,172	-	31,172
	<u>1,452,775</u>	<u>31,172</u>	<u>118,452</u>	<u>1,602,399</u>

Prior year

	Direct costs 2019 £	Support costs 2019 £	Total funds 2019 £
Provision of premises for health services	<u>1,441,321</u>	<u>208,706</u>	<u>1,650,027</u>

**HARLOW HEALTH CENTRES TRUST
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FOR THE YEAR ENDED 31 DECEMBER 2020**

7. Direct costs

	2020 £	2019 £
Building Maintenance	49,042	62,507
Motor Vehicle allowance	11,864	9,592
Running expenses	21,817	63,517
Valuation fees	13,590	22,790
Legal fees	26,265	44,953
Depreciation	15,658	19,827
Mortgage interest	670,306	680,982
Service charge expenditure	516,125	442,531
Rent/Insurance	-	28,076
Bank charges	8,013	8,266
Wages and salaries	102,856	46,301
National insurance	7,853	5,236
Pension cost	9,386	6,743
	<u>1,452,775</u>	<u>1,441,321</u>

HARLOW HEALTH CENTRES TRUST
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8. Support costs

	Governance 2020 £	Support costs 2020 £	Total funds 2020 £
Running expenses	-	53,159	53,159
Rent/insurance	-	25,665	25,665
Audit and accountancy	6,825	9,096	15,921
Wages and salaries	-	22,843	22,843
Pension cost	-	864	864
Total 2020	<u>6,825</u>	<u>111,627</u>	<u>118,452</u>

	Governance 2019 £	Support costs 2019 £	Total funds 2019 £
Running expenses	-	56,345	56,345
Rent/insurance	-	28,076	28,076
Audit and accountancy	6,530	21,191	27,721
Wages and salaries	-	81,389	81,389
National insurance	-	7,980	7,980
Pension cost	-	7,195	7,195
Total 2019	<u>6,530</u>	<u>202,176</u>	<u>208,706</u>

9. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	6,825	6,530
Fees payable to the Charity's auditor in respect of:		
Audit of Subsidiary	1,995	1,900
All non-audit services not included above	370	2,275
	<u> </u>	<u> </u>

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

10. Staff costs

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Wages and salaries	118,269	127,690	96,477	92,602
Social security costs	10,941	10,472	10,941	10,472
Contribution to defined contribution pension schemes	14,592	16,682	12,677	13,486
	<u>143,802</u>	<u>154,844</u>	<u>120,095</u>	<u>116,560</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2020 No.	Group 2019 No.
Management	<u>2</u>	<u>2</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	1	1

The key management personnel of the group comprise of the Chief Executive. The total employee benefits of the key management personnel of the group were £84,325 (2019: £78,200). Included within this figure is Pension contributions of £8,335 (2019: £7,877).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

HARLOW HEALTH CENTRES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. Tangible fixed assets

Group

	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation			
At 1 January 2020	875,201	88,982	964,183
At 31 December 2020	<u>875,201</u>	<u>88,982</u>	<u>964,183</u>
Depreciation			
At 1 January 2020	787,870	84,776	872,646
Charge for the year	14,237	1,421	15,658
At 31 December 2020	<u>802,107</u>	<u>86,197</u>	<u>888,304</u>
Net book value			
At 31 December 2020	<u><u>73,094</u></u>	<u><u>2,785</u></u>	<u><u>75,879</u></u>
At 31 December 2019	<u><u>87,331</u></u>	<u><u>4,206</u></u>	<u><u>91,537</u></u>
Charity			
	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation			
At 1 January 2020	875,201	88,982	964,183
At 31 December 2020	<u>875,201</u>	<u>88,982</u>	<u>964,183</u>
Depreciation			
At 1 January 2020	787,870	84,776	872,646
Charge for the year	14,237	1,421	15,658
At 31 December 2020	<u>802,107</u>	<u>86,197</u>	<u>888,304</u>

HARLOW HEALTH CENTRES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. Tangible fixed assets (continued)

