

Charity Registration No. 1110067

Company Registration No. 05382971 (England and Wales)

**HEALTH EQUALITIES GROUP LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# HEALTH EQUALITIES GROUP LTD

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Ms J J Purvis Professor S Capewell Mr M Ainsworth Mr S Williams Mr J Nolan Mr S Mayer
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<b>Secretary</b>	Mr M J I Philpott
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<b>Charity number</b>	1110067
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<b>Company number</b>	05382971
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<b>Registered office</b>	151 Dale Street Liverpool L2 2JH
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<b>Auditor</b>	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL
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# HEALTH EQUALITIES GROUP LTD

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# HEALTH EQUALITIES GROUP LTD

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2021

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The trustees present their annual report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

The objectives are to undertake research, policy change activities and education programmes in relation to the prevention of non-communicable diseases and reduction of health inequalities in, but not limited to, the United Kingdom. The charity has a number of powers including:

- To promote a healthier environment where premature death and disability from CVD and NCDs may be reduced and health inequalities in different social and other regions may be addressed;
- To promote or carry out research;
- To provide advice and advocacy services and, subject to charity law, to undertake campaigning and political activities in furtherance of the Objects.

These powers are open to scrutiny by all our partners.

#### Public Benefit

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

#### Achievements and performance

Health Equalities Group Ltd (HEG) remains primarily an advocacy organisation with most project delivery and service provision through its partner social enterprises: HOM Partnerships Community Interest Company and the European Healthy Stadia Network Community Interest Company. Profits from both these organisations, as appropriate, are gift-aided to HEG to support our charitable benefit as described above. The performance reports below represent this.

#### HOM Partnerships

HOM Partnerships (HOMP) is a Community Interest Company owned by HEG, and acts as the delivery arm of the charity. HOMP delivers public health interventions at both local and regional level with a focus on food, physical activity and tobacco control. HOMP delivers the Food Active programme for the North West of England and beyond. Despite the pandemic, this year has been a positive year for the Food Active programme with significant regional and national successes, including:

- Development of healthy food and nutrition resource pack for those self-isolating due to the pandemic
- Development and piloting of an NHS Declaration on Healthy Weight for NHS England in the South West and NHS Prevention Pledge for the Cheshire and Merseyside sub-region
- Further roll out of GULP projects in the North West region
- Delivery of the Pennine Lancashire Childhood Obesity Trailblazer Programme Year 2
- Hosting of an annual conference
- Delivery of Food in Care and look Who's Cooking training programmes to carers in Liverpool, Lancashire and Greater Manchester.

# HEALTH EQUALITIES GROUP LTD

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

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **European Healthy Stadia Network**

European Healthy Stadia Network (Healthy Stadia) is a Community Interest Company owned by HEG and delivers public health interventions for sports clubs and their stadia, and develops public health guidance to affect policy change. Healthy Stadia is currently a social responsibility partner of UEFA for their 2017-2021 cycle and delivers health programmes at UEFA's club and international competition finals. Achievements include:

- Development of a resource hub covering COVID mitigation guidance for sports venues
- Delivery of GULP sugar drinks education programme to 52 schools in Lancashire through football clubs
- Football fans & betting project was primarily paused during this period
- Online ACES training has been delivered to over 200 organisations in the sports and CVS sector
- Virtual stadium assessments for the UEFA Finals were completed for stadia in Gothenburg & Belfast
- Delivery of 3 health & wellbeing webinars for UEFA over February, March and April covering tobacco control, EuroFIT weight loss programme, and active travel.

### **Financial review**

The trustees have reviewed HEG's finances, including its reserves, throughout the financial year of 2020/21. Despite the global pandemic, the charity has continued to grow, with an income stream into the charity once again over the 2020/21 financial year from European Healthy Stadia Network and HOM Partnerships. Trading conditions have not been easy over the last 12 months, but with a small amount of restructuring, HEG has been able to achieve a small operating surplus once again in 2020/21. However, in light of the ongoing health pandemic, trustees and staff within HEG are aware that trading conditions may still be affected in the next 1-2 years, and therefore remain both prudent and risk averse in the current circumstances.

