

Company Number 5787972



Healthcare Financial Management Association

Trustees' report and financial statements for
the year ending 30 June 2025

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HFMA

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Senior executives and Board of Trustees

Board of Trustees and directors

Presidents

2024/25: Lee Outhwaite
2023/24: Claire Wilson
2022/23: Lee Bond

Vice presidents

2024/25: Simon Crowther
2024/25: Catherine Phillips
2023/24: Lee Outhwaite
2023/24: Simon Crowther
2022/23: Claire Wilson
2022/23: Lee Outhwaite

Immediate past presidents

2024/25: Claire Wilson
2023/24: Lee Bond
2022/23: Owen Harkin

Chair of Audit and Finance Committee

Dawn Scrafield

All trustees and directors

Sanjay Agrawal
Lee Bond
Nicci Briggs
David Chandler
Simon Crowther
Kavita Gnanaolivu
Bill Gregory (resigned 5 December 2024)
Owen Harkin
Kim Li
Nicky Lloyd (appointed 5 December 2024)
Richard McCallum (resigned 5 December 2024)
Eimear McCauley (appointed 5 December 2024)
Lee Outhwaite
Catherine Phillips
Peter Ridley
Dawn Scrafield
Wendy Thompson (resigned 5 December 2024)
Claire Wilson

HFMA Senior Executive Team

Chief executive/ Secretary

Mark Knight

Deputy chief executive & director of finance

Ian Turner

Director of policy and communications

Emma Knowles

Director of operations One NHS Finance

Camilla Godfrey

Advisors

Banker

National Westminster Bank plc Chester Branch,
33 Eastgate Street, Chester, CH1 1LG

Solicitor

Bevan Brittan LLP
Kings Orchard, 1 Queen Street, Bristol, BS2 0HQ

Auditor

RSM UK Audit LLP Chartered Accountants
Second Floor, 1 The Square, Temple Quay, Bristol, BS1 6DG

Registered charity name and registered office

Healthcare Financial Management Association (HFMA) is a registered charity in England and Wales, no 1114463 and Scotland, no SCO41994. HFMA is also a limited company registered in England and Wales, no 5787972.

Registered office:

HFMA House, 4 Broad Plain, Bristol, BS2 0JP
Tel: 0117 929 4789
Fax: 0117 929 4844
Email: info@hfma.org.uk
Web: www.hfma.org.uk

Report of the president for the year ended 30 June 2025

The year to 30 June 2025 was the last year of the HFMA's three-year strategy *Picking up the pace* and our 75th anniversary year. I am delighted to be able to say that all the key objectives set three years ago have been achieved and it has been my pleasure to have been leading the HFMA in its 75th year of serving the healthcare finance community.

One major objective set for the three years was to not just maintain all our membership benefits but, where possible, to advance them further. This has been achieved, including the launch and development of free membership for all those working in bands 2 to 6 in the NHS. At 30 June 2025 the HFMA had 5,793 members in this category which is a huge step forward. It means the HFMA is in a very good place with a strong membership within the ranks of the future leaders of the finance function, as well as maintaining our usual strong engagement with our senior finance leader community.

Another key objective set in the strategy was to invest in and improve the digital infrastructure of the association. In previous reports we have talked about the new website and content management system project with an investment of £300,000, which was completed in December 2023 and the streamlined learning management system which was completed in June 2024 with spend of £345,000. This year we approved a business case and laid the groundwork for a new finance system with a budget of £280,000, which is expected to be live by 30 June 2026. This investment in information technology and digital infrastructure ensures a better and more personalised service to our members, which is what our membership asked for.

Financially, the strategy for the three years to 30 June 2025 was to make surpluses to bring the reserves back to pre-pandemic levels. This was achieved in the year to 30 June 2024. Therefore the business plan for the year to 30 June 2025 was to financially break even. The statutory accounts show a surplus of £1,000 for the year to 30 June 2025 with reserves of £5,032,000. The trustees set this balanced budget for the year as they felt the level of reserves – which had been restored to pre-pandemic levels – were sufficient to allow the association to weather future financial storms. It was also felt this was a period in the life of the NHS where the membership needed as much support as possible and so the financial contribution from activities were all spent in year to provide as many services to the membership and wider finance community in the NHS as possible.

As usual a full business plan was prepared at the beginning of the year and each of the 13 branches also completed a business plan. The branches, which continue to be the cornerstone of the HFMA and are made up of ten English regions and the three devolved nations.

When we develop our business plan, we set key performance indicators in addition to financial targets, which we measure ourselves against each year. These show that, as at 30 June 2025, we had a record 28,171 members (full and associate) and supported them and others with 176,398 hours of continuing professional development and the production of 60 new policy briefings and publications. We also had an average of 108 students studying for our qualifications over the year.

We ask attendees and users of all our activities to give us feedback. Over the last year 95% of delegates rated our events as 'good' or 'excellent'. Also 95% of learners rated our bitesize e-learning as 'good' or 'excellent'. We are very proud of these statistics.

During the year to 30 June 2025, we also continued to host, work alongside and support One NHS Finance with the delivery of its programme of work in England. This encompasses Future-Focused Finance, the National Finance Academy and the Finance Innovation Forum. We are proud to be a part of this exciting set of programmes.

With support from members, the association was also able to significantly increase the public benefit of its activities. This was evidenced by the levels of social media traffic and the downloads of free material from our website.

Our 75th year celebrations have given us an opportunity to reflect on how the NHS has evolved throughout the HFMA's history and the role we have played as a finance community. The NHS has transformed beyond recognition over this time – the same is true of the finance function and the HFMA – but as ever there is more to do.

The NHS is facing a challenging time. NHS organisations across all four nations of the UK are focused on the continuing challenges of rebuilding the NHS after the Covid-19 pandemic and reestablishing a more sustainable financial footing. As finance professionals we have a key role to play in leading this and driving a value-based approach to tackle the burden of socially determined disease and deliver sustainable services. This was reflected in the theme for the year of *Values and Value*. I'm proud of the work the association has carried out to support members with these challenges and this work will continue.

Another focus this year has been the development of our new strategy for 2025 to 2030, *Preparing for the future*. The strategy builds on the stable foundations built over the last 75 years and recognises the challenges and opportunities for finance staff over the years ahead. It sets out how the association will support members and the wider health and care finance community. Through delivering this strategy we will continue to work hard to support our members as the NHS works through its current challenges.

Finally, I would like to take this opportunity to thank our friends on the corporate partner programme, who provide us with valuable resources, without which we would not be able to run our central infrastructure. They, along with all our commercial supporters, continue to be very supportive in these challenging times, for which we are very grateful.

Thank you for reading this annual review. As always, please do not hesitate to contact us with any comments and our best wishes to you all.



President

Lee Outhwaite

Report of the trustees for the year ended 30 June 2025

The Trustees' report also contains the Directors' report as required by company law. The Trustees are also directors of Healthcare Financial Management Association for the purposes of company law.

Objects and aims

The HFMA is a charity which works with the healthcare sector to advance effective financial management. Its objects and aims are to:

- advance the science of health care management and accountancy and cognate subjects as applied to all or any of the duties imposed upon and functions undertaken by health services
- advance public education therein
- undertake and publish the useful results of studies and research work therein and related subjects.

Strategic report

Achievements and performance in the year

The activities and achievements in the year against each of our strategic objectives as laid out in the strategy are summarised below:

To provide excellent members networks and services

The number of individual members of the HFMA at the end of the year totalled 28,171 (2023/24: 25,069).

We were very pleased that our investments over the years in IT and digital mechanisms, such as Microsoft Teams, our Learning Management System (enabling our e-learning bitesize and qualifications), webinars, social media and the website have allowed us to continue delivering member benefits and indeed a wider public benefit to all in and outside the NHS over the last year.