Charity (continued)

	Fixtures and fittings £	Other fixed assets £	Total £
Net book value			
At 31 December 2020	73,094	2,785	75,879
At 31 December 2019	87,331	4,206	91,537

13. Programme related investments

Group and Charity

	Freehold investment property £	2019 £
Valuation		
At 1 January 2020	32,244,425	32,304,700
Additions	305,218	169,725
Disposals	-	(230,000)
Impairment charge (P&L)	-	-
Surplus/(deficit) on revaluation	-	-
At 31 December 2020	32,549,643	32,244,425

The 2018 valuations were made by Aitchison Raffety, a RICS registered company, on an open market value for existing use basis.

The historic cost of the properties is £19,308,712 (2019: £19,003,494).

**HARLOW HEALTH CENTRES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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14. Fixed asset investments

Charity	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2020	100
At 31 December 2020	<u>100</u>
Net book value	
At 31 December 2020	100
At 31 December 2019	<u>100</u>

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Holding	Included in consolidation
Harlow Resource Centre Limited	10457685	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss)/ Surplus/ (Deficit) for the year £	Net liabilities £
Harlow Resource Centre Limited	43,697	(40,323)	3,374	(13)

HARLOW HEALTH CENTRES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Due within one year				
Trade debtors	588,546	56,312	587,462	45,385
Other debtors	98,651	74,235	98,651	74,233
Prepayments and accrued income	-	3,675	-	-
	<u>687,197</u>	<u>134,222</u>	<u>686,113</u>	<u>119,618</u>

16. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank loans	1,392,358	939,077	1,392,358	939,077
Trade creditors	601	8,172	-	-
Corporation tax	56	-	-	-
Accruals and deferred income	950,622	224,484	948,257	219,850
Grants accrued	-	73,000	-	73,000
	<u>2,343,637</u>	<u>1,244,733</u>	<u>2,340,615</u>	<u>1,231,927</u>

	Group 2020 £	Group 2019 £
Deferred income at 1 January 2020	167,464	814,069
Resources deferred during the year	739,033	167,464
Amounts released from previous periods	(2,941)	(814,069)
	<u>903,556</u>	<u>167,464</u>

HARLOW HEALTH CENTRES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank loans	9,356,681	10,749,041	9,356,681	10,749,041

Included within the above are amounts falling due as follows:

Between one and two years

Between two and five years

Bank loans	3,690,012	3,645,201	3,690,012	3,645,201
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Over five years

Bank loans	5,666,669	7,103,840	5,666,669	7,103,840
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18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Taxation £	Balance at 31 December 2020 £
Unrestricted funds					
Unrestricted income funds	7,520,897	2,779,564	(1,616,756)	(56)	8,683,649
Programme related investment valuation reserve	11,027,579	-	-	-	11,027,579
	<u>18,548,476</u>	<u>2,779,564</u>	<u>(1,616,756)</u>	<u>(56)</u>	<u>19,711,228</u>
Restricted funds					
Freehold properties	2,872,704	-	-	-	2,872,704
	<u>21,421,180</u>	<u>2,779,564</u>	<u>(1,616,756)</u>	<u>(56)</u>	<u>22,583,932</u>

HARLOW HEALTH CENTRES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds					
Unrestricted income funds	6,269,386	2,918,771	(1,667,260)	-	7,520,897
Programme related investment valuation reserve	11,027,579	-	-	-	11,027,579
	<u>17,296,965</u>	<u>2,918,771</u>	<u>(1,667,260)</u>	<u>-</u>	<u>18,548,476</u>
Restricted funds					
Freehold properties	<u>2,902,704</u>	-	-	(30,000)	<u>2,872,704</u>
Total of funds	<u><u>20,199,669</u></u>	<u><u>2,918,771</u></u>	<u><u>(1,667,260)</u></u>	<u><u>(30,000)</u></u>	<u><u>21,421,180</u></u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	75,879	-	75,879
Investment property	29,676,939	2,872,704	32,549,643
Current assets	1,658,728	-	1,658,728
Creditors due within one year	(2,343,637)	-	(2,343,637)
Creditors due in more than one year	(9,356,681)	-	(9,356,681)
Total	<u><u>19,711,228</u></u>	<u><u>2,872,704</u></u>	<u><u>22,583,932</u></u>

