

PEOPLE'S HEALTH TRUST

England & Wales · Charity number 1125537

Details

Other names	PROJECT HEALTH TRUST
Status	Registered
Legal form	Charitable company
Company number	06492606
Registered	2008-08-15
Register	View on the Charity Commission register

Contact

Address	c/o Sayer Vincent Llp 110 Golden Lane London EC1Y 0TG
Phone	020 4548 0939
Email	enquiries@peopleshealthtrust.org.uk
Website	www.peopleshealthtrust.org.uk

Activities

Objects: THE OBJECT OF THE CHARITY IS THE PROMOTION OF HEALTH FOR THE PUBLIC BENEFIT BY INCREASING AND SUPPORTING SUSTAINABLE HEALTH EQUALITY IN AND FOR DISADVANTAGED COMMUNITIES AND GROUPS ACROSS ENGLAND, SCOTLAND AND WALES.

Activities: The charity make grants to charities and community groups within defined and published geographical areas across England, Scotland and Wales for the purpose of supporting greater health equity. The core principles behind our actions are that where a person lives should not unfairly reduce the length of that person's life, or the quality of their health.

Classification

- **How:** Makes Grants To Organisations
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£1,347,995	£1,947,373	£6,878,589	14
2024-09-30	£3,483,082	£2,714,504	£7,412,101	21
2023-09-30	£3,691,049	£6,086,409	£6,341,595	24
2022-09-30	£4,702,709	£5,918,905	£8,738,319	24
2021-09-30	£5,753,199	£4,833,908	£10,195,835	24
2020-09-30	£5,924,673	£5,204,394	£8,932,685	23

Trustees

Name	Role	Appointed
JENNIFER EDWARDS	Chair	2021-04-28
Andrew Richard Bickerdike		2024-04-03
Jolynne Maria Bernadette De Souza		2024-11-13
Leandra Ebony Box		2020-06-19
Martin Hugh Fraser Anderson		2025-01-16
Ranjeet Singh Kaile		2024-04-03
SHELAGH KIRKLAND		2023-10-29

PEOPLE'S HEALTH TRUST

England & Wales - Charity number 1125537

Accounts

Company number: 6492606

Charity number: 1125537 (England & Wales)

SC039848 (Scotland)

People's Health Trust

Report and financial statements

For the year ended 30 September 2025

People's Health Trust

Contents

For the year ended 30 September 2025

Reference and administrative information	1
Trustees' annual report	3
Independent auditor's report	24
Statement of financial activities (incorporating an income and expenditure account)	28
Balance sheet	29
Statement of cash flows	30
Notes to the financial statements	31

People's Health Trust

Reference and administrative information

For the year ended 30 September 2025

Company number	6492606
Country of incorporation	United Kingdom
Charity number	1125537 (England and Wales) SC039848 (Scotland)
Registered office	c/o Sayer Vincent LLP 110 Golden Lane LONDON EC1Y 0TG
Operational address	19-21 Garden Walk London EC2A 3EQ

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Jenny Edwards CBE (Chair)
Jacqueline Lodge (Deputy Chair) (resigned 22 November 2024)
Martin Anderson (appointed 16 January 2025)
Paul Ballantyne (Scotland) (resigned 19 May 2026)
Leandra Box (Vice Chair from 27 January 2025)
Andrew Bickerdike
Professor Elizabeth Dowler (resigned 19 May 2026)
Jolynne De Souza (appointed 13 November 2024)
Ranjeet Kaile
Shelagh Kirkland ACA
Rory MacLean (resigned 30 July 2025)
Nicola McCallum (Scotland) (resigned 19 January 2025)
Thomas McIlravey (resigned 20 November 2024)
Shavannah Taj (Wales) (resigned 5 February 2026)

Key management personnel John Hume, Chief Executive Officer
Max Rutherford, Director of Programmes and Influencing (Deputy CEO)
Nicola Brian, Director of Engagement (to 25 May 2025)
Elaine Battson FCCA, Director of Finance

Bankers National Westminster Bank plc
Charities and Education Team
Commercial and Corporate Banking
1st Floor
440 Strand
London
WC2R 0QS

People's Health Trust

Reference and administrative information

For the year ended 30 September 2025

Solicitors Bates Wells LLP
 10 Queen Street Place
 London
 EC4R 1BE

Auditor Sayer Vincent LLP
 Chartered Accountants and Statutory Auditor
 110 Golden Lane
 LONDON
 EC1Y 0TG

The Trustees present their report and the audited financial statements for the year ended 30 September 2025.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Introduction

For over a century we saw increasing life expectancy and healthy life expectancy. However, over the past decade both have declined. Across all groups of people in Great Britain we have seen life expectancy falling. This is even more pronounced for people who experience the sharpest socio-economic disadvantage.

The scale of the issue represents a significant challenge for People's Health Trust as we balance immediate community needs with the need to work upstream, to understand the real causes of poor health and early death and address the systemic issues which contribute.

As we noted in last year's report, our funding relationship with our long-standing partners via The Health Lottery scheme, came to an end in January 2025. The Trust had already developed a three-year income diversification plan which we then fully activated. The change in regular income meant Trustees considered options for the direction of the Trust. They concluded that the Trust's reserves are strong, it has an excellent reputation based on 14 years' experience of supporting health at a community and neighbourhood level and that the need to tackle health inequalities at a community level is greater than ever. Trustees and the leadership team agreed a robust plan for developing new partnerships, boosting Trust income at the same time as delivering its mission and charitable objects. At the time of writing, the income and partnership targets set in this plan have been exceeded by some margin. Expenditure (excluding grants and associated research and evaluation costs) was reduced by 16.3% year-on-year through restructuring and a move to shared offices.

Work with our network of over 600 communities with lived experience of health inequalities has continued. This has included, in addition to grant programmes, events focused on winter fuel, impact of racist riots, discrimination, nature and health, and advice and health. We also held events with our partners focused on our developing work for young people with mental health problems. The networks remain a source of invaluable and often prescient information - giving the Trust an early warning system on what are the emerging health priorities in communities.

It is through our lived experience network that we have developed our new programme of work on men's health. This has now become a major strand of the Trust's work, including a national partnership with the Department of Health and Social Care and Movember. Additionally, we are building partnerships around this programme with corporate partners, looking at men's health in the workplace. This remains a major focus for the Trust moving into 2026.

We continue to deliver our objective to add to the evidence base around what works at a community and neighbourhood level to reduce health inequalities. Included within this is our partnership with the [NIHR's School for Public Health Research's VoYSES programme](#). This provides the Trust with the evaluations of two of our major grant programmes: [Good Work for Young People's Mental Health](#) and [Discrimination and Health](#). Both programmes present critical opportunities to look at the effects of work or discrimination on mental and physical health, with the potential to develop applied models for improvement. We continue to work with Government and voluntary and community sector partners on the findings, with a view to encouraging wider roll out.

The Trust continues to build on its reputation as a funder who prioritises people and communities experiencing high levels of disadvantage and marginalisation, through the development of equity-led programmes such as Good Work for Young People's Mental Health and Discrimination and Health. It has now completed the first phase of the Equity, Diversity and Inclusion (EDI) framework for grant making, which it will shortly publish (please see page 11, under Objective 4 for more detail).

The Trustees are grateful to staff past and present for their enormous efforts and commitment during what was a challenging year of change. Throughout all the changes we remain deeply committed to working with marginalised communities, in their right to be heard and their right to lead healthy and fulfilling lives.

Jenny Edwards CBE, Chair of Trustees and John Hume, Chief Executive Officer

Objectives and activities

Purposes and aims

The object of the charitable company is the promotion of health for public benefit, by increasing and supporting sustainable health equality in and for disadvantaged communities and groups across England, Scotland and Wales.

The Trust undertakes this work because of its ambition to take action on the causes of ill-health and shortened lives for some of the most marginalised people in England, Scotland and Wales.

The Trust aims to achieve this ambition by:

- listening to and supporting marginalised groups to speak out about their experience of health inequalities;
- building evidence and practice around what works to address health inequalities;
- speaking clearly and boldly on the avoidable inequalities in health faced by marginalised people;
- developing as a diverse, equitable and inclusive organisation and funder.

This report looks at the charity's achievements and the outcomes of its work in the reporting period, the third year of the Trust's Strategic Plan for 2022-25. The Trustees report the progress of each key activity and the benefits the charity has brought to people that it supports.

The Trustees conduct a major review of the strategic aims, objectives and activities of the charity every three years. Due to the changes in income and staffing in 2024/25 the Trustees agreed to extend the existing strategy by a further year into 2025/26. A new strategy is being developed to take effect from October 2026.

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

Achievements and performance

2024/25 represented year three of the Trust's strategic plan. During the year, the plan was extended for a further year (to end of September 2026).

The plan comprises four strategic objectives, supported by one enabler objective.

Objective 1: We will listen to and support marginalised groups to speak out about their experience of health inequalities.

By 2025 we will:

- have strong, vibrant networks to help identify practical ways of working that people experiencing health inequalities can use to address the unjust social and economic inequalities they face
- have developed and delivered our funding programmes to better meet the Trust's and organisations' needs and ambitions
- be able to demonstrate that funded partners and their participants will be enabled to speak out and shape local/regions and national decisions on health

Networks remain a unique aspect of the Trust's work. They provide the opportunity for deep engagement in communities most affected by health inequalities. They result in improved intelligence, practice and programmes.

2024-25 was a successful year for the Trust in developing its networks for the first time to include 'alumni' partners who have been previously funded (since 2020), thereby reaching 600 active community organisations across Great Britain.

There was good interest from both current and recently funded partners for the Trust's offer to engage in programme development, policy, research and campaigning activities.

Networks at a glance: 2024/25 in numbers:

- 12 network events, including on proposed changes to Winter Fuel Payments (which informed our research report), the NHS 10-year plan for England consultation (informed our submission), Standing Together engagement (part of our research, and subsequently to share findings), and sessions to inform our response to the government's Men's Health Strategy consultation
- in addition, we held bespoke network sessions for all Health Justice Fund priorities (Discrimination and Health, Nature for Health, Advice for Health, Discrimination, and Homes for Health). These supported practice and connections
- we held two sessions for our partners in our Good Work for Young People's Mental Health priority, centred on training on the Individual Placement and Support (IPS) standard, which all are implementing in their local delivery teams
- attendance from 'alumni' was significant, with around half of attendees across the events drawn from previously funded partner organisations

The Trust's **capacity building** offer remains popular and is often cited in end of funding reports as a valued addition to the grant funding. The Trust provided a substantial package of support this year, both to current funded partners, some of which was tailored to specific programmes, and for the first time to alumni funded since 2020, who made up 40% of attendees across 8 sessions. These included sessions on communications and branding and data storytelling for charities; and bespoke courses on safeguarding, including higher level courses such as Designated Safeguarding Lead training and Safeguarding for Trustees.