Management charges relate to costs across HEG, HOM Partnerships and European Healthy Stadia Network. Management and administrative support costs are shared across the organisation.

As in the previous year, the majority of income has come via HEG's social enterprises.

### **Reserves policy**

It is the policy of the charitable company that funds which have not been designated or restricted for a specific use should be maintained at a level equivalent to at least three months' expenditure. Surpluses generated by Healthy Stadia should be maintained in a restricted fund to support its future growth and to mitigate against any potential financial risks. This restricted fund will be equivalent to at least six months' expenditure. The Charity will also maintain a separate Designated Reserve equivalent to at least three months' expenditure to mitigate against future restructuring requirements in light of COVID and other potential significant changes to its operating environment. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charitable company's current activities while consideration is given to ways in which additional funds may be raised. The level of unrestricted reserves has been maintained throughout the year.

### **Risk assesment**

HEG evaluates short and long-term risk through a formal risk register that is updated on a quarterly basis and scrutinised by HEG Finance Group with any major risks reported back to the HEG Board. The trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Structure, governance and management**

The charitable company is a company limited by guarantee, incorporated on 4 March 2005 and registered as a charity on 17 June 2005. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under the Articles of Association.

# HEALTH EQUALITIES GROUP LTD

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

**FOR THE YEAR ENDED 31 MARCH 2021**

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

Ms J J Purvis  
Professor S Capewell  
Mr M Ainsworth  
Mr S Williams  
Mr J Nolan  
Mr S Mayer

The trustees meet quarterly and are responsible for the management and strategic leadership of the charity.

The Finance Group is chaired by Stephen Williams. The Group advises on HEG's financial affairs and reports directly to the trustees.

Matthew Philpott, HEG's Chief Executive is responsible to the Board of Trustees for the management and direction of HEG.

### **Supplier payment policy**

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to XX day's purchases, based on the average daily amount invoiced by suppliers during the year.

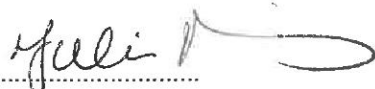
### **Auditor**

In accordance with the company's articles, a resolution proposing that DSG be reappointed as auditor of the company will be put at a General Meeting.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Ms J J Purvis

**Trustee**

Date: 03/11/21

# HEALTH EQUALITIES GROUP LTD

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

***FOR THE YEAR ENDED 31 MARCH 2021***

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The trustees, who are also the directors of Health Equalities Group Ltd for the purpose 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 which 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 year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

# HEALTH EQUALITIES GROUP LTD

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF HEALTH EQUALITIES GROUP LTD

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#### Opinion

We have audited the financial statements of Health Equalities Group Ltd (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, 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 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

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

# HEALTH EQUALITIES GROUP LTD

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF HEALTH EQUALITIES GROUP LTD

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#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report 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 the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

#### **Capability of the audit in detecting irregularities, including fraud**

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.

# HEALTH EQUALITIES GROUP LTD

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF HEALTH EQUALITIES GROUP LTD

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Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Jean Ellis BA FCA CTA (Senior Statutory Auditor)**  
for and on behalf of DSG

2 / 12 / 21

**Chartered Accountants**  
**Statutory Auditor**

Castle Chambers  
43 Castle Street  
Liverpool  
L2 9TL

# HEALTH EQUALITIES GROUP LTD

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b>Income from:</b>							
Donations and legacies	2	28,142	28,443	56,585	21,120	49,849	70,969
Charitable activities		4,460	-	4,460	1,250	-	1,250
Investments		-	-	-	133	-	133
<b>Total income</b>		<b>32,602</b>	<b>28,443</b>	<b>61,045</b>	<b>22,503</b>	<b>49,849</b>	<b>72,352</b>
<b>Expenditure on:</b>							
Charitable activities	3	19,463	-	19,463	(3,284)	-	(3,284)
<b>Net income for the year/ Net movement in funds</b>		<b>13,139</b>	<b>28,443</b>	<b>41,582</b>	<b>25,787</b>	<b>49,849</b>	<b>75,636</b>
Fund balances at 1 April 2020		148,994	164,329	313,323	123,207	114,480	237,687
<b>Fund balances at 31 March 2021</b>		<b>162,133</b>	<b>192,772</b>	<b>354,905</b>	<b>148,994</b>	<b>164,329</b>	<b>313,323</b>