HARLOW HEALTH CENTRES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	91,537	-	91,537
Investment property	29,371,721	2,872,704	32,244,425
Current assets	1,078,991	-	1,078,991
Creditors due within one year	(1,244,733)	-	(1,244,733)
Creditors due in more than one year	(10,749,041)	-	(10,749,041)
Total	<u>18,548,475</u>	<u>2,872,704</u>	<u>21,421,179</u>

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group 2019 £
Net income for the period (as per Statement of Financial Activities)	1,162,752	1,221,510
Adjustments for:		
Depreciation charges	15,659	19,927
Gains on investments	-	30,000
Dividends, interests and rents from investments	(214)	(240)
Decrease/(increase) in debtors	(557,953)	532,477
Increase/(decrease) in creditors	648,200	(1,802,937)
Net cash provided by operating activities	<u>1,268,444</u>	<u>737</u>

21. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	971,531	944,770
Total cash and cash equivalents	<u>971,531</u>	<u>944,770</u>

HARLOW HEALTH CENTRES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

22. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	944,770	26,761	971,531
Debt due within 1 year	(939,077)	(453,281)	(1,392,358)
Debt due after 1 year	(10,749,041)	1,392,360	(9,356,681)
	<u>(10,743,348)</u>	<u>965,840</u>	<u>(9,777,508)</u>

23. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £9,386 (2019: £16,682). Contributions totalling £Nil (2019: £Nil) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 December 2020 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £
Land and building		
Not later than 1 year	<u>6,083</u>	<u>73,000</u>

HARLOW HEALTH CENTRES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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25. Operating lease receivables - Group as lessor

The Group rents out its properties under operating leases. At the balance sheet date the following future minimum lease amounts are contractually receivable from tenants:

	Group 2020 £	Group 2019 £
Within one year	2,215,502	2,200,812
Greater than one year but less than 5 years	5,818,411	4,659,276
After five years	6,942,979	8,120,637
Total minimum lease receivables	<u><u>14,976,892</u></u>	<u><u>14,980,725</u></u>

26. Related party transactions

During the year the company had an occupational lease on the Leisurezone premises with Harlow and District Sports Trust, a company in which Derek Fenny, a Trustee, is a director of. During the year the company paid rent of £63,672 (2019: £73,000) to Harlow and District Sports Trust for the premises.

During the year the Trading Subsidiary was charged £8,680 (2019: £20,299) in respect of electricity and service charge costs by Harlow District Sport Trust, a company in which Derek Fenny, a Trustee, is a Director.

During the year the company made payments of £9,529 (2019: £16,465) to Louise Fenny, the daughter-in-law of Derek Fenny, a Trustee for casual work.

No amounts were due to related parties at the year end (2019: £Nil).

There were no other related party transactions.

HARLOW HEALTH CENTRES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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27. Consolidated Statement of Financial Activities 2019

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Income from:			
Charitable activities	2,910,170	-	2,910,170
Investments	8,601	-	8,601
	<hr/>	<hr/>	<hr/>
Total Income	2,918,771	-	2,918,771
Expenditure on:			
Raising funds	(17,234)	-	(17,234)
Charitable activities	(1,650,027)	-	(1,650,027)
	<hr/>	<hr/>	<hr/>
Net (expenditure)/Income before other recognised gains and losses	(1,667,261)	-	(1,667,261)
Net losses on investments	-	(30,000)	(30,000)
	<hr/>	<hr/>	<hr/>
Net (expenditure)/Income being net movement in funds	<u>1,251,510</u>	<u>(30,000)</u>	<u>1,221,510</u>