Developing programmes: The Trust has continued to develop programmes which address the most harmful causes of poor health and early death. Since its inception in 2011, the Trust's funds have reached 685,859 people through 3,905 grants to community organisations across Great Britain.

During the year, the Trust raised money through three community interest companies (CICs) which operated society lotteries through The Health Lottery. Each CIC is focused on two specific communities of geographical interest and the Trust's grant making is aligned to this. Our grant making has focused on:

- Neighbourhoods experiencing the sharpest inequality (based on indices of deprivation);
- People who have a shared identity and who, as a result, experience poverty, discrimination and have worse health.

The [Health Justice Fund](#) is the Trust's main funding programme, allowing for agile, policy relevant and targeted funding focused on the core objectives with the greatest potential impact on health. This led to the following priorities this year:

- **Homes for Health** pilot aims to support private and social tenants to take collective action to influence housing policy and practices, with the aim that this improves their health through improved housing conditions. Through this programme, 10 grants were awarded to organisations across Great Britain alongside capacity building, evaluation, an advisory group and an integrated campaign where partners are influencing local health systems and organisations with the power to change policy and practice. [Find out more.](#)
- **Nature for Health** works to improve access to natural spaces and nature-based activities to improve mental health for people experiencing socio-economic disadvantage, marginalisation and discrimination. There is a mental health crisis in Great Britain, made worse by lack of access to natural spaces. Through this priority, 16 local organisations across England and Scotland received two-year grants. [Find out more.](#)
- **Advice for Health** aims to support people who are experiencing financial and social disadvantage, marginalisation and discrimination and are not able to access advice services because they feel overwhelmed. By supporting people to feel less overwhelmed and to access advice, the funding aims to see improvements in people's mental and/or physical health. Through this priority, the Trust awarded grants to a cohort of five expert local organisations. [Find out more.](#)
- **Discrimination and Health** is helping local people who experience discrimination - including racism, homophobia and transphobia, ableism, misogyny, and ageism - to take action and secure positive change that benefits their health. Through this priority, six organisations received grants to enable them to work in six towns and cities in England, supporting local people to share their experiences of discrimination and developing an action plan for tackling it. This work is being evaluated by the National Institute for Health Research's (NIHR) School for Public Health Research, meaning the Trust can provide data-driven reports to demonstrate the impact of the funds. [Find out more.](#)
- **Good Work for Young People's Mental Health** is supporting young people experiencing mental health problems to remove some of the barriers they face and support them to secure meaningful employment opportunities. This is a pioneering approach aiming to break the cycle of poor mental health and unemployment for young people. Through this priority, grants were awarded to three trusted, expert mental health charities that are embedding specialist employment support (known as Individual Placement and Support) into their practice, creating new pathways to good work. This work is also being evaluated by the National Institute's for Health Research's (NIHR) School for Public Health Research. [Find out more.](#)

Active Communities has been a major funding programme for community groups, not-for-profit organisations and local people wanting to create fairer places to grow, live, work and age. Through Active Communities over the last decade, the Trust has supported thousands of small and local projects, designed and run by local people across England, Scotland and Wales. Participants have come up with their own locally determined ideas in order to strengthen social connections and encourage greater collective control. Participants have taken the lead and taken action to address issues that are important to them and their health and wellbeing. During the year, the Trust supported over 200 projects that have already been awarded funding. The Trust continues to support existing funded partners and will supporting specific communities in London in 2026.

Grant Programme Expenditure

During 2024/25 the Trust awarded grants and incurred associated research and evaluation costs totalling £574,916 (2024 - £1,073,371) across its main funding programmes.

Programme	2024/25 Total £	2023/24 Total £
Active Communities	(52,668)	143,459
Health Justice Fund	554,339	739,187
Local Conversations	0	(44,791)
Living Wage	0	49,997
Capacity Building	11,021	41,156
Sub total expenditure - grant awards	512,692	929,008
Research and evaluation grants	0	61,680
Total grant expenditure	512,692	990,688
Research and evaluation contracts	62,224	82,683
Total value of grant programme expenditure	574,916	1,073,371

During the financial year 2024/25, the Trust made 15 grants (2024 - 37) across all of its programmes which benefitted approximately 1,046 local people (2024 - 4,821). Since it started awarding grants in 2011, and up to 30 September 2025, the Trust had made 3,905 (2024 - 3,890) grants which have benefitted over 685,859 local people (2024 - 684,813). Details of the range of projects funded can be found on the website at www.peopleshealthtrust.org.uk, on [360 Giving](#). Each Board meeting receives an update on all programmes.

The two main programmes were in operation during the year: Active Communities programme (paused for new funding in spring 2024) and the Health Justice Fund.

- Until the Active Communities programme closed, the Trust provided organisations with funding of between £5,000 and £40,000 for up to two years. In this year £(52,668) was refunded back to the Trust (2024 - £143,459 committed).
- Under the Health Justice Fund, funding of between £20,000 and £100,000 was provided for up to two years. £554,339 was committed through this programme during the year (2024 - £739,187).

93% (2024 - 91%) of the respondents of the Trust's 2025 annual stakeholder survey reported that they found the Trust's application process easy to some or a large extent, 97% (2024 - 93.5%) felt that the Trust's reporting requirements were proportionate to some or a large extent, and 93% (2024 - 93.5%) felt that an appropriate level of support is offered on grant management.

Objective 2: We will build evidence and practice around what works to address health inequalities.

By 2025 we will:

- have found evidence gaps and added to the evidence base around what works in addressing health inequalities for those who are most marginalised
- have had direct impact on local practice around the real causes of ill-health/early death
- have become a convenor and contributor of good evidence and practice in England, Scotland and Wales

The Trust's role is that of a funder, a connector of communities to other donors and funders, and as a convenor of evidence into practice. Over the course of the last 12 months, the Trust has:

- Co-delivered a major research partnership with NIHR School for Public Health Research Voluntary Sector Evaluation Scheme (VoySES) programme to evaluate both the Good Work for Young People's Mental Health and the Discrimination and Health priorities. The in-kind value of the partnership is £750,000 and is not included in the financial statements.
- Oversaw external evaluation by Ecorys for Homes for Health - publication in spring 2026 (total value over three financial years from 2023/24 of £160,000).
- Completed a crucial longitudinal evaluation associated with Active Communities, Local Conversations via Social Life, [published](#) in spring 2025.
- Match-funded specific research projects, such as the Kings College London research on debt and temporary accommodation ([find out more here](#)).
- Convened discussion spaces with networks of funded partners resulting in evidence created by the Trust, including:
 - [Responding](#) to the Government's consultation on the 10-year plan for the future of the NHS in England
 - Research and campaign to highlight the harm arising from the changes to the Winter Fuel Payment, which were subsequently reversed (['How to Survive the Winter?'](#)). The campaign secured front page coverage in a national newspaper and widespread media coverage.
 - Research project funded by the Kurt and Magda Stern Foundation on the health impacts of the racist riots in 2024 (['Standing Together'](#)), which led to substantial national and local media coverage
 - Responding to the government's consultation on its first ever men's health strategy, and a subsequent report based on community and business views (['Men's Health: Everybody's Business'](#)) (see objective 3 below).

Objective 3: We will speak clearly and boldly on the avoidable inequalities in health faced by marginalised people.

By 2025 we will:

- have seen an increase in engagement with policy makers, funders and practitioners to improve understanding of the social and economic determinants of health
- have seen increased action for marginalised people on the social determinants from local, regional and national governments, funders and practitioners

One of the Trust's core aims is to work alongside the communities whose health is most compromised and influence policy makers and other funders to be aware and to take action. The year has been successful, with significant activity taking place.

The Trust convened lived experience groups on key policy priorities, and for a range of other organisations including:

- Roundtables on the topics of men's health, the future of the NHS, and the health impacts of racist violence
- Health Equals - supporting its national [clean air](#) and [housing](#) campaigns with a series of storytellers which helped secure national and regional media coverage
- Providing the Health Equals Campaign Advisory Group, with members drawn from our network of grassroots partner organisations

The Trust also published several pieces of evidence and submitted this to government:

- [published analysis](#) of the sharp rise in the gap in life expectancy and healthy life expectancy between the poorest and most affluent places in the UK.
- [response](#) to the autumn 2024 budget, which resulted in the invitation to send further briefing to the Treasury about this.
- evidence to the House of Commons Communities and Local Government Committee enquiry on housing conditions in England, which was subsequently [published](#).
- evidence to the House of Commons Health and Social Care Committee enquiry on healthy ageing.

The Trust continued its support for wider sector interests including the Independent Commission on Neighbourhoods through its membership of the Funders' Group; living wages through its work on the advisory board of the Living Wage Foundation and work on left behind neighbourhoods through its work on the Community Wealth Fund and the Left Behind Neighbourhoods All-Party Parliamentary Group (APPG).

Men's Health

On average, men from disadvantaged communities are dying too young and spending up to 20 years of their lives in poor health because services and systems are not fully meeting their needs. Men are disproportionately affected by cancer, cardiovascular disease, type 2 diabetes and suicide - yet are less likely to ask for, or accept, help than women. [Men born in England's most deprived areas](#) can expect to die

nearly 11 years earlier than men born in wealthy areas. Worse still, they will spend almost 15 years of their lives in poor health.

During the year, the government consulted on its first ever [Men's Health Strategy](#). To support this vital piece of work, the Trust interviewed community partners from its national network that specialise in men's health to develop an [evidence-based report](#) that led to a valuable conversation with global employers such as Aviva, BT, Centrica, The Clancy Group, ITV, McGinley, Morrisroe and Nando's, at the Future of Men's Health event, hosted for the Trust at Leathersellers' Hall.