Our website had 382,393 (2023/24: 403,551) visits over the year and 11,676 (2023/24: 10,348) LinkedIn members.

Our organisation facing offerings continue to be very popular. Virtually every NHS organisation is now a member of the HFMA Partner Programme and over half are members of our Value Institute.

To become the voice of healthcare finance through the development of leading-edge policy and technical work

Our policy and technical work goes from strength to strength and the quantity of outputs continues to rise. We pride ourselves on the quality of work which is recognised by our members and other key stakeholders notably NHS England.

Working with key stakeholders and building constructive and productive relationships remains important and a key component of our success.

To this end we continue to meet regularly with the policy and decision makers in the NHS in Wales, Northern Ireland and

Scotland, as well as England.

In England, we continued to work with key players in the healthcare sector such as the Department of Health and Social Care. We are delighted to continue to be the prime partner for One NHS Finance (ONF) continuing to provide the administration and delivering a big part of the programme.

We also continue to work closely with the main accountancy bodies, NHS Confederation, other Associations such as the Health Care Supply Association (HCSA) and the Kings Fund as well as a number of key private sector organisations in moving the finance agenda in health forward.

We continued developing our library of books, reports and briefings, producing 55 briefings and publications in the year.

To create relevant and affordable development and qualification opportunities

We continue to deliver the HFMA Diploma (DHBF) and Higher Diploma in Healthcare and Business Finance (HDHBF).

During the year to 30 June 2025, we had an average of 108 (2023/24: 101) students studying for our qualifications.

The association continues to be the place most NHS finance staff go to satisfy their CPD requirements. Total CPD hours delivered in the year reached 176,398 (2023/24: 227,044). This is one of the key statistics that demonstrates the continuing interest our membership and the wider finance community in health has for the HFMA's training; be it events, webinars, qualifications or e-learning bitesize. Just as importantly the HFMA targets a 90% excellent/good score from user feedback. Over the year to 30 June 2025 the average over all events was 95% a statistic we are very proud of.

Over the year we ran a vast array of face-to-face and online events. The most popular events include our National Annual conference in December and our Pre-Accounts Planning event in February along with numerous technical events run through our 13 branches, regional skills development networks and academies.

Our e-learning modules in our Learning Library have proven to be very sought after by the NHS finance function over the year.

Once again, we are very proud to report that the target of achieving over 90% of users scoring each module excellent or good was achieved at 95%.

The bitesize e-learning modules continue to be improved and updated on an annual basis, drawing on technical expertise from our content team, our members and the graphical skills of instructional designers.

Report of the trustees for the year ended 30 June 2025

During the year we worked closely with the NHS finance function and ONF. We continue to host ONF.

We also run a number of other programmes for the NHS across the UK: the Regional Finance Academies, Skills Development Networks (SDNs) and Finance and Management Training Schemes (FMTS). The FMTS schemes now also incorporate apprenticeship schemes.

Managing ourselves effectively as a business

This is the fourth and final objective and covers the enabling functions of the business.

The financial element of this objective is covered separately below.

As noted above the focus during the current strategy is to further develop the HFMA's digital capabilities. As well as ensuring the solid foundation of software and hardware infrastructure has been maintained during the year, there have also been some major capital investments. These include the new website and the new learning management system.

The final stage of this work is to replace the accounting software. A business case for £280,000 of spend was approved by the trustees during the year and the project was launched in the last quarter of the year. The development work straddles two years and the new system is expected to be live by 1 July 2026.

The Human Resources function has been very busy over the year. The hybrid working that was set up following the move into HFMA House continues to be effective and ensures that our teams can work efficiently and flexibly from any location. We continue to have a policy that teams are in the office together at least one day a week. This works well for the HFMA but is continually reviewed to ensure the working practices that produce the most productive and happy team is in place.

Our staff continue to be our most valuable resource, and a full review continues to take place each year to ensure terms and conditions, remuneration and benefits for staff are appropriate and at least match the market.

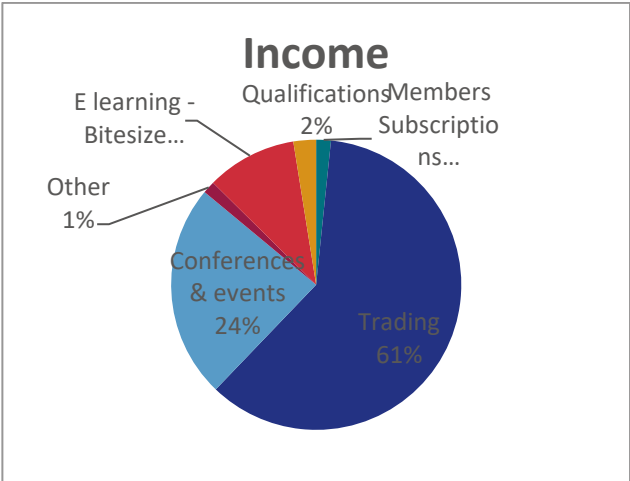
Financial review

The result for the year is a surplus of £1,000 (2023/24 a surplus of £371,000).

This means reserves are now at £5,032 000 which ensures the HFMA is in a good place to cover any future financial shocks.

At the end of the year to 30 June 2024 it was concluded that reserves were sufficient and there was no need to make surpluses to further bolster them, therefore, a breakeven budget was set for the year to 30 June 2025. This ensured that the level of activity and support to members could be maintained despite a drop in income.

The pie- chart below shows the split of income across the main activities delivered by the HFMA.

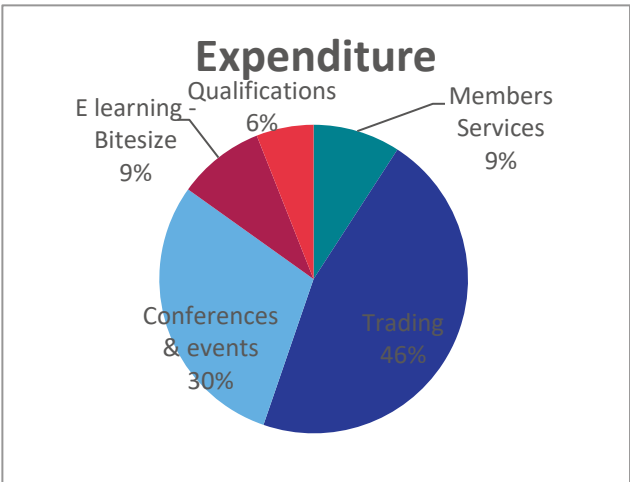


Conferences and training events income in 2024/25 totalled £1,999,000 (£2,342,000 in 2023/24). Which relates to face-to-face events year on year and NHS commissioned activities. These are at a lower level than the year before reflecting the fact that NHS staff were finding it harder to find the time to get out of the office and find the financial resources to attend events.

E-learning (Bitesize) income totalled £843,000 in 2024/25, (£900,000 in 2023/24) which is a small decrease year on year and Qualifications income at £212,000 in 2024/25 (£277,000 in 2023/24) are both down year on year reflecting again the fact that NHS organisations have less resources to spend on training this year compared to the previous year.

The income from the trading subsidiary HFMA Ltd is below the previous year at £5,072,000 for 2024/25 (£5,189,000 in 2023/24). This reflects the trading at 110 Rochester Row which has not reached the levels of previous and is still some way off the level of activity achieved pre-pandemic. A review of 110 Rochester Row has concluded that the conference centre was closed in the summer of 2025 post year end and alternative uses found for the premises.