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

# HEALTH EQUALITIES GROUP LTD

## BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Intangible assets	7		1,502		2,395
Investments	8		2		2
			<u>1,504</u>		<u>2,397</u>
<b>Current assets</b>					
Debtors	9	343,043		179,199	
Cash at bank and in hand		18,926		147,830	
		<u>361,969</u>		<u>327,029</u>	
<b>Creditors: amounts falling due within one year</b>	10	(8,568)		(16,103)	
Net current assets			353,401		310,926
<b>Total assets less current liabilities</b>			<u>354,905</u>		<u>313,323</u>
<b>Income funds</b>					
Restricted funds	11		192,772		164,329
<u>Unrestricted funds</u>					
Designated funds	13	75,000		75,000	
General unrestricted funds		87,133		73,994	
			<u>162,133</u>		<u>148,994</u>
			<u>354,905</u>		<u>313,323</u>

The financial statements were approved by the Trustees on 03/11/21



Ms J Purvis

Trustee

Company Registration No. 05382971

# HEALTH EQUALITIES GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **1 Accounting policies**

#### **Charity information**

Health Equalities Group Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is 151 Dale Street, Liverpool, L2 2JH.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charitable company's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

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

#### **1.2 Going concern**

The trustees consider that it is appropriate to prepare the accounts on a going concern basis as the charity will be able to meet its liabilities as they fall due. In making this assessment the trustees have considered the impact of the Coronavirus which is prevalent at the time of approval of these accounts and are confident that they have adequate resources to continue to operate having taken account of current and future income streams and expenditure commitments.

#### **1.3 Charitable funds**

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### **1.4 Income**

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

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

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

# HEALTH EQUALITIES GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies (Continued)

#### 1.5 Expenditure

Expenditure is accounted for on an accruals basis.

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Software	3 years straight line
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#### 1.7 Tangible fixed assets

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

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

Fixtures, fittings & equipment	20% and 25% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.8 Fixed asset investments

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/ (expenditure) for the year.

A subsidiary is an entity controlled by the charitable company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.9 Impairment of fixed assets

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

#### 1.10 Cash and cash equivalents

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

# HEALTH EQUALITIES GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

#### 1.11 Financial instruments

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

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

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

##### **Basic financial assets**

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

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure), except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# HEALTH EQUALITIES GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

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

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

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

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in or in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

#### **Derecognition of financial liabilities**

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

#### **1.12 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.13 Retirement benefits**

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

#### **1.14 Group accounts**

The financial statements present information about the charitable company as an individual undertaking and not about its group. The charitable company and its subsidiary undertakings comprise a small-sized group. The charitable company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 and relevant charity law not to prepare group accounts.

# HEALTH EQUALITIES GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	10,692	28,443	39,135	21,120	49,849	70,969
Grants	17,450	-	17,450	-	-	-
	<u>28,142</u>	<u>28,443</u>	<u>56,585</u>	<u>21,120</u>	<u>49,849</u>	<u>70,969</u>

Included within grants is £7,500 (2020: £nil) relating to grants received in respect of the Coronavirus Job Retention Scheme.

### 3 Charitable activities

	Consultancy	Consultancy
	2021 £	2020 £
Staff costs	198,528	172,482
Depreciation and impairment	893	1,695
Rent	8,567	8,648
Insurance	4,780	3,886
General project expenses	5,655	1,024
Travel and subsistence	-	2,756
Telephone and internet	1,839	2,111
Computer running costs	1,047	5,084
Printing, postage and stationery	1,389	1,361
Management recharges	(222,268)	(222,456)
Accountancy and payroll fees	9,603	9,360
Other costs	6,040	7,500
	<u>16,073</u>	<u>(6,549)</u>
Share of governance costs (see note 4)	3,390	3,265
	<u>19,463</u>	<u>(3,284)</u>

# HEALTH EQUALITIES GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 4 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Audit fees	-	3,390	3,390	-	3,265	3,265
	-	3,390	3,390	-	3,265	3,265
Analysed between Charitable activities	-	3,390	3,390	-	3,265	3,265

Governance costs includes payments to the auditors of £3,390 (2020: £3,265) for audit fees.