The discussion highlighted both the pressures facing workforces and the opportunities available for employers to create healthier, more supportive working environments. The Trust continues to work to bring government, business and communities together, and subsequently launched a [Men's Health Fund appeal](#) in late 2025.

Objective 4: We will develop as a diverse, equitable and inclusive organisation and funder.

By 2025, we will:

- have ensured that our grant-making programmes and processes have embedded an EDI approach, are actively anti-racist and anti-oppressive and seek out groups who are not known to us
- have a staff team and Board which reflects more closely the communities we serve
- have a workplace which is free from racism, discrimination and oppression

The Trust aims to be an active anti-racist and anti-oppression charity, challenging all forms of discrimination and oppression throughout the full scope of its work, and continues to deliver against the EDI Action Plan, including:

- Embedding EDI into the grant making processes, through the mapping of EDI at each stage of the programme design from agenda-setting and conception through to policy development, involvement of communities impacted, inclusion/exclusion criteria and application process. The next year will see this tested further with networks, performance data and evaluation.
- The Trust continues to be an active member of the [Funders for Race Equality](#). In the financial year 2024/25 it undertook its annual racial justice audit for the fourth time. To date, the results have shown that the Trust has increased the percentage of organisations supported that are working with communities experiencing racial injustice, to over 50% of grants awarded through the Health Justice Fund.

Board recruitment - There has been a turnover in trustees, and overall the number of trustees has decreased. Key diversity statistics for trustees in 2025 are as follows:

- Number of board members from racially minoritised communities remained the same at 4
- Age range contracted from 30 - 74 to 40 - 79
- 37.5% of trustees are from lower socio-economic backgrounds (2024 - 25%)

In the previous year, a shadow trustee role was introduced as a route to developing new trustees. In this year, there was one shadow trustee, who has since been appointed to the board.

Key diversity statistics across the staff team (noting this is against a backdrop of a 47% reduction in staffing between the dates that the surveys were undertaken):

- Staff from racially minoritised communities has reduced to 11% (2024 - 21%)
- Age range of staff: 35 to 64 (2024 - 25 to 64)
- The percentage of disabled staff has increased from 5.3% to 11%

The staff and trustee diversity surveys were completed in September 2025. Ethnicity, gender, sexual orientation, disability and socio-economic data is set out in the table below:

	FY 2024/25 All staff	FY 2023/24 All staff
	%	%
Ethnicity		
Asian - East or South	-	5.3
Asian Indian	-	5.3
Black African	11.1	10.4
White British	66.7	63.1
White English	-	5.3
White Scottish	-	5.3
White other	22.2	5.3
Gender		
Female	55.6	63.2
Male	44.4	36.8
Sexual Orientation		
Heterosexual	77.8	84.2
LGBT+	22.2	10.5
Undeclared	-	5.3
Disability		
Disabled	11.1	5.3
Not Disabled	88.9	94.7
Education level		
Up to age 18	-	10.5
Post age 18	100.0	89.5
Post age 18 - first generation	66.7	58.8
Free school meals		
No	77.8	63.2
Yes	-	10.5
Not applicable/don't know	22.2	26.3
Professional backgrounds		
Intermediate backgrounds	-	5.3
Lower socio-economic backgrounds		10.5
Undeclared	11.1	-

Enabler: Creating a strong organisation fit for the future and able to support greater health equity.

By 2025 we will have:

- improved and diversified income
- a strong people offer, including more representative team, board and panels and a clear move towards a net-zero position

The 'enabler' underpins the four strategic objectives and sets out the Trust's ambition to ensure it is a sustainable organisation with improved and diversified income, a strong people offer, a more representative team, board and panels, and a reduction in carbon emissions.

○ **Income**

The Trust's two main sources of income in the year were donations from the three CICs, which came to an end in January 2025, and investment income. Alongside this the Trust received other income in the year of £52,221 (2024 - £63,950).

2024/25 was a transitional year as the three-year Income Generation Strategy was developed, laying the foundations to diversify income in 2025/26 and subsequent years. The strategy sets out the following objectives:

- Develop mutually beneficial relationships with an aligned and engaged group of corporate supporters to grow sustainable income and strengthen the Trust's brand
- Develop strong relationships with influential and high net worth individuals
- Develop strong partnerships with trusts and foundations
- Seek and secure contract partnerships across public, private and charity sectors
- Research and develop alternative funding sources for the Trust
- Maximise income from investments
- Develop individual giving opportunities
- Deliver supporting activities and resources

In the year we:

- Maintained a strong relationship with the corporate partner and the six donor Community Interest Companies until the relationship ended in January 2025
- Undertook significant relationship building with corporate sector partners and trusts and foundations.
- Began the redevelopment of the Trust's website to appeal to a wider donor base
- Put in the place the structure to support future development work.

○ **People**

- Following the restructure in the spring of 2025, the Trust has bedded in its new staff team and brought in specialist posts to support its public affairs, research, communications and marketing and development work.
- The Trust undertakes an annual anonymous staff survey. The response rate for the survey this year was 80%. Feedback, positive and negative, is considered by the Leadership Team and an action plan devised and implemented, in discussion with the whole team.

○ **Governance**

- Four trustees resigned within the year with two appointed. This formed part of an intentional reduction in the Board size, ahead of planned end of term resignations in 2026 and the recruitment of new trustees to support the organisation's mission.
- The Board also held an away day within the year at which they agreed to continue the 2022-25 strategy for a further year to maintain a commitment to its mission, and to diversify income.

○ **Net-Zero**

The Trust continues its work as set out in the [Climate Action Statement](#) and [Plan](#). In February 2025 the Trust submitted its second annual report under the Association of Charitable Foundations' [Funder Commitment on Climate Change](#). The Trust reported that it was proud of its role in New Philanthropy Capital's (NPC) Everyone's Environment collaboration where it partnered with and funded NPC for work including a research report into the present and future impact of the climate crisis on health inequalities in the UK. The programme of work has been wide-reaching across the social sector.

○ **Information Technology**

- The Trust reviews its policies and procedures regarding IT security on regular basis to ensure current best practice in an environment that continually evolves. The Trust successfully underwent the process to renew the Cyber Essentials certification in August 2025.

○ **Safeguarding**

- The Trust has in place appropriate [safeguarding policies and procedures](#) in line with regulatory frameworks and guidance. These apply both to the Trust's funding practices and its internal operations. The Trust is an active member of the Funder Safeguarding Collaborative (FSC). Jenny Edwards (Chair of trustees) is safeguarding lead at Board level. The trustee safeguarding lead liaises with the Director of Programmes and Influencing, who is the leadership team member responsible for safeguarding matters.
- The Trust received a small number of self-reported safeguarding queries and concerns from funded partners in the year. These were responded to in accordance with the Trust's policy and did not require the Trust to separately report to regulators. Specific safeguarding training through National Council for Voluntary Organisations was also offered to all funded partners. This was popular and subsequently re-commissioned.

○ **Customer Care**

- The Trust's complaints procedures reflect good practice, both in handling complaints about the Trust and the organisations that it funds. All staff who may be involved in complaint investigations have been fully trained on the practice and procedures of complaint handling. The Trust received no complaints in the year (2024 - 0).

Financial review

Financial position

A summary of the year's results can be found on page 28 of the financial statements.

Total income in the year was £1,347,995 (2024 - £3,483,082) with income from donations totalling £934,999 (2024 - £2,987,913). The decrease is due primarily to the donations received from society lottery ticket sales coming to an end in January 2025.

The total expenditure in the year was £1,947,373 (2024 - £2,714,504) all of which related to charitable activities. Grants expended in the year, including grant commitments and research and evaluation contracts amounted to £574,916 (2024 - £1,075,081). Total expenditure included within this figure are costs of charitable activities (net of grants) of £1,063,718 (2024 - £1,298,061), support costs of £215,314 (2024 - £255,478) and governance costs of £93,425 (2024 - £85,884). Expenditure decreased in response to reduced income.

At 30 September 2025, the Trust had total funds of £6,878,589 (2024 - £7,412,101). £5,679,602 (2024 - £6,108,245) of this related to restricted funds, of which £84,803 has been allocated to specific programmes in the next financial year (2024 - £72,585) as set out in Note 17b. Restricted funds include a fund representing the total of the realised and unrealised gain in the value of investment assets since 30 September 2021. Total unrestricted funds were £1,198,987 (2024 - £1,303,856), of which £66,378 (2024 - £151,372) were designated funds. Full details of funds are included in note 17 on pages 42 to 44.

o **Income**

- **Donation income** - the Trust's principal source of income has historically been donation income received from the six CICs operating the 12 society lotteries. This ended in January 2025. The Trust is grateful to the players of The Health Lottery and to the six Community Interest Companies for the donations over the years.

Total donation income received from the society lotteries from 1 October 2011 to 22 January 2025, amounted to £133,392,707 (2024 - £132,458,788). Total donation income for the year (including from other sources) amounted to £934,999 (2024 - £2,987,913).

- **Other income** - in 2024/25 the Trust received income related to its Health Equals work and the grant received from the Kurt and Magda Stern Foundation (see under Objectives 3 and 2 on pages 10 and 9 respectively) totalling £52,221 (2024 - £63,950).
- **Investment income** - during 2024/25 totalled £360,775 (2024 - £431,219) split between interest received on cash deposits of £175,790 (2024 - £160,097) and income from investments of £184,985 (2024 - £271,122). Total income represented an effective rate over the average balances during the year of 3.29% (2024 - 4.10%) made up of 4.26% cash deposits, and 2.70% investments (2024 - 4.22% and 4.03% respectively). Investment income reduced year-on-year due to interest rates movements, changes to deposits made part way through 2024/25, and a reduction in the amount of cash and investments held. The Trustees continue to seek out

opportunities that have the potential to increase income whilst remaining in line with the agreed policy.