The breakdown of expenditure is shown below:



Report of the trustees for the year ended 30 June 2025

By far the greatest activity in terms of income, other than the trading activities in the subsidiary companies noted above, is conferences and events. Expenditure totalled £2,480,000 in 2024/25 (£2,714,000 in 2023/24). This reduction in costs reflects the same point noted above that the numbers attending face to face events has fallen year on year as a result of NHS staff finding it difficult to carve out time and a budget to support them in training activities.

Members subscriptions totaled £137,000 in 2024/25 (£162,000 in 2023/24) despite the number of full time members being greater year on year. This is due to large number of Bands 2-6 members of staff taking advantage of the free membership offering whereas in previous years they would have paid.

The costs of member services are above the previous year at £955,000 in 2024/25 (£953,000 in 2023/24). Which reflects some staff vacancies during the year in the Policy and Technical team.

It is congruent with the objects and aims of the charity and the Charity Commission's guidance on public benefit, that subscriptions paid by members cover only a small percentage of the costs of providing member services with the surpluses achieved in the trading operations of the HFMA subsidising the balance of the costs. The trading surpluses are also used to subsidise conferences and events which also run at a planned loss as noted above.

The costs of e-learning Bitesize packages are a little down year-on-year at £533,000 in 2024/25 (£586,000 in 2023/24).

It should be noted that the surplus in the trading subsidiary HFMA Ltd of £901,000 in 2024/25 is very similar year on year (£905,000 in 2023/24).

This surplus is passed by gift aid to the HFMA and is used by the charity to subsidise the cost of activities and services provided to the members of the HFMA as noted above.

The financial statements have been prepared in accordance with relevant law and current accounting conventions and in particular the 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) – (Charities SORP (FRS 102)).

Public benefit

To meet the objective of providing public benefit, the HFMA offers training courses through branch and national events in the form of conferences and seminars, webinars, training publications and materials and online through our e-learning service.

Following the impact of Covid-19 a special portal was set up on the HFMA website into which materials were placed to support all those in healthcare working to manage the impact of the pandemic on their job. This portal was free access to all and has remained free since then.

All these activities contribute to the public benefit provided by the HFMA in assisting healthcare managers in providing a high quality and efficient service to the public.

The 100% owned trading subsidiary HFMA Ltd operates commercial activities to support the work of the HFMA. The results are shown in Note 16 to the Accounts.

HFMA Commercial Services Limited is also 100% owned but has not traded in the year.

The activities and achievements of the charity in the year to 30 June 2025 are detailed in the president's report with commentary as to how the objectives set were met. These achievements demonstrate how successful the HFMA has been in fulfilling its objectives and providing a public benefit.

Future plans

The year to 30 June 2025 is the final year of the strategy for the three years to 30 June 2025.

A new strategy for the five years to 30 June 2030 was developed over the year. A full consultation with members and key stakeholders took place in producing this strategy and a detailed business plan for the first year to 30 June 2026 has been produced.

The strategy for the five years to 30 June 2030 reiterated the HFMA vision of *better quality healthcare through effective use of resources*. In achieving this the strategy emphasised the values of HFMA, which can be summarised in four statements:

- High Quality – we aim for excellence and continuous improvement, innovation and professionalism in all of our work,
- Member focused – we aspire to put members at the heart of everything we do,
- Fair – we value diversity and strive to do the right thing by being honest, open and independent,
- Accessible – we aim to be friendly, caring, supportive and collaborative.

The plans for the year ahead for each of the five overriding objectives that were set in the strategy and business plan for the year are detailed below:

- **To provide excellent member networks and services:** At a time of ever-growing financial pressure in the NHS it is important that HFMA retains its focus on supporting members Nationally and through the thirteen strong branch network. In terms of membership, our clear strategy will be to maintain our existing level of membership both in bands 7 and above and in the free band 2-6 and apprenticeship category. We will also continue working closely with the other main supporters of finance professionals in the NHS particularly ONF. We will also develop partnerships with like-minded organisations and particularly other charities and associations supporting the NHS back office functions.
- **To continue to be the influential voice of healthcare finance, facilitating change through**

Report of the trustees for the year ended 30 June 2025

leading edge policy and technical work: The HFMA provides material that is relevant and timely for members and those in healthcare and particularly the NHS who are interested in NHS Finance. It is planned to keep up with demand for specific publications and training packages during the following year. A clear focus will be to support the NHS and the wider community in their understanding of the impact of the overall NHS move towards more place-based structures. We aim to ensure our outputs provide the best support to our members and the organisations they work for. We will continue to work closely with the NHS leadership teams and like-minded organisations in developing and influencing policy and we will be continuing to foster relationships with other organisations, such as the accounting bodies and medical.

- **To manage ourselves effectively as a business:** It is recognised in the strategy that we can only deliver the services and support our members effectively if we can run ourselves efficiently as a business. This means continuing to be financially sustainable, keeping our assets safe and in the best shape possible and looking after our people. It was also recognised that although the HFMA has strong digital capabilities with an up to date infrastructure after considerable investment over the last three years, there is more work to do. Therefore, over the next period there will be new finance system put in, further work to improve our digital capabilities around our data, maintaining of our cyber-essentials plus accreditation and working with artificial intelligence and machine learning technologies.
- **To create and deliver relevant and accessible development and networking opportunities for the association and OneNHSFinance:** The full conference and seminar programme, locally at branches and nationally, will be followed and the balance between delivery as face to face and virtually will be constantly monitored and advice taken from members. We will continue assisting the Regional Academies incorporating local SDN and FMTS groups. Each branch will run a minimum of four events of which at least one will be fee free. We will also be looking to further develop our partner programme and we will continue to work closely with the Department of Health and Social Security in hosting OneNHSFinance.
- **To provide quality education and qualifications.** We will further develop our e-learning Bitesize products in the new Learning Library and further develop our programmes and maintain our existing qualifications. Our usual programme of updating existing material will also take place to ensure that the training we deliver is up to date and of the highest quality. We will also look to work alongside partner organisations to ensure that our finance content is available to support NHS colleagues outside the NHS finance function.

The plans noted above, and the activities undertaken in the year show how the objects and aims of the charity continue to be satisfied. These are a clear demonstration of how the HFMA provides a public benefit by providing services and support to a membership of people working in finance and related areas in healthcare management.

Most training activities are open to non-members as well as members, often free of charge, ensuring that all finance staff within a health system can benefit from the HFMA's expertise. A bursary fund also exists to support members or potential members who are unable to access the services provided by the HFMA due to financial constraints.

The Trustees consider they have complied with their duties with regard to the Charity Commission's public benefit guidance.

Reserves and going concern

The HFMA's total reserves which had been built up slowly over many years were severely reduced in the year to 30 June 2020 by £779,000 as a direct result of lost revenue due to the impact of Covid-19. The results for the years to 30 June 2021, 2022, 2023 and 2024 have been surpluses meaning which when added together have more than achieved the goal of replenishing the reserves which now stand at £5,032,000 (2023/24 £5,031,000).

All reserves are held in funds whose use is at the discretion of the Trustees as long as they are used as laid out in the objects and aims of the charity. The reserves policy below is set by the Trustees.

The association's policy is to secure its viability beyond the immediate future. This requires some income to be put aside, when this can be afforded, as a reserve against future uncertainties and opportunities:

All funds are unrestricted income funds. These are split into the following: general fund, branch fund and bursary fund.

- The general fund should be built up to at least six months' worth of total annual costs of the HFMA to cover short-term falling off in demand for the services offered.
- The branch fund is the sum of the reserves of each of the 13 branches.
- The bursary fund is to support those with low incomes accessing the services of the HFMA.

