

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
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**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
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**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
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**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
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**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
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**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
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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
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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
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Unrestricted funds 2020 Note £	Restricted funds 2020 £	Continuing operations 2020 £	Discontinued operations 2020 £	Total funds 2020 £	Continuing operations 2019 £	Discontinued operations 2019 £	Total funds 2019 £
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
		<u>32,625,522</u>	<u>32,335,962</u>
Current assets			
Debtors	15	687,197	134,222
Cash at bank and in hand		971,531	944,770
		<u>1,658,728</u>	<u>1,078,992</u>
Creditors: amounts falling due within one year	16	(2,343,637)	(1,244,733)
Net current liabilities		<u>(684,909)</u>	<u>(165,741)</u>
Total assets less current liabilities		<u>31,940,613</u>	<u>32,170,221</u>
Creditors: amounts falling due after more than one year	17	(9,356,681)	(10,749,041)
Total net assets		<u><u>22,583,932</u></u>	<u><u>21,421,180</u></u>
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	<u>19,711,228</u>	<u>18,548,476</u>
Total funds		<u><u>22,583,932</u></u>	<u><u>21,421,180</u></u>

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
		<u>32,625,622</u>	<u>32,336,062</u>
Current assets			
Debtors	15	686,113	119,618
Cash at bank and in hand		969,606	935,055
		<u>1,655,719</u>	<u>1,054,673</u>
Creditors: amounts falling due within one year	16	(2,340,615)	(1,231,927)
Net current liabilities		<u>(684,896)</u>	<u>(177,254)</u>
Total assets less current liabilities		<u>31,940,726</u>	<u>32,158,808</u>
Creditors: amounts falling due after more than one year	17	(9,356,681)	(10,749,041)
Net assets excluding pension asset		<u>22,584,045</u>	<u>21,409,767</u>
Total net assets		<u><u>22,584,045</u></u>	<u><u>21,409,767</u></u>
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	<u>19,711,341</u>	<u>18,537,063</u>
Total funds		<u><u>22,584,045</u></u>	<u><u>21,409,767</u></u>

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
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
Net cash (used in)/provided by investing activities	(305,004)	30,415
Cash flows from financing activities		
Cash inflows from new borrowing	-	1,000,000
Repayments of borrowing	(939,079)	(435,446)
Net cash (used in)/provided by financing activities	(939,079)	564,554
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
Cash and cash equivalents at the end of the year	971,531	944,770

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
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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

4. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Other interest receivable	214	214

Prior year

	Unrestricted funds 2019 £	Total funds 2019 £
Other interest receivable	8,585	8,585

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

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
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
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
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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	6,825	111,627	118,452

	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	6,530	202,176	208,706

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

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
(A COMPANY LIMITED BY GUARANTEE)

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>73,094</u>	<u>2,785</u>	<u>75,879</u>
At 31 December 2019	<u>87,331</u>	<u>4,206</u>	<u>91,537</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
(A COMPANY LIMITED BY GUARANTEE)

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
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. Fixed asset investments

	Investments in subsidiary companies £
Charity	
Cost or valuation	
At 1 January 2020	100
	<hr/>
At 31 December 2020	100
	<hr/> <hr/>
Net book value	
At 31 December 2020	100
	<hr/>
At 31 December 2019	100
	<hr/> <hr/>

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
(A COMPANY LIMITED BY GUARANTEE)

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
(A COMPANY LIMITED BY GUARANTEE)

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
Total of funds	<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
(A COMPANY LIMITED BY GUARANTEE)

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>	<u>-</u>	<u>-</u>	<u>(30,000)</u>	<u>2,872,704</u>
Total of funds	<u>20,199,669</u>	<u>2,918,771</u>	<u>(1,667,260)</u>	<u>(30,000)</u>	<u>21,421,180</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>19,711,228</u>	<u>2,872,704</u>	<u>22,583,932</u>

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

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	18,548,475	2,872,704	21,421,179

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	1,268,444	737

21. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	971,531	944,770
Total cash and cash equivalents	971,531	944,770

HARLOW HEALTH CENTRES TRUST
(A COMPANY LIMITED BY GUARANTEE)

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>

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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.

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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
Total Income	<u>2,918,771</u>	<u>-</u>	<u>2,918,771</u>
Expenditure on:			
Raising funds	(17,234)	-	(17,234)
Charitable activities	(1,650,027)	-	(1,650,027)
Net (expenditure)/Income before other recognised gains and losses	<u>(1,667,261)</u>	<u>-</u>	<u>(1,667,261)</u>
Net losses on investments	-	(30,000)	(30,000)
Net (expenditure)/Income being net movement in funds	<u><u>1,251,510</u></u>	<u><u>(30,000)</u></u>	<u><u>1,221,510</u></u>