○ **Investment policy**

The Trust operates its investment activities in line with its current investment policy, which is intended to provide liquidity sufficient for the financing of the Trust's grants whilst maximising investment income. The policy states:

- The Trust will not make any investments where the risk of loss of capital is unacceptable to the Board.
- Cash deposits can only be made in a UK-based mainstream banking institution which has a credit rating that the Board regards as acceptable in terms of risk.
- The Trust will usually only invest in counterparties with a minimum rating of BBB+/ BAA1 or above from the three main credit rating agencies (Fitch, Moody's and Standard & Poor's).
- Investments in other asset classes will be considered where they meet the Trust's investment horizon and market risk appetite. Investment in other asset classes will be accessed through pooled funds (collective investment schemes) rather than direct investment.
- The Trust will not normally hold bank deposits with a notice period in excess of 35 days.
- The Trust will not hold investments with a counterparty that represent more than 35% of the Trust's cash investments. The Trust will invest only in accordance with its diversification policy: investing cash deposits in no less than three eligible financial institutions (a group of banks under the same ownership will be treated as one financial institution).
- The Trust will make all investments in sterling.

With respect to responsible investment:

The Trust has considered its approach and responsibilities in relation to responsible investment and has determined that investments and returns on investments must never take priority over or come into conflict with the Trust's charitable objects nor the fulfilment of operating expense obligations.

People's Health Trust believes in a world without health inequalities. We work to ensure that where people live does not unfairly reduce length of life, or quality of health. We will not knowingly invest in companies whose activities, corporate strategies or products are poorly aligned with our aims and values.

We actively seek to take account of environmental, social and governance (ESG) issues when considering our investments, and in our engagement with the fund managers who are responsible for our day-to-day investment decisions.

When appointing fund managers we will expect them to conform with our values outlined above, and require them to explain their engagement and escalation process, including how it is monitored and the timelines along which decisions are taken. Managers will likely not be selected if they cannot provide their process for dealing with unsuccessful engagements, and if these do not include triggers for escalation and are not incorporated into wider stewardship processes. We have asked our fund managers to explain, justify and provide evidence of investment intentions.

The policy was reviewed in November 2025, with no material changes being made.

Once again the Trust's investment funds performed well overall and at the end of the financial year totalled in excess of the amount initially invested. The value of unrealised and realised gain on the investment fund as at 30 September 2025 was £125,110 (2024 - £59,244). The total gain was £65,866 (2024 - £301,928). The gain is disclosed as a specific restricted fund (see Note 17) and takes account of the sale of three of the Trust's four longer term investments in the year. These investments were sold to ensure the Trust's medium-term cash draw-down requirements are met, and in the wider context of concerns over market volatility.

The Trust did not make any new investments in 2024/25.

Principal risks and uncertainties

Risk management

The Trust's approach to risk management is set out in the Risk Management Policy. This articulates the Trust's underlying approach to risk management, documents the roles and responsibilities of the Board, staff, and other key parties. The Board is responsible for the oversight of the risks faced by the Trust. The Finance, Audit and Operations Committee (FAOC) and Leadership Team also regularly (both separately and together) review the risk register, to ensure that it reflects the current operating environment and that appropriate action is being taken to manage and mitigate risk.

The trustees ensure that financial procedures and systems exist, including controls for the key area of grant making. At each Board meeting, trustees examine the risks faced by the Trust and ensure there are established effective plans and systems to manage and implement mitigating controls for those risks.

Financial risk is minimised through regular and rigorous review procedures of the Trust's activities by the Leadership Team, FAOC, and also at Board level.

Risk management processes assess risks based on their likelihood of occurrence, impact, and any mitigating controls that are in place. Each risk is allocated a pre and post mitigation score. Based on the score, risks are classified into low, medium, high, and very high risks. The high and very high risks represent the principal risks for the Trust. The process also seeks to identify any actions and resources required to manage these risks further.

The trustees have considered the principal risks and the key risks are as follows:

- **Income** - historically the Trust has been reliant on two sources of income, good causes donations from lottery ticket sales and investment income. Donations from lottery ticket sales ended in January 2025. For several years donation income was reducing, and the Trustees first designated a fund to support income diversification in 2019/20. This fund has been utilised in 2024/25 and supported the work of external consultants to implement the iterative Income Generation Plan agreed by Board in July 2025, prioritising the application of resources on those areas most closely aligned with the Trust's charitable objectives and with the greatest potential for success. Income targets have been set for 2025/26 that are considered achievable by the Trust.

- **Business continuity** - like all responsible organisations, the Trust recognises the inherent threat to business continuity, particularly in relation to cyber security. A business continuity plan is in place that outlines potential key risks alongside their management and mitigation. The Trust renewed its Cyber Essentials certification in 2025 and has specific security measures in place, including relevant insurance.

Reserves policy and going concern

Reserves policy

The reserves policy for the charitable company states that the Trust will aim to maintain general reserves of **at least 26 weeks'** running costs, which exclude grants and associated research and evaluation costs. As at 30 September 2025, the general reserves of £1,132,609 (2024 - £1,152,484) equated to 56.81 weeks' running costs (2024 - 46.48 weeks), with the minimum of 26 weeks' running costs equating to £518,330. The trustees consider the level of general reserves to be satisfactory at this point. The reserves policy is reviewed annually.

Going concern

With the cessation of donation income from the CICs and following a significant amount of partnership work, a three-year Income Generation Strategy with clear targets was agreed by the Board in 2025. By April 2026 the year 1 targets were exceeded and £2.3M of new income secured, demonstrating that the strategy is both realistic and deliverable.

The trustees consider that there is a reasonable expectation that People's Health Trust has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue operating as a going concern.

Fundraising

The Trust undertakes fundraising from members of the public on a small scale. It is registered with the Fundraising Regulator and committed to following the highest fundraising standards. In the year there have been:

- ◆ Nil failures to comply with the standard (2024 - nil)
- ◆ Nil complaints received by the charity about activities by the charity or by a person on behalf of the charity for the purpose of fund-raising (2024 - nil)

The Trust sets out to protect vulnerable people and other members of the public from unreasonable behaviour related to its fundraising by complying with the standards set by the Institute of Fundraising, managed by the Fundraising Regulator. The Trust is registered with the Information Commissioner's Office and strives to be compliant with GDPR.

Plans for the future

For 2025/26, the Trust continues with its strategy with a clear focus on:

- Working directly with people most impacted by health inequalities through its national and bespoke networks and supporting those organisations through considered priorities under the Health Justice Fund:
- Seeking to build evidence and practice around what works to address health inequalities:
- Advocating - engaging with policy makers, funders and practitioners to improve understanding and action on health inequalities and the causes of those inequalities:
- Continuing to ensure the Trust's work is equity focused and has a clear focus on diversity, inclusion, anti-racism and anti-oppression
- Creating an organisation which is fit for future purpose and can meet its charitable objects including a major focus on income diversification.

From February 2026, Trustees began developing the organisation's new strategy effective from October 2026. The strategy will take account of the changes to the restricted geographical area funds in England, effective from January 2026 (see Note 20 on page 44). At the date of this report the details of those future activities are not yet fully developed and agreed.

◆ Budgets and Income

The Trustees have agreed a budget for the 2025/26 financial year. Integral to this planning process is the Trust's three-year Income Generation Strategy, which sets out the range of opportunities to be explored in future years and the ways in which the Trust can positively leverage existing and new partnerships to further its charitable objects.

As part of the budget setting process income targets have been agreed that will both provide restricted funds for work directly with funded partners on health inequalities and also contribute to the funding of the Trust's operational costs. There is a high level of confidence that they will be achieved.

Structure, governance and management

Constitution

The Trust is a charitable company limited by guarantee (Company No 06492606), incorporated on 4 February 2008 and registered as a charity (Charity No 1125537) with the Charity Commission on 15 August 2008 and with the Office for Scottish Charity Regulator (OSCR) (Charity No SC039848) on 4 September 2008. The charitable company is governed by the Articles of Association which set out its objects, powers and its governance arrangements. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £1 each.

Trustees

Trustees may serve for three terms of three years. In exceptional circumstances they may serve a fourth additional term of up to 12 months. Trustees are re-appointed at the board meeting following the anniversary of each term. Trustees are based in various locations around England, Scotland and Wales.

All trustees, who are also company directors, are non-executive members of the Board and committees. There are clear distinctions between the roles of Trustees and of the Leadership Team to whom day-to-day management is delegated.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Within the year 2024/25, the Board held four meetings (one in person, three virtually). In addition, Board sub-groups were established to oversee the organisation's future direction and restructure following the loss of the Health Lottery income.

Board Committees

Trustees are nominated for a committee by two trustees and voted onto the committee by a simple majority vote by the Board. The chair of the committee is a trustee and is nominated by two members of the Board, supported by a candidate statement, and is voted into position by a simple majority vote of the Board.

Finance, Audit and Operations Committee (FAOC):

The FAOC reports to and advises the Board on the key areas of audit, risk, finance (including investments), performance, HR, legal and safeguarding. The Committee's terms of reference permit it to scrutinise officers' reports, make decisions on investments within agreed parameters set by the Board, meet with the auditors, offer advice to the Leadership Team and make recommendations to the Board. Membership of this Committee was, on average, six trustees (one of whom is a qualified accountant) with one co-opted external member who brought relevant investment skills and experience to the Committee. The co-opted member, Martin Anderson, became a trustee in January 2025 and his status on the Committee therefore changed at that time. The Chair of the Trust attended Committee meetings as an ex-officio member, as did the shadow trustee, who became a committee member when her status changed to a trustee in November 2024. The Committee met five times within the financial year. At the meeting when the Financial Statements are approved members of FAOC meet the auditors without any staff in attendance.

Programmes Influencing and Impact Committee (PIIC):

The PIIC acts on behalf of the Board to provide advice and strategic oversight regarding the Trust's policy, research (including learning and evaluation), networks, advocacy and communications work to the Leadership Team. It provides a level of support and scrutiny to ensure that the Trust's work in research, policy and advocacy is strategic, progressing and impactful. The Committee's average membership was seven trustees (one of whom chairs the Committee), there was no co-opted member. The Chair of the Trust attends the Committee meetings as an ex-officio member. Four meetings were held in the year.

Appointment of trustees

The Trust actively considers EDI in its recruitment process for Board members. Appointment is to positions where specific skills and/or experience is required. It is conducted through an open and competitive process unless there is a business case not to, i.e. recruitment has been unsuccessful. This is by exception and not the normal practice of the Trust.

Trustee induction and training

New trustees are partnered with an existing Board member to support their induction into the organisation. They will also meet with the Leadership Team to discuss their statutory responsibilities, their role within the Board, the governance framework, the strategic objectives of the Trust and how the Board works.