None of the funds are in deficit. The balances on these funds are shown on the balance sheet and in note 17.

The Trustees consider it is appropriate to treat the Charity as a going concern.

This is due to the Trustees and Senior Management team having a clear understanding of the risks facing the organisation and robust cash management plans.

The largest uncertainty facing the Charity is the ability to run events at the Conference Centre in London, 110 Rochester Row. However, stress testing the budget and resulting cash

Report of the trustees for the year ended 30 June 2025

flow forecasts for this risk, alongside considering other downside risks, shows that the HFMA has cash reserves available for the period to 30 June 2026.

It is also worth noting that net reserves at 30 June 2025 total £5,032,000 (£5,031,000 at 30 June 2024) and fixed assets total £6,991,000 (£7,148,000 at 30 June 2024). Therefore, there are no "free" reserves. However, the cash balance at 30 June 2025 totals £2,688,000 (£2,601,000 at 30 June 2024) and if needed the HFMA has fixed assets investments which could be sold if further cash was required. The value of these investments at 30 June 2025 was £2,077,000 (£2,121,000 at 30 June 2024).

The investment approach is discussed and agreed annually and confirmed at Board meetings. It was agreed that a considerable amount of funds should be held in easily accessible accounts (that attracted lower interest than could be achieved if the funds were tied up in fixed term accounts) to allow the Trustees to move quickly if there was an opportunity to invest in assets that supported the HFMA's strategic objectives to support the members and maintain the long-term future of the Charity.

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also directors of Healthcare Financial Management Association 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 Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- 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 are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy at any time the financial

position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware:

- There is no relevant audit information of which the Charitable Company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

The Trustees confirm that they have complied with the duties of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The Trustees have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning the charity's future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives they have set.

Investment policy

The Investment Policy is to match the risks and accessibility of the assets invested in against the reason behind the investments being made in that:

- A certain level of investments will be in cash and similar investments, the key criteria being that they are accessible at short notice. Every effort will be made to maximise interest whilst following these criteria.
- Other investments will be in assets that do not need to be sold quickly. An overall investment strategy will be adopted with consideration of investing in such assets as equities and properties.

Any major capital investment over £75,000 requires Trustee approval and should be supported by a business case and with appropriate professional advice.

For all investments made, targets will be set for these assets to at least equal the performance of average indices (for instance in the increase/decrease in value of commercial properties or financial instruments traded).

The Trustees will make no direct investment in companies whose products or services are accepted as being prejudicial to good health. In considering collective

Report of the trustees for the year ended 30 June 2025

investments the Trustees will consider the nature and significance of the health risks associated with the products or services of any such company whose shares form a component of the collective investment.

Constitution and governance

The HFMA was incorporated as a company limited by guarantee registered in England and Wales in July 2006; a Memorandum and Articles of Association govern it.

The registered name and registered office of the Charity and names of the Trustees, who are directors for the purposes of company law, are shown on page 2 of this report. The HFMA wholly owns two trading subsidiaries, HFMA Ltd, and HFMA Commercial Services Limited. These are private limited companies and they gift aid any profits to the association. The Board of Trustees are the legal trustees and have control of the assets of the Charity.

During 2024/25, the Board of Trustees comprised the National President, two Vice-Presidents, Past Chair and Chair of the Audit and Finance Committee, who are nominated by the membership as a whole, and a representative from each of the three devolved nations who are elected by their branches and seven Trustees who are appointed by Board of Trustees. All the Trustees are directors of the HFMA.

During the year the Board usually meets formally four times. When appropriate or necessary additional Board meetings are called. These meetings along with briefing papers for the Board ensured the Trustees were fully briefed on the risks and actions being taken and fully involved in decision making over this period.

Over the year, in addition to regular Board meetings, the Audit and Finance Committee and the Appointments and Remuneration Committee met four times. These two committees have delegated powers and responsibilities that are documented and approved by the Board.

The Appointments and Remuneration Committee also considers and recommends to the board the remuneration of the CEO, Deputy CEO & Director of Finance and Director of Policy & Research. This involves a review of the marketplace to allow benchmarking to take place and consideration of the roles and responsibilities of each post.

The day to day running of the HFMA is delegated by the Board to the CEO and Senior Management Team. Senior Management Team meetings take place monthly.

Each week there is a whole-organisation meeting where the CEO leads a briefing with contributions from across the organisation.

The 13 branches have their own volunteer branch executives usually comprising a branch chair, a branch treasurer and a branch secretary.

The year to 30 June 2025 was the last year of the 2023-25 strategy.

As noted above the new strategy for the five years to 30 June 2030 has now been prepared. The strategy has been communicated to every member of the HFMA and further details can be found on the HFMA's website www.hfma.org.uk. Each year staff are involved in delivering and updating progress against the strategy. As usual the annual business plan for the year ahead was also agreed as were individual business plans for each branch.

There is a Scheme of Delegation which states the level of authority required for decision making and expenditure which is reviewed by the Trustees each year. Each activity undertaken by the HFMA is monitored on a regular basis and each Manager has specific responsibility not only for the short-term management of the risk profile but also for the long-term prognosis of these individual income and cost lines. Physical risk is covered by specific systems for example in IT recovery and backup, emergency procedures and the provision of comprehensive insurance for assets and personnel.

The HFMA is committed to recruiting Trustees with appropriate skills and talents. Vacancies for Trustee and other committee posts are advertised widely to the membership.

The Appointments and Remuneration Committee consider the applications and they select Trustees on the basis of established criteria. New Trustees receive full induction from the chief executive and regularly attend the HFMA run CPD (Continuing Professional Development) sessions throughout the year.

Risk management

The association regards the management of risk as a key issue within its overall operating framework. A risk register is maintained and is considered regularly throughout the year by management, by the Audit and Finance Committee at each of its four meetings during the year and is annually presented and reviewed by the Board of Trustees.

Monthly management accounts and related information is produced and along with a programme of scrutiny by internal auditors, this provides the information the executives and trustees require to run the charity and gives the assurance required for the Board to fulfil its role in terms of risk and assurance management.

The Group's key business risks are around its income due to the fact that, unlike most membership organisations, a very small amount of income is derived from membership subscriptions. Therefore, the HFMA relies on other sources of income to fund its membership activities. In recent years these sources of non-membership income have diversified significantly, thus spreading the operational risk.

The largest risk facing the HFMA at the time of writing is the financial pressures facing public services in the UK and particularly the NHS as the HFMA receives considerable income from activities purchased by the public sector.

The Business Continuity Plan is kept up to date and is designed to ensure under any circumstance the HFMA can

Report of the trustees for the year ended 30 June 2025

maintain its operations.

Services provided by other bodies

Moorepay Limited, a division of Northgate Information Solutions, provided a payroll service.

RSM UK Audit LLP and Audit South West NHS Audit Consortium provided audit services.

Branches

The 13 regional branches form an integral part of the association. The branches have the powers to run training and education events for the benefit of branch members. Branch funds are used to underwrite training and education opportunities and support local research initiatives.

Auditor

A resolution proposing that RSM UK Audit LLP be reappointed as statutory auditor of the Charity will be put to the Annual General Meeting on 5 December 2025.