### 5 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year (2020: £nil).

During the year, the trustees received a total of £nil (2020: £nil) in expenses from the charity.

### 6 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration	7	5
<b>Employment costs</b>	<b>2021 £</b>	<b>2020 £</b>
Wages and salaries	161,652	140,804
Social security costs	16,095	11,441
Other pension costs	20,781	20,237
	198,528	172,482

Four members of staff are employed directly by Health Equalities Group Ltd, with one member of staff directly employed by European Healthy Stadia Network. Two members of staff are recharged to European Healthy Stadia Network CIC and three are recharged to HOM Partnerships CIC.

# HEALTH EQUALITIES GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 6 Employees (Continued)

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

	2021 Number	2020 Number
£60,000 - £69,999	1	1

### 7 Intangible fixed assets

	Software £
<b>Cost</b>	
At 1 April 2020 and 31 March 2021	4,925
<b>Amortisation and impairment</b>	
At 1 April 2020	2,530
Amortisation charged for the year	893
At 31 March 2021	3,423
<b>Carrying amount</b>	
At 31 March 2021	1,502
At 31 March 2020	2,395

### 8 Fixed asset investments

	Other investments
<b>Cost or valuation</b>	
At 1 April 2020 & 31 March 2021	2
<b>Carrying amount</b>	
At 31 March 2021	2
At 31 March 2020	2

	Notes	2021 £	2020 £
Other investments comprise:			
Investments in subsidiaries	16	2	2

# HEALTH EQUALITIES GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 9 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Amounts owed by subsidiary undertakings	342,419	178,575
Other debtors	624	624
	<u>343,043</u>	<u>179,199</u>

### 10 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	4,798	4,590
Trade creditors	1,726	99
Other creditors	1,778	11,414
Accruals and deferred income	266	-
	<u>8,568</u>	<u>16,103</u>

### 11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 April 2019 £	Incoming resources £	Balance at 1 April 2020 £	Incoming resources £	Balance at 31 March 2021 £
European Healthy Stadia Network CIC	<u>114,480</u>	<u>49,849</u>	<u>164,329</u>	<u>28,443</u>	<u>192,772</u>

### 12 Analysis of net assets between funds

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Intangible fixed assets	1,502	-	1,502	2,395	-	2,395
Investments	2	-	2	2	-	2
Current assets/ (liabilities)	353,401	-	353,401	146,597	164,329	310,926
	<u>354,905</u>	<u>-</u>	<u>354,905</u>	<u>148,994</u>	<u>164,329</u>	<u>313,323</u>

# HEALTH EQUALITIES GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 April 2019	Incoming resources	Balance at 1 April 2020	Incoming resources	Balance at 31 March 2021
	£	£	£	£	£
Restructuring fund	-	75,000	75,000	-	75,000
	<u>-</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>75,000</u>
	<u>-</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>75,000</u>

Restructuring fund - the fund has been created to mitigate against future restructuring requirements in light of COVID and other potential significant changes to its operating environment.

### 14 Events after the reporting date

The directors continue to assess and react to the unprecedented impact of Covid-19.

### 15 Related party transactions

The charity has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

### 16 Subsidiaries

Details of the charitable company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
European Healthy Stadia Network CIC	151 Dale Street, Liverpool, Merseyside, L2 2JH	Delivering public health interventions for sports clubs and stadia	Ordinary	100.00	
HoM Partnerships CIC	Lcvs Building, 151 Dale Street, Liverpool, L2 2JH	Delivering public health interventions	Ordinary	100.00	

During the year the turnover of HOM Partnerships CIC was £145,170 (2020: £201,647) and expenditure incurred was £144,511 (2020: £159,303) and other operating income of £10,033 (2020: £ -) resulting in a profit of £10,692 (2020: profit of £42,344).

During the year the turnover of European Healthy Stadia Network CIC was £181,989 (2020: £193,821) and expenditure incurred was £153,546 (2020: £132,245) resulting in a profit of £28,443 (2020: £49,849).