The performance of the Board is periodically assessed through trustee meetings with the Chair or Vice Chair. Through this process, trustee development is regularly reviewed and determines developmental objectives.

Related parties and relationships with other organisations

The Trust's key relationship in the year, up to January 2025, was with the three Community Interest Companies (CICs) which each run a society lottery under the marketing name of The Health Lottery. The CICs donated money for good causes arising from their lotteries to the Trust.

Remuneration policy for key management personnel

Key management personnel included the Leadership Team comprising the Chief Executive, four team directors (three from May 2025) and the Board of trustees. Trustees are not remunerated for their role as board members.

The Trust's policy on remuneration is to ensure that pay offered to the Leadership Team is competitive when compared to other charity sector organisations (particularly funding organisations), geography, role and responsibility.

All Leadership Team salaries are reviewed by the Finance, Audit and Operations Committee (FAOC), which makes recommendations to the Board for approval. Any cost-of-living pay packages are recommended by the FAOC for Board agreement. The salaries are proposed and recommended based on benchmarking with other grant making charities and other information such as via recruitment agencies specialising in assessing the skills and expertise of a post, whilst also taking account of geography, Retail Price Index (RPI) and the sector.

The Leadership Team members do not receive any performance related pay or benefits-in-kind and have the same pension rights and annual leave as other staff employed in the charity. They may, as with all personnel, receive an annual cost-of-living pay rise. For the year 2024/25 the Leadership Team received the same percentage increase as other staff.

The Leadership Team members are reimbursed expenses incurred in the course of their duties on the same basis as all other employees of the Trust. Details of the total basic salary and pension benefits of the key management personnel are included in staff costs (note 7).

Policy for employment of disabled persons

The Trust has been a Disability Confident Committed employer since March 2021 and all job applicants are encouraged to indicate their eligibility for the scheme. Only one vacancy was advertised externally in the year, and the role was not appointed to.

In 2024/25 11.0% members of staff who completed the survey identified as disabled (2024 - 5.3%). Disabled members of staff and those with long term health conditions are supported to be successful in their roles through a number of routes, including the statutory requirement for reasonable adjustments, providing individualised training and tools, and wellness support and planning.

Employee information

In the year 2024/25, the Trust operated with an average of 13.5 (2024 - 19.2) roles in the year. The decrease year on year is the result of the staff restructure in the spring of 2025. The staff team worked across four (three from May 2025) teams:

- ◆ **Grants Team** which managed the Trust's funding programmes, funded partner networks and relations, including capacity-building, as well as system and procedure development (see also below)
- ◆ **Policy, Research and Communications** which managed the Trust's internal, external and partner communications, public affairs, policy and research (see also below)
- ◆ **Finance Team** which managed the Trust's income and expenditure, investments, legal, and performance
- ◆ **CEO Team** which included Board and committee support, business development, and back-office functions of HR, legal and IT

The Grants and Policy, Research and Communications teams merged in May 2025 into the Programmes and Influencing team.

The departments were each led by a member of the Leadership Team (LT) consisting of three (2.6 FTE) from May 2025. Prior to that date the LT consisted of four (3.1 FTE). All attend meetings of the Board and relevant committee meetings.

Statement of responsibilities of the trustees

The Trustees (who are also directors of People's Health Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year 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 period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to act in that capacity.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The Trustees' Annual Report has been approved by the Trustees on 19 May 2026 and signed on their behalf by

Jenny Edwards CBE, Chair of Trustees

Opinion

We have audited the financial statements of People's Health Trust (the 'charitable company') for the year ended 30 September 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 30 September 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 People's Health Trust'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 trustees' 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:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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

Independent auditor's report

To the members of

People's Health Trust

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

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

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.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Finance Audit and Operations Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor's report

To the members of

People's Health Trust

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

Date: 20 May 2026

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

People's Health Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 September 2025

	Note	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Income from:							
Donations and legacies	2	1,080	933,919	934,999	-	2,987,913	2,987,913
Charitable activities		32,221	20,000	52,221	63,950	-	63,950
Investments	3	48,683	312,092	360,775	55,074	376,145	431,219
Total income		81,984	1,266,011	1,347,995	119,024	3,364,058	3,483,082
Expenditure on:							
Charitable activities							
Supporting greater health equity	4	186,853	1,377,040	1,563,893	65,319	2,181,567	2,246,886
Awareness and communications	4	-	383,480	383,480	-	467,618	467,618
Total expenditure		186,853	1,760,520	1,947,373	65,319	2,649,185	2,714,504
Net (expenditure)/ income before net gains on investments		(104,869)	(494,509)	(599,378)	53,705	714,873	768,578
Net gains on investments		-	65,866	65,866	-	301,928	301,928
Net (expenditure)/ income for the year		(104,869)	(428,643)	(533,512)	53,705	1,016,801	1,070,506
Transfers between funds		-	-	-	(65,000)	65,000	-
Net (expenditure)/ income before other		(104,869)	(428,643)	(533,512)	(11,295)	1,081,801	1,070,506
Net movement in funds		(104,869)	(428,643)	(533,512)	(11,295)	1,081,801	1,070,506
Reconciliation of funds:							
Total funds brought forward		1,303,856	6,108,244	7,412,101	1,315,151	5,026,443	6,341,595
Total funds carried forward		1,198,987	5,679,601	6,878,589	1,303,856	6,108,244	7,412,101

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 17 to the financial statements.

As at 30 September 2025

	Note	£	2025 £	£	2024 £
Fixed assets:					
Tangible assets	11		2,081		4,351
Investments	12		3,562,855		6,827,682
			<u>3,564,936</u>		<u>6,832,033</u>
Current assets:					
Debtors	13	64,931		271,004	
Cash at bank and in hand		4,358,081		2,973,392	
		<u>4,423,012</u>		<u>3,244,396</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(948,437)		(2,231,479)	
Net current assets			<u>3,474,575</u>		<u>1,012,917</u>
Total assets less current liabilities			<u>7,039,511</u>		<u>7,844,950</u>
Creditors: amounts falling due after one year	15		(160,922)		(432,849)
Total net assets			<u><u>6,878,589</u></u>		<u><u>7,412,101</u></u>
The funds of the charity:	16/17				
Restricted income funds			5,679,602		6,108,245
Unrestricted income funds:					
Designated funds		66,378		151,372	
General funds		1,132,609		1,152,484	
Total unrestricted funds		<u>1,198,987</u>		<u>1,303,856</u>	
Total charity funds			<u><u>6,878,589</u></u>		<u><u>7,412,101</u></u>

Approved by the trustees on 19 May 2026 and signed on their behalf by

Jenny Edwards
Chair of Trustees

People's Health Trust

Statement of cash flows

For the year ended 30 September 2025

	2025		2024	
	£	£	£	£
Cash flows from operating activities				
Net (expenditure)/ income for the reporting period (as per the statement of financial activities)	(533,512)		1,070,506	
Depreciation charges	2,270		2,270	
Loss on sale of fixed assets	-		-	
(Gains) on investments	(65,866)		(301,928)	
Dividends, interest and rent from investments	(360,775)		(431,219)	
(Increase)/Decrease in debtors	206,073		(33,860)	
(Decrease) in creditors	(1,554,969)		(2,926,908)	
Net cash provided by / (used in) operating activities		(2,306,779)		(2,621,139)
Cash flows from investing activities:				
Dividends, interest and rents from investments	360,775		431,219	
Proceeds from sale of investments	3,330,693		-	
Net cash provided by / (used in) investing activities		3,691,468		431,219
Change in cash and cash equivalents in the year		1,384,689		(2,189,920)
Cash and cash equivalents at the beginning of the year		2,973,392		5,163,312
Cash and cash equivalents at the end of the year		4,358,081		2,973,392

1 Accounting policies

a) Statutory information

People's Health Trust is a charitable company limited by guarantee and is incorporated in England and Wales.

People's Health Trust is an incorporated charity registered with the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

The registered office address is c/o Sayer Vincent, 110 Golden Lane, London, EC1Y 0TG

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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Key judgements that the charity has made which have a significant effect on the accounts include:

- estimating the allocation of support costs across expenditure categories;
- estimating the useful economic life of tangible fixed assets;
- estimating future income and expenditure flows for the purpose of assessing going concern.

The accounts are prepared as full values however are presented to the nearest £1. This may cause small discrepancies in the financial statements.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

Since the end of the financial year the Board has agreed a detailed budget to 30 September 2026, with broader financial planning for the financial year 2026/27 also in place. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Supporting greater health equity costs include:
 - Grants payable which are included in the statement of financial activities when approved by the trustees and when the intended recipient has been informed of the decision to make the grants and has satisfied all relevant and due terms and conditions.
 - Evaluation costs of the grant programmes.
 - Support costs which are allocated to charitable activities according to the amount of time staff spend within each charitable activity.
- Awareness and communication costs include mainly staff costs and various communications costs relating to raising the awareness of the Trust's brand, funded projects and the Health Inequality agenda.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Research and Evaluation

Research and evaluation is undertaken to establish the impact of grants awarded in furtherance of the charity's objects, either as a grant to an eligible organisation or a contract where VAT is applicable.

Provision for research and evaluation is made in full for a grant award when the intention to make a grant has been communicated to the recipient, and in accordance with the contractual arrangements where VAT is applied.

l) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

- | | |
|------------------------------------|-----|
| ▫ Supporting greater health equity | 87% |
| ▫ Awareness and communications | 13% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

m) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

n) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £3,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- IT and office equipment 3 years

o) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

p) Debtors

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

q) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

r) Cash at bank and in hand

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

s) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

t) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

u) Pensions

The Trust operates a defined contribution group personal pension scheme for employees. Annual contributions by the Trust in respect of the group personal pension scheme available to staff members are charged to the statement of financial activities in the period in which they are payable. Employer pension contributions of 6% are made for all employees in the pension scheme.