The Trustees Report and the Strategic Report contained within it were approved by the Board on 4 November 2025 and signed on its behalf by:



Dawn Scrafield

Trustee and Chair of the Audit Committee

Financial statements: Statement of financial position

Consolidated and charity statements of financial position as at 30 June 2025

30 June 2024			30 June 2025		
Association £000	Consolidation £000		Notes	Association £000	Consolidation £000
		Fixed assets			
4,221	4,427	Tangible assets	7a	4,161	4,381
600	600	Intangible assets	7b	533	533
2,121	2,121	Investments	7c	2,077	2,077
6,942	7,148	Total fixed assets		6,771	6,991
		Current assets			
1,479	3,819	Debtors	8	961	2,968
2,346	2,601	Cash at bank and in hand	9	2,477	2,688
3,825	6,420	Total current assets		3,438	5,656
(5,725)	(7,088)	Creditors: Amounts falling due within one year	10	(5,177)	(6,316)
(1,900)	(668)	Net current liabilities		(1,739)	(660)
5,042	6,480	Total assets less current liabilities		5,032	6,331
(11)	(1,449)	Creditors: Amounts falling due after more than one year	11	-	(1,299)
5,031	5,031	Net assets		5,032	5,032
		Unrestricted funds			
4,333	4,333	General fund		4,350	4,350
		Designated funds			
658	658	Branch fund		643	643
40	40	Bursary fund		39	39
5,031	5,031	Total unrestricted funds	17	5,032	5,032

The notes on pages 14 to 30 form part of these accounts.

The accounts were approved by the Board of Trustees on 4 November 2025.

Lee Outhwaite, President

Financial statements: Statement of cash flows

Consolidated Statement of Cash Flows for the year ended 30 June 2025

2023/24		Notes	2024/25
£000			£000
82	Net cash inflow/(outflow) from operating activities	14	53
Cash flows from investing activities			
71	Interest received		91
57	Dividends received		60
(513)	Purchase of tangible fixed assets		(117)
(385)	Net inflow/(outflow) from investing activities		34
(303)	Increase/(Decrease) in cash		87

The notes on pages 14 to 30 form part of these accounts.

Reconciliation of net cash flow to movement in cash

2023/24		2024/25
£000		£000
2,904	Cash at the beginning of the year	2,601
(303)	Decrease in cash in the year	87
2,601	Cash at the end of the year	2,688

Analysis of changes in net debt

	As at 30 June 2024	Cash flows	As at 30 June 2025
	£000	£000	£000
Cash and cash equivalents			
Cash	2,601	87	2,688
Total	2,601	87	2,688

	As at 30 June 2023	Cash flows	As at 30 June 2024
	£000	£000	£000
Cash and cash equivalents			
Cash	2,904	(303)	2,601
Total	2,904	(303)	2,601

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

1 Accounting policies

a) General information

The HFMA is a limited company and charity incorporated in England and Wales. It is also a Charity in Scotland. The address of HFMA's registered office is: HFMA House, 4 Broad Plain, Bristol, BS2 0JB. The principal places of business of the HFMA is HFMA House, 4 Broad Plain, Bristol, BS2 0JB.

The HFMA Group consists of HFMA and all of its subsidiaries. The nature of the HFMA Group's activities are detailed in the Trustees report on pages 4 to 10 of these accounts.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)). The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

c) Going concern

The accounts have been produced on the basis that the charity is a going concern. This is as a result of the trustees having a clear understanding of the risks facing the organisation and the existence of robust cash management plans. The Charity also has budgets and resulting cash flows which have been stress tested for the year ahead which support this view.

The largest uncertainty facing the Charity since the pandemic has been the ability to make the Conference Centre in London, 110 Rochester Row run profitably. Since the year end it was decided to close the conference centre and find alternative uses for the property which has reduced this risk.

The other key risk is the impact of the financial challenges facing the NHS and the impact on HFMA. However, stress testing the budget and resulting cash flow forecasts for this risk, alongside considering other downside risks, shows that the HFMA has cash reserves available at least through to 30 June 2027.

After taking into account the stress testing, there is still headroom over the period to 30 June 2027. If an unforeseen risk occurs or the risks considered in the stress testing are of a larger quantum than considered, the HFMA has the ability to sell some or all of its fixed assets investments if further cash was required. The value of these investments at 30 June 2025 was £2,077,000. It is worth noting that these investments if realised and turned into cash would turn the net current liabilities position of the Charity into a net current assets position at 30 June 2025. It is also worth noting that included in current liabilities in the balance sheet is £4,696,000 of deferred income, which if added back would also turn the net current liabilities position into a net current assets position.

d) Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirement:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Charity only Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in comprehensive income.

e) Functional and presentational currency

The consolidated financial statements are presented in sterling which is also the functional currency of the Company.

f) Financial instruments

The HFMA has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

Instruments Issues' of FRS 102, in full, to all of its financial instruments. Financial assets and financial liabilities are recognised when the Group becomes a party to contractual provisions of the instrument and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

1 Accounting policies (continued)

f) Financial instruments (continued)

Financial assets

Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are immediately recognised in the statement of financial activities.

Financial liabilities

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

g) Group financial statements

These financial statements consolidate the results of the Healthcare Financial Management Association, including its branches (HFMA) and its wholly owned subsidiaries HFMA Ltd and HFMA Commercial Services Limited (HCS Ltd). Trading income and expenditure is identified separately in the Statement of Financial Activities and assets and liabilities are consolidated on a line-by-line basis.

h) Income

Income is recognised when you meet the criteria of entitlement, measurement and probability. Income invoiced for post year end activity is accounted for as deferred income and released to incoming resources in the relevant period subsequent to the year end. The following specific policies apply to categories of income:

- Membership income is treated as voluntary income and are deferred over the period that services are provided.
- Association and branch event income received is deferred if in advance of the date of the event, this income is recognised in the period which the event is held.
- Partner programs membership fees are deferred over the period that services are provided.
- Grant income is recognised on receipt unless the donor imposes conditions which must be met before the charity has unconditional entitlement.
- Income from training and education (including publications, qualifications and e-learning packages) is recognised when invoiced.
- Investment income is recognised on a receivable basis.
- Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

i) Volunteers

The value of services provided by volunteers is not incorporated into these financial statements. There are many contributions made by volunteers including event speakers, committee members, branch committee members and Trustees.

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

1 Accounting policies (continued)

j) Expenditure

Expenditure recognised when a liability is incurred and allocated to the appropriate heading in the accounts.

- Costs of generating funds include the cost of membership administration, generating HFMA Ltd and HCS Ltd trading income and fees to manage investments.
- Costs of charitable activities are the costs of activities run to support the objects of the Charity.
- Governance costs are the costs associated with the governance arrangements of the Charity which are primarily associated with constitutional and statutory requirements. These costs include external audit and trustees board and committee meetings.
- Support costs include central functions which have been allocated to activity cost categories on a basis consistent with the use of those resources e.g., using staff time as basis of apportionment.
- Redundancy costs are recognised at the point when the Charity is committed to making the payment.
- Any irrecoverable element of VAT is included with the item of expense to which it relates.

k) Leased buildings and equipment

The association rents an office and a Conference Centre on a long lease. Long lease property is included in fixed assets and written off on a straight-line basis over 50 years from the point of first use. In the case of the one long lease the fixed asset is written off on a straight-line basis over 50 years down to a residual value that is based on cost and is deemed appropriate after considering the market value of the long lease.

The costs of lease improvements and benefit of introductory rent and service charge free periods are allocated on a straight-line basis over the period to the commencement of full rent in accordance with FRS 102.

All existing leases for cars and office equipment are treated as operating leases. The title to the cars and equipment remains with the lessor who retains the risk and rewards of ownership and the lease terms are shorter than the economic life. Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Lease improvements and equipment acquired with a value in excess of £5,000 are capitalised at cost. Depreciation is provided when it comes into use to recognise the cost of the asset, its residual value and its estimated useful life and is included in support costs.