2 Income from donations and legacies

	2025			2024		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Donations from Society Lotteries	-	933,919	933,919	-	2,987,913	2,987,913
Other	1,080	-	1,080	-	-	-
	<u>1,080</u>	<u>933,919</u>	<u>934,999</u>	<u>-</u>	<u>2,987,913</u>	<u>2,987,913</u>

3 Income from investments

	2025			2024		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Investments	-	184,985	184,985	-	271,122	271,122
Deposits	48,683	127,107	175,790	55,074	105,023	160,097
	<u>48,683</u>	<u>312,092</u>	<u>360,775</u>	<u>55,074</u>	<u>376,145</u>	<u>431,219</u>

People's Health Trust

Notes to the financial statements

For the year ended 30 September 2025

4a Analysis of expenditure (current year)

	Charitable activities				2025 Total £	2024 Total £
	Supporting greater health equity £	Awareness and communications £	Governance costs £	Support costs £		
Staff costs (Note 7)	553,665	235,820	20,506	215,314	1,025,305	1,216,563
Consultancy	-	-	-	-	-	7,038
Travel and accommodation costs	2,055	83	4,047	-	6,185	17,580
Office Costs	38,247	-	21,000	-	59,247	60,997
Premises and technology	124,655	67,122	3,613	-	195,390	254,394
Other costs	1,752	40,319	-	-	42,071	56,878
Professional fees	-	-	44,259	-	44,259	25,973
Grants and evaluation work (Note 5)	512,692	-	-	-	512,692	992,398
Research Contracts	62,224	-	-	-	62,224	82,683
	<u>1,295,290</u>	<u>343,344</u>	<u>93,425</u>	<u>215,314</u>	<u>1,947,373</u>	<u>2,714,504</u>
Support costs	187,323	27,991	-	(215,314)	-	-
Governance costs	81,280	12,145	(93,425)	-	-	-
Total expenditure 2025	<u>1,563,893</u>	<u>383,480</u>	<u>-</u>	<u>-</u>	<u>1,947,373</u>	
Total expenditure 2024	<u>2,246,886</u>	<u>467,618</u>	<u>-</u>	<u>-</u>		<u>2,714,504</u>

People's Health Trust

Notes to the financial statements

For the year ended 30 September 2025

4b Analysis of expenditure (prior year)

	Charitable activities				2024 Total £
	Supporting greater health equity £	Awareness and communications £	Governance costs £	Support costs £	
Staff costs (Note 7)	656,944	279,810	24,331	255,478	1,216,563
Consultancy	7,038	-	-	-	7,038
Travel and accommodation costs	8,444	1,424	7,712	-	17,580
Office Costs	44,302	75	16,620	-	60,997
Premises and technology	158,045	85,101	11,248	-	254,394
Other costs	1,757	55,121	-	-	56,878
Professional fees	-	-	25,973	-	25,973
Grants and evaluation work (Note 5)	990,688	1,710	-	-	992,398
Research Contracts	82,683	-	-	-	82,683
	1,949,901	423,241	85,884	255,478	2,714,504
Support costs	222,266	33,212	-	(255,478)	-
Governance costs	74,719	11,165	(85,884)	-	-
Total expenditure 2024	2,246,886	467,618	-	-	2,714,504

5a Grant making (current year)

	Grants committed £	2025 £	2024 £
Cost			
Supporting greater health equity	512,692	512,692	990,688
Awareness and Communications	-	-	1,710
At the end of the year	<u>512,692</u>	<u>512,692</u>	<u>992,398</u>

The Trust funds projects addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). The Trust operated two main grant programmes in 2024/25.

Data on grants awarded is available from our website: <https://www.peopleshealthtrust.org.uk/projects-we-fund/360-giving>. This page links to details of all grants awarded by People's Health Trust from December 2012 until 30 September 2025.

5b Grant making (prior year)

	Grants committed £	2024 £
Cost		
Supporting greater health equity	990,688	990,688
Awareness and Communications	1,710	1,710
At the end of the year	<u>992,398</u>	<u>992,398</u>

The Trust funds projects addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). The Trust operated two main grant programmes.

6 Net (expenditure)/ income for the year

This is stated after charging / (crediting):

	2025 £	2024 £
Depreciation	2,270	2,270
Operating lease rentals payable:		
Property	112,410	135,000
Auditor's remuneration (excluding VAT):		
Audit	14,850	13,850
Other services	-	-
	<u>14,850</u>	<u>13,850</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	715,637	996,583
Social security costs	87,268	111,745
Employer's contribution to defined contribution pension schemes	42,563	63,686
Temporary staff and contractor costs	86,495	39,812
Termination costs	93,342	4,737
	<u>1,025,305</u>	<u>1,216,563</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2025 No.	2024 No.
£60,000 - £69,999	-	1
£70,000 - £79,999	-	1
£80,000 - £89,999	1	1
£110,000 - £119,999	1	1
	<u>1</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £360,018 (2024: £439,965).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

Trustees' expenses represent the payment or reimbursement of travel and subsistence costs totalling £3,497 (2024: £6,111) incurred by 10 (2024: 10) members relating to attendance at meetings of the trustees.

The charity also purchased insurance to protect it from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £2,010 (2024: £7,707) and provides cover of up to a maximum of £5 million. The premium for 2024 provided cover for additional potential organisational losses which are covered under a separate policy in this financial year.

8 Staff numbers

Staff are split across the activities of the charity as follows:

	Full time equivalent		Headcount	
	2025 No.	2024 No.	2025 No.	2024 No.
Charitable activities	9.4	14.8	10	16
Support	4.1	4.4	4	5
	<u>13.5</u>	<u>19.2</u>	<u>14</u>	<u>21</u>

9 Related party transactions

There are no related party transactions to disclose for this financial year (2024: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Expenses paid or reimbursed to the charity's trustees are disclosed in Note 7.

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

Cost	IT and office equipment £	Total £
At the start of the year	21,354	21,354
Disposals in year	(8,820)	(8,820)
At the end of the year	12,534	12,534
Depreciation		
At the start of the year	17,003	17,003
Charge for the year	2,270	2,270
Eliminated on disposal	(8,820)	(8,820)
At the end of the year	10,453	10,453
Net book value		
At the end of the year	2,081	2,081
At the start of the year	4,351	4,351

Notes to the financial statements

For the year ended 30 September 2025

12 Investments

	2025 £	2024 £
Fair value at the start of the year	6,827,682	6,525,754
Proceeds on Disposal	(3,330,693)	-
Net gain / (loss) on change in fair value	65,866	301,928
	<u>3,562,855</u>	<u>6,827,682</u>
Fair value at the end of the year	<u>3,562,855</u>	<u>6,827,682</u>

Investments comprise:

	2025 £	2024 £
Property fund	-	648,848
Mixed asset funds	3,562,855	6,178,834
	<u>3,562,855</u>	<u>6,827,682</u>

13 Debtors

	2025 £	2024 £
Accrued income and prepayments	64,931	156,947
Society lotteries	-	114,057
	<u>64,931</u>	<u>271,004</u>

14 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	7,782	19,562
Taxation and social security	25,859	35,780
Grants payable	878,887	2,119,136
Accruals	35,909	57,001
	<u>948,437</u>	<u>2,231,479</u>

15 Creditors: amounts falling due after one year

	2025 £	2024 £
Grants payable	160,922	432,849
	<u>160,922</u>	<u>432,849</u>

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	2,081	-	2,081
Investments	-	-	3,562,855	3,562,855
Net current assets	1,132,609	64,297	2,277,669	3,474,575
Long term liabilities	-	-	(160,922)	(160,922)
Net assets at 30 September 2025	1,132,609	66,378	5,679,602	6,878,589

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	4,351	-	4,351
Investments	-	-	6,827,682	6,827,682
Net current assets	1,152,484	147,021	(286,588)	1,012,917
Long term liabilities	-	-	(432,849)	(432,849)
Net assets at 30 September 2024	1,152,484	151,372	6,108,245	7,412,101

17a Movements in funds (current year)

	At 1 October 2024 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2025 £
Restricted funds:					
Geographical area funds	5,820,881	481,181	(747,570)	-	5,554,492
Operating costs funds	228,120	764,831	(992,951)	-	
Unrealised and realised gain on investment fund	59,244	65,866	-	-	125,110
Kurt and Magda Stern Foundation	-	20,000	(20,000)	-	-
Total restricted funds	6,108,245	1,331,878	(1,760,521)	-	5,679,602
Unrestricted funds:					
Designated funds:					
Fixed assets	4,351	-	(2,270)	-	2,081
Business development	126,500	-	(42,490)	(39,000)	45,010
Network events	12,131	-	(1,234)	-	10,897
Website	2,144	-	-	-	2,144
Fixed asset replacement	6,246	-	-	-	6,246
Total designated funds	151,372	-	(45,994)	(39,000)	66,378
General funds	1,152,484	81,984	(140,859)	39,000	1,132,609
Total unrestricted funds	1,303,856	81,984	(186,853)	-	1,198,987
Total funds	7,412,101	1,413,862	(1,947,374)	-	6,878,589

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At 1 October 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2024 £
Restricted funds:					
Geographical area funds	5,247,055	1,582,197	(1,073,371)	65,000	5,820,881
Operating costs funds	20,363	1,781,861	(1,574,104)	-	228,120
Unrealised loss on investment fund	(242,684)	301,928	-	-	59,244
Health CICs	1,710	-	(1,710)	-	-
Total restricted funds	5,026,444	3,665,986	(2,649,185)	65,000	6,108,245
Unrestricted funds:					
Designated funds:					
Fixed assets	6,621	-	(2,270)	-	4,351
Business development	23,490	-	(30,639)	133,649	126,500
Network events	13,368	-	(1,237)	-	12,131
Website	5,966	-	(3,822)	-	2,144
Fixed asset replacement	6,246	-	-	-	6,246
Total designated funds	55,691	-	(37,968)	133,649	151,372
General funds	1,259,460	119,024	(27,351)	(198,649)	1,152,484
Total unrestricted funds	1,315,151	119,024	(65,319)	(65,000)	1,303,856
Total funds	6,341,595	3,785,010	(2,714,504)	-	7,412,101

The transfer of £65,000 from General funds to Geographical area funds corrects an accounting error in a prior financial period .

Purposes of restricted funds

Geographical area funds:

Funds arose from donations by 3 separate community interest companies (CIC) (2024 - 6), each of which donated good causes monies raised through individual society lotteries. Each CIC focuses upon a specific community of geographical interest and each fund is restricted for use (after reasonable operating costs) for onward donation as grants to charities and community groups within that CICs area for the purpose of supporting greater health equity.

No restricted fund was in deficit (2024: none). Of the geographical area funds balance of £5,553,568 at 30 September 2025 (2024 - £5,820,881), the following amounts were allocated for specific grant programmes in the next financial year as follows:

- £65,911 (2024 - £42,672) allocated for research work;
- £18,892 (2024 - £29,913) allocated for capacity development.

Operating costs funds:

Funds arise from donations by 3 separate community interest companies (2024 - 6) for supporting greater health equity non-grant expenditure, supplemented by investment income.

Health CICs:

The Trust received £50,000 in 2020 to support its work with networks. The fund was spent down in 2024.

Kurt and Magda Stern Foundation:

The Trust received £20,000 in the year to support its 'Standing Together' research on the health impact on communities of

Purposes of designated funds

The fixed assets fund represents:

- The net book value of the charity's tangible fixed assets at the year end to recognise the fact that the assets are required for the day-to-day operation of the Trust and are not available for other purposes or as a general reserve.

Business development represents: □

- Funds set aside for future income generation initiatives that the Trust plans to undertake.

Network events represents: □

- Future costs expected to be incurred in relation to networking events across the Active Communities programmes.

Website represents:

- Funds set aside for replacement website.

Fixed Asset Replacement represents:

- Costs expected to be incurred in relation to fixed asset replacements

18 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2025 £	2024 £
Less than one year	13,230	108,000
	13,230	108,000
	13,230	108,000

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

20 Post balance sheet events

After the end of the financial year, effective from 8 January 2026, 16 of the restricted geographical area funds relating to England were merged into a single 'Health Equity England' fund, with the value of the Wales and Scotland funds unchanged.

PEOPLE'S HEALTH TRUST

England & Wales - Charity number 1125537

Accounts

Company number: 6492606

Charity number: 1125537 (England & Wales)

SC039848 (Scotland)

People's Health Trust

Report and financial statements

For the year ended 30 September 2024

People's Health Trust

Contents

For the year ended 30 September 2024

Reference and administrative information	1
Trustees' annual report	3
Independent auditor's report	25
Statement of financial activities (incorporating an income and expenditure account)	29
Balance sheet	30
Statement of cash flows	31
Notes to the financial statements	32

People's Health Trust

Reference and administrative information

For the year ended 30 September 2024

Company number	6492606
Country of incorporation	United Kingdom
Charity number	1125537 (England and Wales) SC039848 (Scotland)
Registered office and operational address	2 Bath Place Rivington Street London EC2A 3DR

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Jenny Edwards CBE (Chair)
Jacqueline Lodge (Deputy Chair) (resigned 22 November 2024)
Martin Anderson (appointed 16 January 2025)
Paul Ballantyne (Scotland)
Leandra Box (Vice Chair from 27 January 2025)
Andrew Bickerdike (appointed 3 April 2024)
Professor Elizabeth Dowler
Jolynne De Souza (appointed 13 November 2024)
Ranjeet Kaile (appointed 3 April 2024)
Shelagh Kirkland ACA (appointed 29 October 2023)
Joe Leigh CPFA & FCCA (resigned 9 October 2023)
Rory MacLean (appointed 21 December 2023)
Nicola McCallum (Scotland) (appointed 21 December 2023, resigned 19 January 2025)
Thomas McIlravey (resigned 20 November 2024)
Duncan Stephenson (resigned 11 December 2023)
Shavannah Taj (Wales)

Key management personnel John Hume, Chief Executive Officer
Max Rutherford, Director of Programmes and Influencing (Deputy CEO)
Nicola Brian, Director of Engagement (to 25 May 2025)
Dr Matthew Sowemimo (from 4 December 2023 to 17 July 2024), Director of Policy and Communications
Elaine Battson FCCA, Director of Finance

People's Health Trust

Reference and administrative information

For the year ended 30 September 2024

Bankers	National Westminster Bank plc Charities and Education Team Commercial and Corporate Banking 1st Floor 440 Strand London WC2R 0QS
Solicitors	Bates Wells LLP 10 Queen Street Place London EC4R 1BE
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane LONDON EC1Y 0TG

The trustees present their report and the audited financial statements for the year ended 30 September 2024.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Introduction

Two years ago, we set out five ambitious priorities:

- Listening to and supporting marginalised groups
- Building evidence and practice around what works
- Speaking out boldly to those in power
- Developing further as a diverse, equitable and inclusive organisation
- Enabler: creating a strong organisation fit for the future and able to support greater health equity.

These ambitions are critical foundations if we are to meet our overall ambition to address the causes of health inequalities. They are just as pertinent as ever. The evidence shows us that health inequalities are still widening and that people are dying too young because of their housing, their jobs, their income, their lack of access to nature, heating and good, affordable food.

Lives are cut short when families live in damp, cold homes, cannot afford to eat well and lack somewhere nearby to take their children to play. Life expectancy has fallen in most parts of Great Britain. New data from the Office for National Statistics shows that life expectancy for men has dropped in eight out of ten local authority areas, while life expectancy for women has dropped in seven out of ten areas. There is also a growing divide between the south of England and the rest of the country - the areas with highest life expectancy for both men and women were all located in the south of England.

Over 13 years we have supported and learned from communities, listening when they tell us what works to make a difference. We grant-fund communities to tackle barriers to good health and to improve wellbeing. We bring people together to learn from each other and provide expertise on issues of critical importance to health in their area. These channels of communication mean we can also measure impact and in turn influence local and national policymakers.

We are immensely proud of our experts by experience network - a 600-strong network of community organisations across England, Scotland and Wales. This has been an early warning system for major crises they face in issues critical to health, such as mental health, housing conditions and winter fuel costs. We have worked with a range of partners including: [Health Equals](#) on its major public facing campaign; the Department of Health and Social Care on mental health for racialised communities and men; and the Greater London Authority/Institute of Health Equity on discrimination and health.

Our [community manifesto for health justice](#) was developed directly with communities. It is the blueprint for our influencing of national policies, which has already had some early success. Our Homes for Health network provided powerful first-hand testimonies. Blending these with national data we mounted an extensive national campaign showing the devastation poor housing wreaks on health. Our campaign secured extensive print and broadcast media coverage, including across the BBC, independent and local press. We asked the Government to commit to resourcing housing enforcement, needed to make new housing legislation meaningful, and are pleased to have secured a commitment to do so.

Our Health Justice Fund - launched in December 2023 - addresses the building blocks of health. This flexible grant fund allows us to respond rapidly to emerging needs expressed by our experts by experience. This year through the Health Justice Fund we have launched priorities on mental health and access to nature, and on advice for people extremely overwhelmed by their circumstances. These will be followed by a ground-breaking fund focusing on jobs, young people and their mental health looking at addressing acute mental health to support young people into good quality work and a fund focused on the effects of discrimination on health. We are delighted that both these priorities will be evaluated by the National Institute for Health Research's School for Public Health Research.

Deepening our commitment to Equity, Diversity and Inclusion (EDI) has remained a key feature of the Trust's work. Over the course of the last year, we have made EDI a critical part of our new programme design, including setting the agenda at the outset; setting policy priorities; community engagement and influencing grant processes. We will, over the coming year, be writing more about this and its impact.

The Trust has enjoyed a long and very fruitful partnership with the Health Lottery scheme. This came to an end in January 2025, presenting the Trust with both financial and strategic challenges to overcome. The Board has developed its course of action and is now embarking on both an ambitious agenda and fundraising campaign.

Jenny Edwards CBE, Chair of Trustees and John Hume, Chief Executive Officer

Objectives and activities

Purposes and aims

The object of the charitable company is the promotion of health for public benefit, by increasing and supporting sustainable health equality in and for disadvantaged communities and groups across England, Scotland and Wales.

The Trust undertakes this work because of its ambition to take action on the causes of ill-health and shortened lives for some of the most marginalised people in England, Scotland and Wales.

The Trust aims to achieve this ambition by:

- listening to and supporting marginalised groups to speak out about their experience of health inequalities;
- building evidence and practice around what works to address health inequalities;
- speaking clearly and boldly on the avoidable inequalities in health faced by marginalised people;
- developing as a diverse, equitable and inclusive organisation and funder.

The trustees conduct a major review of the strategic aims, objectives and activities of the charity every three years. This helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes. This report looks at the charity's achievements and the outcomes of its work in the reporting period, the second year of the Trust's Strategic Plan for 2022-25. The trustees report the progress of each key activity and the benefits the charity has brought to people that it supports.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

2023/24 represented year two of the Trust's three-year strategic plan (2022-25).

The plan comprises four strategic objectives, supported by an enabler objective.

Objective 1: We will listen to and support marginalised groups to speak out about their experience of health inequalities.

By 2025 we will:

- have strong, vibrant networks to help identify practical ways of working that people experiencing health inequalities can use to address the unjust social and economic inequalities they face.
- have developed and delivered our funding programmes to better meet the Trust's and organisations' needs and ambitions
- be able to demonstrate that funded partners and their participants will be enabled to speak out and shape local/regions and national decisions on health

Networks/speaking out: The Trust's strength is its connection with hundreds of organisations working with local diverse communities to address the issues which affect their health and wellbeing. Significant work has taken place around this over the course of the last year. Specifically, we have:

- Engaged deeply with the networks to:
 - Create mental health evidence - convened group to support the submission of community partner views into the Government's mental health strategy
 - Examine and report on racial dimensions of health equity with Institute of Health Equity and GLA
 - Produced a [Community Manifesto for Health Justice](#) ahead of 2024 General Election (continues to be used)
 - Convened '[Standing Together](#)', immediate steps and programme development through discussion with groups impacted by UK riots since summer 2024
 - Campaign on changes [to Winter Fuel Payments](#) - through survey research and convened groups on reaction to winter fuel crisis and reporting on their testimony
 - Launch the new 'experts by experience network', expanding the network offer to over 600 current and previously funded partners since 2020
 - Engage with over a fifth of our network of local organisations in the NHS Ten Year Plan consultation, forming the basis for [our recommendations](#) to government.

Developing programmes: The Trust has continued to develop programmes which address the most harmful causes of poor health and early death. Since its inception in 2011, the Trust's funds have reached 684,813 people through 3,890 grants to community organisations across Great Britain.

We have raised money through six community interest companies which operate society lotteries through The Health Lottery. Each CIC is focused on two specific communities of geographical interest and our grant making is aligned to this. Our grant making has focused on:

- Neighbourhoods experiencing the sharpest inequality (based on indices of deprivation);
- People who have a shared identity and who, as a result, experience poverty, discrimination and have worse health.