Depreciation on these assets is calculated as follows:

- Land and Buildings – over 50 years.
- Lease and leasehold improvements - over the period to the first break clause in the lease, subject to a maximum of 50 years or reduced for the expected life of the asset. As noted in k above one long lease is being written down to a residual value.
- Furniture and equipment - over 5 to 10 years.

m) Intangible fixed assets

Software development costs and intellectual property are included in Intangible Fixed Assets at cost and are written off on a straight-line basis over the life of the asset which can vary from between 5 and 10 years.

n) Investments

Current asset investments are included at market value. Gains and losses on disposal and revaluation are charged or credited to the Statement of Financial Activities.

o) Stock

Stock is carried at the lower of cost or net realisable value. Stock comprises publications and training packages held for resale.

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

1 Accounting policies (continued)

p) Funds structure

All funds are unrestricted income funds. These are split into undesignated (the general and branches funds) and designated funds (the bursary and deep reserve funds). The general and branches funds should be built up to at least six months' worth of total annual costs of the HFMA to cover short-term falling off in demand for the services offered. The bursary fund is to support those with low incomes accessing the services of the HFMA or assisting members in activities that benefit healthcare in the UK that they would not be able to perform without support.

q) Pensions

All staff are employed solely by the association. Two Group Personal Pension Schemes are provided for staff joining the association:

- All employees are automatically enrolled into a defined contribution scheme whereby the association contributes 6% of the employee's salary and the employee contributes a minimum of 3%. Employees can opt out of this scheme if they wish. These funds are the property of the individual employees.
- All employees can choose to enrol into a further Group defined contribution scheme whereby the association contributes 11% of the employee's salary and the employee contributes a minimum of 6%. These funds are the property of the individual employees.

Some members of staff are members of the NHS Pension Scheme as designated under a direction agreement granted by the Secretary of State. The scheme is a multi-employer defined benefit scheme where the share of the assets and liabilities applicable to each employer is not identified. Accordingly, these financial statements include pension costs payable on a defined contribution basis in accordance with FRS 102.

Pension costs charged to the Statement of Financial Activities represent the contributions payable by the association during the year.

r) Foreign currencies

Assets and liabilities in foreign currency are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in the year in foreign currency are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are recognised in the Statement of Financial Activities when arriving at the net movement in funds.

s) Provisions

Provisions are recognised when the Company has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar expenses.

t) Significant judgement and estimates

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

The only estimate of significance made by the trustees in the preparation of the financial statements is considered to be the period over which leasehold improvements are depreciated, which is as disclosed in Note 1 k).

The trustees consider there to be two key judgments made in the preparation of these financial statements. Firstly, the residual value of the long leasehold interest in Rochester Row which the trustees considered to be materially comparable to its cost. Secondly, the existence and valuation of deferred income for contracts. Income is recognised on contracts in line with the delivery of key milestones, costs incurred to date, or if these cannot be measured reliably, evenly over the life of the contract. These methods involve management making assumptions and judgements in relation to future delivery of these contracts, and as a result the value of deferred income is dependent on such judgements.

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

2 Income

a) Income from raising funds

Voluntary income

The voluntary income received consists of membership subscriptions and grants and donations.

2023/24			2024/25	
Association	Consolidation		Association	Consolidation
£000	£000		£000	£000
162	162	Subscriptions	137	137
162	162		137	137

Activities for generating funds

For details of the trading turnover of HFMA Ltd, please see note 16a and HFMA Commercial Services Limited note 16b.

Investment income and interest received

2023/24			2024/25	
Association	Consolidation		Association	Consolidation
£000	£000		£000	£000
27	122	Investment Income	5	105
159	-	Rental income	159	-
186	122		164	105

b) Income from charitable activities

Conferences and seminars

2023/24			2024/25	
Association	Association		Association	Consolidation
£000	£000		£000	£000
1,982	1,976	National and regional events	1,648	1,646
366	366	Branch events	353	353
2,348	2,342		2,001	1,999

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

3 Expenditure

Salary and support costs (including governance costs) have been allocated to the relevant income stream. Salary costs have been split on the basis of salary percentage and the remaining support costs have been split on the basis of staff time.

All charitable activities are carried out through direct services. There is no grant funding to third parties.

Cost analysis 2024/25	Direct costs	Support costs	Total 2024/25	Total 2023/24
	£000	£000	£000	£000
Generating voluntary income	27	204	231	220
Conferences and seminars	1,353	1,127	2,480	2,714
E-learning	25	508	533	586
Member services including publications and magazine	47	717	764	733
Qualification	97	409	506	477
Total Association	1,549	2,965	4,514	4,730
HFMA Ltd	1,491	2,375	3,866	4,078
Consolidated	3,040	5,340	8,380	8,808

a) Costs of generating funds

These consist of generating voluntary income and HFMA Ltd noted above.

b) Costs of charitable activities

These consist of conferences and seminars, publications and training packages, e-learning, membership services including Healthcare Finance magazine, the qualifications and bursary noted above. These are split out on the face of the Statement of Financial Activities.

A breakdown of conference and seminar costs split between centre events and branch events are shown below:

2023/24			2024/25	
Association £000	Consolidation £000		Association £000	Consolidation £000
2,238	2,176	Centre events	1,993	1,947
538	538	Branch events	533	533
2,776	2,714		2,526	2,480

4 Audit fees

The total external audit fees were:

2023/24			2024/25	
Association £000	Consolidation £000		Association £000	Consolidation £000
24	24	Charity	25	25
-	5	HFMA Ltd	-	5
24	29		25	30
-	2	Other services supplied by affiliates of RSM UK Audit LLP	-	2

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

5 Staff costs and trustees' remuneration

All staff are employed by the HFMA and therefore the figures below are for both the charity and group accounts. Trustees give their service voluntarily and received no remuneration or benefits in kind in respect of the performance of their duties as a Trustee in the year see note 5f.

a) Staff costs

2023/24		2024/25
£000		£000
4,107	Staff salaries	3,921
403	Employers NI costs	395
336	Pension costs	351
231	Sundry (including apprentice scheme costs and staff training and - for 2023/24 only - childcare vouchers)	168
5,077		4,835

Staff costs are allocated according to the functions of each staff member: £2,342,000 in 2024/25 (2023/24 £2,905,000) is included in direct costs, £2,493,000 in 2024/25 (2023/24 £2,172,000) in support costs and together they form part of trading costs, fundraising costs, and charitable expenditure, as appropriate (see note 3).

b) Average number of staff during the year

The average employee headcount throughout the year:

2023/24		2024/25
58	Operations/technical	52
7	Qualification	7
7	Business development	7
16	Administration	16
88		82

c) Emoluments

The number of employees whose emoluments (including remuneration and benefits in kind but excluding pension contributions) that amounted to over £60,000 was:

2023/24		2024/25
9	Band £60,000 - £70,000	6
5	Band £70,001 - £80,000	3
1	Band £80,001 - £90,000	2
-	Band £90,001 - £100,000	1
1	Band £100,001 - £110,000	1
1	Band £120,001 - £130,000	1
1	Band £130,001 - £140,000	1
1	Band £210,001 - £220,000	1

d) Key management

The key management of the HFMA during the year were the chief executive, deputy chief executive and director of finance, and the director of policy and communications whose combined working weeks totalled to the equivalent of 2.9 full-time equivalent (FTE) employees. Their employee benefits including remuneration, benefits in kind, employers pension costs and employers National Insurance total £592,000 for 2024/25 (2023/24 chief executive, deputy chief executive and director of finance, director of policy and communications, 2.9 FTE and total cost £571,000).

e) Pensions

As detailed in Pensions accounting policies note 1 there are currently three pension schemes operating.

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

5 Staff costs and trustees' remuneration (continued)

f) Trustees

Trustees give their services voluntarily and receive no remuneration or benefits in kind for the performance of their duties as a Trustee. Trustees' fees for other services and out of pocket expenses paid direct or to third parties that were reimbursed by the association are:

2023/24 £000	Type of expense	2024/25 £000
-	Subsistence	-
-	Travel	1
1	Accommodation	1
-	Training	-
1		2

6 Property and operating lease commitments

The total future minimum commitments payable in respect of property and operating leases shown below are analysed according to the expiry of the leases.

2023/24			2024/25	
Association £000	Consolidation £000		Association £000	Consolidation £000
80	80	One year or less	36	36
31	31	Two to five years	22	22
-	-	Over 5 years	-	-

Property and operating lease costs shown within the statements of financial activities within support costs were £90,000 in 2024/25 (2023/24 £90,000) for association and £90,000 in 2024/25 (2023/24 £90,000) for the consolidated group.

7a) Tangible fixed assets

Tangible fixed assets held in the HFMA Group consolidated accounts are below:

	Freehold £000	Long leasehold £000	Leasehold improvements £000	Equipment £000	Total £000
Cost as at 1 July 2024	1,174	2,030	1,345	388	4,937
Additions	2	-	-	50	52
Cost of assets written off	-	-	-	-	-
Cost as at 30 June 2025	1,176	2,030	1,345	438	4,989
Cumulative depreciation as at 1 July 2024	56	29	271	154	510
Depreciation charge for the year	35	-	27	36	98
Depreciation on assets written off	-	-	-	-	-
Cumulative depreciation as at 30 June 2025	91	29	298	190	608
Net book value as at 1 July 2024	1,118	2,001	1,074	234	4,427
Net book value as at 30 June 2025	1,085	2,001	1,047	248	4,381

A charge is held over the property in London, 110 Rochester Row.

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

7a) Tangible fixed assets (continued)

Tangible fixed assets held in the HFMA Company accounts are below:

	Freehold	Long leasehold	Leasehold improvements	Equipment	Total
	£000	£000	£000	£000	£000
Cost as at 1 July 2024	1,174	2,030	1,345	84	4,633
Additions	2	-	-	8	10
Cost of assets written off	-	-	-	-	-
Cost as at 30 June 2025	1,176	2,030	1,345	92	4,643
Cumulative depreciation as at 1 July 2024	56	29	270	57	412
Depreciation charge for the year	35	-	27	8	70
Depreciation on assets written off	-	-	-	-	-
Cumulative depreciation as at 30 June 2025	91	29	297	65	482
Net book value as at 1 July 2024	1,118	2,001	1,075	27	4,221
Net book value as at 30 June 2025	1,085	2,001	1,048	27	4,161

7b) Intangible fixed assets

Intangible fixed assets held in the HFMA Group consolidated accounts are below:

	Software	Total
	£000	£000
Cost as at 1 July 2024	746	746
Additions	65	65
Cost of assets written off	-	-
Cost as at 30 June 2025	811	811
Cumulative amortisation as at 1 July 2024	146	146
Amortisation charge for the year	132	132
Amortisation of assets written off	-	-
Cumulative amortisation as at 30 June 2025	278	278
Net book value as at 1 July 2024	600	600
Net book value as at 30 June 2025	533	533

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

7b) Intangible fixed assets (continued)

Intangible fixed assets held in the HFMA Company accounts are below:

	Software	Total
	£000	£000
Cost as at 1 July 2024	726	726
Additions	65	65
Cost as at 30 June 2025	791	791
Cumulative amortisation as at 1 July 2024	126	126
Amortisation charge for the year	132	132
Cumulative amortisation as at 30 June 2025	258	258
Net book value as at 1 July 2024	600	600
Net book value as at 30 June 2025	533	533

7c) Investments

All investments are owned by the HFMA and therefore the figures below are for both the Charity and group accounts.

	Market value as at 30 June 2024	Disposal	Market value as at 30 June 2025	Gain in year
	£000	£000	£000	£000
CCLA Funds	1,228	-	1,180	(48)
Barclays Funds	893	-	897	4
Total	2,121	-	2,077	(44)

The loss in the year was all unrealised.

The unrealised loss of £12,000 shown in the SOFA includes £32,000 relating to gains on monies held in a Canada Life Sterling Fund.

8 Debtors

as at 30 June 2024			as at 30 June 2025		
Association	Consolidation		Association	Consolidation	
£000	£000		£000	£000	
1,187	3,357	General debtors	704	2,476	
29	-	Amounts due from group companies	22	-	
263	462	Prepayments & accrued income	235	492	
1,479	3,819		961	2,968	

9 Cash at bank and in hand

The bank and cash accounts held are as follows:

as at 30 June 2024			as at 30 June 2025		
Association	Consolidation		Association	Consolidation	
£000	£000		£000	£000	
194	449	Current accounts	271	482	
2,152	2,152	Deposit accounts	2,206	2,206	
2,346	2,601	Total cash balance	2,477	2,688	

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

10 Creditors: amounts falling due within one year

as at 30 June 2024			as at 30 June 2025		
Association	Consolidation		Association	Consolidation	
£000	£000		£000	£000	
514	735	Trade creditors	271	503	
2,924	-	Amounts due to group companies	3,063	-	
99	99	Social security creditors	97	97	
54	54	Pension creditors	3	3	
-	106	Other creditors	15	121	
656	1,105	Accruals	370	896	
1,478	4,989	Deferred income	1,358	4,696	
5,725	7,088		5,177	6,316	

Deferred income as at 30 June 2025 consists of the income for events and service delivery that takes place in the next financial year.

Movements on deferred income for events and service delivery that takes place in the next financial year was as follows:

2023/24			2024/25		
Association	Consolidation		Association	Consolidation	
£000	£000		£000	£000	
1,641	5,549	Deferred Income falling due within one year as at 1 July	1,478	4,989	
(1,641)	(5,549)	Released during year	(1,478)	(4,989)	
1,478	4,989	Additional Deferred Income for year	1,358	4,696	
1,478	4,989	Deferred Income falling due within one year carried forward as at 30 June	1,358	4,696	

11 Creditors: amounts falling due after more than one year

as at 30 June 2024			as at 30 June 2025		
Association	Consolidation		Association	Consolidation	
£000	£000		£000	£000	
11	1,449	Deferred Income	-	1,299	
11	1,449		-	1,299	

Deferred Income as at 30 June 2025 consists of the income for events and service delivery that takes place in more than one year.

Movements on deferred income that relates to income for events and service delivery that takes place in more than one year were as follows:

2023/24			2024/25		
Association	Consolidation		Association	Consolidation	
£000	£000		£000	£000	
8	1,174	Deferred Income falling due after more than one year as at 1 July	11	1,449	
(8)	(556)	Released during year	(11)	(755)	
11	831	Additional Deferred Income for year	--	605	
11	1,449	Deferred Income falling due after more than one year carried forward as at 30 June	-	1,299	

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

12 Financial instruments

The carrying amount of the Group's financial instruments were:

Financial assets

as at 30 June 2024			as at 30 June 2025		
Association	Consolidation		Association	Consolidation	
£000	£000		£000	£000	
1,187	3,357	General debtors	704	2,476	
29	-	Amounts due from group companies	22	-	
167	283	Accrued income	167	356	

13 Analysis of net assets of branches

The branches are part of the association and run local training and education events for the benefit of branch members. Net assets held by the branches were:

Net assets at 30th June 2024	Branch	Net assets at 30th June 2025
£000		£000
28	East Midlands	36
25	Eastern	26
27	Kent, Sussex and Surrey	17
46	London	61
31	North-West	16
100	Northern	106
46	Northern Ireland	46
22	Scotland	25
82	South-West	72
7	South Central	12
61	Wales	62
146	West Midlands	117
37	Yorkshire and Humber	48
658		643

The overall loss for the branches for the year was £15,000 (2024 a surplus of £9,000).

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

14 Reconciliation of net expenditure to net cash flow from operating activities

Year to 30th June 2024 £000		Year to 30th June 2025 £000
371	Net income for the year:	1
119	Depreciation and amortisation	229
-	Realised loss/(gain) on sale of investment	(14)
(177)	Unrealised gain on investment	44
(6)	Unrealised loss/(gain) on money market	(33)
-	Loss on assets written off	-
(122)	Interest and dividends receivable	(104)
186	EBITDA	123
482	(Increase)/decrease in debtors	851
(586)	Increase/(decrease) in creditors	(921)
82	Net cash inflow/(outflow) from operating activities	53

15 Related party transactions

The association holds the entire issued share capital of 1 x £1 Ordinary Shares in HFMA Ltd, a private limited company incorporated in England and Wales (see note 17a). This represents the entire voting capital of HFMA Ltd. HFMA Ltd undertakes to remit all profits from HFMA Ltd to the HFMA under the gift aid scheme.

Transactions with wholly owned group companies are detailed in notes 8, 10 and 16.

The HFMA charges a percentage of its staff and overhead costs to HFMA Ltd based on the proportion of staff and management activity committed to the Company. The amount recharged in the year was £1,201,000 (2023/24 £1,235,000).

In order to facilitate a bank account pooling arrangement there is an unlimited Inter Company Composite Guarantee in respect of the bank accounts of HFMA, HFMA Ltd and HCS Ltd by which each company guarantees the liabilities of the other group members to National Westminster Bank Plc.

Most of the Charity Trustees are NHS senior managers whose organisations purchase services from the HFMA and its subsidiaries in the normal course of activities.

16 Subsidiaries

a) HFMA Ltd

The principal activities of the company are providing marketing services, arranging sponsorship and advertising, running a conference centre and running general and tailored events for the healthcare community. The Financial Statements of HFMA Ltd for the year to 30 June 2025, as consolidated into the accounts for the HFMA, were:

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

16 Subsidiaries (continued)

Profit and loss account

Year to 30 June 2024 £000		Year to 30 June 2025 £000
5,528	Turnover	5,330
(1,294)	Cost of sales	(1,588)
4,234	Gross profit	3,742
95	Interest received	100
4,329		3,842
(2,189)	Administration	(1,740)
(1,235)	Association recharge	(1,201)
905	Net result	901

Balance sheet

As at 30 June 2024 £000		As at 30 June 2025 £000
206	Fixed assets	220
5,555	Current assets	5,305
(4,323)	Creditors: Amounts falling due within one year	(4,226)
1,438	Total assets less current liabilities	1,299
(1,438)	Creditors: Amounts falling due after more than one year	(1,299)
-	Net assets	-

The turnover in HFMA Limited totalled £5,330,000 (2024 £5,528,000) for the year of which **£56,000** (2024 £62,000) related to activities performed for the HFMA which is removed on consolidation. Therefore, in the consolidated accounts turnover relating to HFMA Limited is shown as £5,284,000 (2024 £5,466,000).

b) HFMA Commercial Services Ltd (HCS Ltd) Company number 6384842

The principal activity of the company was providing consultancy services to the healthcare industry. There was no trading in this subsidiary in the year to 30 June 2025 or 30 June 2024. The Financial Statements of HCS Ltd for the year to 30 June 2025, as consolidated into the accounts of the HFMA had **£nil** net assets (30 June 2024 £nil).

17 Statement of funds

Trading funds are the funds held in the subsidiary companies, all other funds are held by the Charity HFMA.

Unrestricted funds	at 1 July 2024	Surplus/ (Deficit)	Transfers	Unrecognised gains/(losses)	at 30 June 2025
	£000	£000	£000	£000	£000
General funds					
Trading funds	-	901	(901)	-	-
General fund	4,333	(875)	902	(10)	4,350
Designated funds					
Branch fund	658	(13)	-	(2)	643
Bursary fund	40	-	(1)	-	39
Consolidated	5,031	13	-	(12)	5,032

The transfers between funds relate to the total Gift Aid to the association centre from the trading subsidiaries.

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

18 Analysis of net assets between funds

HFMA Group

Analysis of net assets between funds as at 30 June 2025

	General fund	Branch fund	Bursary fund	Total funds
	£000	£000	£000	£000
Fixed assets	6,897	94	-	6,991
Cash at bank and in hand	2,636	13	39	2,688
Other current assets	1,579	1,389	-	2,968
Current liabilities	(5,463)	(853)	-	(6,316)
Liabilities due after more than 1 year	(1,299)	-	-	(1,299)
	4,350	643	39	5,032

Analysis of net assets between funds as at 30 June 2024

	General fund	Branch fund	Bursary fund	Total funds
	£000	£000	£000	£000
Fixed and intangible assets	7,052	96	-	7,148
Cash at bank and in hand	2,548	13	40	2,601
Other current assets	2,291	1,528	-	3,819
Current liabilities	(6,109)	(979)	-	(7,088)
Liabilities due after more than 1 year	(1,449)	-	-	(1,449)
	4,333	658	40	5,031

HFMA Company

Analysis of net assets between funds as at 30 June 2025

	General fund	Branch fund	Bursary fund	Total funds
	£000	£000	£000	£000
Fixed and intangible assets	6,677	94	-	6,771
Cash at bank and in hand	2,425	13	39	2,477
Other current assets	(428)	1,389	-	961
Current liabilities	(4,324)	(853)	-	(5,177)
Liabilities due after more than 1 year	-	-	-	-
	4,350	643	39	5,032

Notes forming part of the financial statements for the year ended 30 June 2025 (continued)

Analysis of net assets between funds as at 30 June 2024

	General fund	Branch fund	Bursary fund	Total funds
	£000	£000	£000	£000
Fixed and intangible assets	6,846	96	-	6,942
Cash at bank and in hand	2,293	13	40	2,346
Other current assets	(49)	1,528	-	1,479
Current liabilities	(4,746)	(979)	-	(5,725)
Liabilities due after more than 1 year	(11)	-	-	(11)
	4,333	658	40	5,031

19 Capital commitments

At 30 June 2025, there were £nil (30 June 2024 £17,000) capital commitments for activities contracted for but not provided in the financial statements.

Independent auditor's report to the trustees and members of the Healthcare Financial Management Association

Opinion

We have audited the financial statements of Healthcare Financial Management Association (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 30 June 2025 which comprise Group and Parent Charitable Company Statement of Financial Activities, the Group and Parent Charitable Company Statements of Financial Position, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 June 2025; and of the group's and the parent charitable company's incoming resources and application of resources, including their 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 Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 group and parent 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 group's or 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

Independent auditor's report to the trustees and members of the Healthcare Financial Management Association

- the information given in the directors' report and the strategic report, prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and the strategic report, included within the trustees' annual report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report, included within the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- sufficient, adequate and proper accounting records have not been kept by the parent charitable company, 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 8 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 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 parent 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.

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

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

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

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

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

Independent auditor's report to the trustees and members of the Healthcare Financial Management Association

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

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, the parent charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The group audit engagement team identified the risk of management override of controls and the existence and valuation of certain revenue streams as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and performing substantive test of details over a sample of income transactions.

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

Use of our report

This report is made exclusively to the 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, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. Our audit work has been undertaken so that we might state to the members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Kerry Gallagher

KERRY GALLAGHER (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Second Floor

1 The Square

Temple Quay

Bristol

BS1 6DG

Date 06/11/25

RSM UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006