The Trust launched the [Health Justice Fund](#) in December 2023 enabling more agile, policy relevant and targeted funding on our core objectives with the greatest potential impact on health. This led to the following:

- Homes for Health Programme - launched in March 2024 - which has funded 10 projects, alongside capacity building, evaluation, an advisory group and an integrated campaign where partners are influencing local health systems and organisations with the power to change policy and practice. More on this can be found under objective 3.
- Designed and developed four new funding priorities:
 - Nature for Health - We know that there is a mental health crisis in Great Britain, made worse by lack of access to natural spaces. Nature for Health works to improve access to natural spaces and nature-based activities in order to improve mental health for people experiencing socio-economic disadvantage, marginalisation and discrimination. Nature for Health is funding 16 local organisations across England and Scotland. [Find out more.](#)
 - Advice for Health is funding a cohort of five expert local organisations to support people who are experiencing financial and social disadvantage, marginalisation and discrimination

and are not able to access advice services because they feel overwhelmed. By supporting people to feel less overwhelmed and to access advice, the funding aims to see improvements in people's mental and/or physical health. [Find out more here.](#)

- Strategic Partners - The Trust awarded grants to four strategic partners that were involved in the long-term Local Conversations programme that came to a close after a decade in early 2024. These organisations have used this funding to further sustain and embed the foundational elements of collective control and stronger social connections within their local places and particularly with the aim of integration into health systems.
- Partnerships for Health works with organisations addressing the building blocks of health in a way that has the potential to achieve significant impact in the pursuit of health justice. Partnerships for Health projects are explicitly seeking to influence decision-makers and/or improve practice to address health inequalities, with the aim of ultimately improving health outcomes. Through Partnerships for Health, the Trust aims to be agile and responsive. An initial grant was awarded the Amma in Scotland to develop stronger policy and practice for perinatal services for women who are refugees or seeking asylum.
- Additionally a further two priorities are at an advanced stage of development with launches in early 2025 (Good Work for Young People's Mental Health, and Discrimination and Health).
- [Active communities](#) is a funding programme for community groups, not-for-profit organisations and local people wanting to create fairer places to grow, live, work and age. We have supported small and local projects, designed and run by local people across England, Scotland and Wales. Local people create their own ways of addressing one of the social/economic drivers of poor health and aim to strengthen social connections and encourage greater collective control. The programme began in 2012, supporting many hundreds of organisations over this time. The Trust currently supports over 300 projects that have already been awarded funding. The Trust had worked with the Active Communities programme for over ten years and felt it had accomplished what we set out to achieve around addressing the building blocks of health and demonstrating the impact of both social connection and collective power. We closed the programme within the financial year to make way for the Health Justice Programme which builds on the success of Active Communities. We will continue to support projects already funded.
- We awarded funding for high-impact low resource projects including New Philanthropy Capital's (NPC) [Everyone's Environment](#), [Living Wage Places](#), [We're Right Here](#) (Community power). In addition we have worked with Wates Foundation, Impact on Urban Health and [Kings College London University](#) on temporary accommodation. We also extensively supported the development of the Lozells Health Commission in Birmingham resulting in a community resource to influence health change locally. More on these programmes can be found under objective 3.

Grant Programme Expenditure

During 2023/24 the Trust awarded grants and incurred associated research and evaluation costs totalling £1,073,371 (2023 - £4,430,760) across its main funding programmes.

Programme	2023/24 Total £	2022/23 Total £
Active Communities	143,459	3,461,581
Health Justice Fund ('Homes for Health' in 2022/23)	739,187	567,285
Local Conversations	(44,791)	305,394
Living Wage	49,997	50,000
Capacity Building	41,156	37,468
Sub total expenditure - grant awards	929,008	4,421,728
Research and evaluation grants	61,680	9,032
Total grant expenditure	990,688	4,430,760
Research and evaluation contracts	82,683	0
Total value of grant programme expenditure	1,073,371	4,430,760

During the financial year 2023/24, the Trust made 37 (2023 - 160) grants across all of its programmes which benefitted approximately 4,821 local people (2023 - 35,028). Since it started awarding grants in 2011, and up to 30 September 2024, the Trust had made 3,890 (2023 - 3,853) grants which have benefitted over 684,813 local people (2023 - 679,992). Details of the range of projects funded can be found on the website at www.peopleshealthtrust.org.uk, on [360 Giving](#), and in the Trust's [annual review](#). Each Board meeting receives an update on all programmes.

The two main programmes were in operation during the year: Active Communities programme (closed for funding in spring 2024) and the Health Justice Fund, for which 'Homes for Health' was a pilot in 2022/23.

- Under the Active Communities programme, we provided funding of between £5,000 and £40,000 for up to two years. £143,459 was committed through this programme during the year (2023 - £3,461,581) - these figures are grants awarded net of refunds returned to the Trust, which were unusually high in 2023/24. The average grant award was £29,550.14 (2023 - £29,234.68). Since programme inception in 2012, 381,600 people (2023 - 379,916) have or are directly benefitting from the programme.
- Under the Health Justice Fund, we provided funding of between £20,000 and £40,000 for up to two years. £739,187 was committed through this programme during the year (2023 - £567,285). The average grant award was £33,642.00 (2023 - £56,728.50). Since programme inception in 2023, 6,519 people (2023 - 3,382) have or are directly benefitting from the programme.

91% (2023 - 87%) of the respondents of the Trust's 2024 annual stakeholder survey reported that they found the Trust's application process easy to some or a large extent, 93.5% (2023 - 90.0%) felt that the Trust's

reporting requirements were proportionate to some or a large extent, and 93.5% (2023 - 93.0%) felt that an appropriate level of support is offered on grant management.

Capacity building programme - during 2023/24, the Trust delivered a series of capacity building activities aimed at strengthening the organisations it funds. This included training on fundraising, safeguarding, volunteer recruitment, and tailored engagement support for Homes for Health and Local Conversations funded partners. Training was offered to all funded partners, including for the first time to previously funded organisations whose grants ended within the last year.

Objective 2: We will build evidence and practice around what works to address health inequalities.

By 2025 we will:

- Have found evidence gaps and added to the evidence base around what works in addressing health inequalities for those who are most marginalised.
- Have had direct impact on local practice around the real causes of ill-health/early death.
- Have become a convenor and contributor of good evidence and practice in England, Scotland and Wales.

The Trust sees its role as both a funder, a connector of communities to other donors and funders and as a convenor of evidence. Over the course of the last 12 months, we have:

- Secured a major research partnership with NIHR School for Public Health Research Voluntary Sector Evaluation Scheme (VoySES) programme to evaluate both the Good Work for Young People's Mental Health and the Discrimination and Health priorities. The in-kind value of the partnership is £800,000.
- Commissioned £160,000 external evaluation with Ecorys for Homes for Health - publication in late summer 2025.
- Completed a crucial longitudinal evaluation associated with Active Communities, Local Conversations via Social Life in January 2025 (publication 2025).
- Began developing prominent learning products based on the longitudinal evaluations of Active Communities and Local Conversations (latterly Social Life Wave 4) - publication May 2025 (Waves 1 to 3 are on published on our [website](#)).
- Completion of Living Wage research into low pay and impact on health.
- Match-funded specific research projects, such as the Kings College London research on debt and temporary accommodation (publication 2025).
- Over two years to 30 September 2024, delivered over 75 popular capacity building sessions covering a wide variety of topics that funded partners asked for, including fundraising, health systems training, safeguarding, and recruitment of volunteers. The cost of the universal programme (in addition to which targeted capacity building was also offered to specific cohorts of funded partners) across two years was under £50,000, reaching over 550 people in nearly 200 organisations, equating to approximately £90 per place.
- Convened discussion spaces with our networks of funded partners resulting in evidence, including:
 - [Mental health for Department of Health and Social Care](#) - submitted and published in June 2023
 - [Racial dimensions of health equity with Institute of Health Equity and GLA](#) - submitted
 - [Community Manifesto for Health Justice](#) ahead of General Election - published

- Standing Together - convening groups impacted by UK riots - [published a blog](#) and used to develop future programmes
- Winter Fuel Payment - convened groups on reaction to winter fuel crisis - [published report](#) and launched major campaign, which included front page coverage in a national newspaper
- Consultation on NHS 10 year plan - convening largest group of people - submitted 4 December 2024, and [published](#)

Objective 3: We will speak clearly and boldly on the avoidable inequalities in health faced by marginalised people.

By 2025 we will:

- Have seen an increase in engagement with policy makers, funders and practitioners to improve understanding of the social and economic determinants of health.
- Have seen increased action for marginalised people on the social determinants from local, regional and national governments, funders and practitioners.

One of the Trust's core aims is to ensure we work alongside the communities whose health is most compromised and influence policy makers and other funders to be aware and to take action. The year has been successful, with significant activity taking place, including:

- Successfully launched our [housing campaign](#) seeking ring-fenced investment for enforcement of housing standards. Used powerful first-hand testimonies coupled with targeted data on private rented accommodation and health inequalities which made BBC Yorkshire 6pm News headline, [BBC online](#) front page of the [Yorkshire Post](#), [Manchester Evening News](#) and [Independent](#).
- Secured commitment from government minister on ringfenced resources for enforcement of housing standards, the central pillar of the housing and health campaign
- Convened lived experience groups for a range of other organisations including:
 - Health Equals Campaign Advisory Group (2023) - supporting the [Lives Cut Short campaign](#) assets and launch tactics
 - Health Equals Campaign Advisory Group and associated case study/media work (2024) including advice and insight into the [Make Health Equal Campaign](#) and a [Mile in My Shoes](#)
 - Greater London Authority (2024) - convened several groups for Black Londoners and men to support GLA and Institute of Health Equity gain more grass roots insight into their report [Structural Racism, Ethnicity and Health Inequality in London](#).

In 2023/24 the Trust continued its partnership with [We're Right Here](#), a campaigning coalition that calls for greater support for the rights of local communities to shape priorities through genuine co-production. The campaign has seen success, most notably the inclusion of a Community Right to Buy in the Labour Party manifesto and the English Devolution Bill (expected by summer 2025). The campaign is also calling for community rights to control local investment and to shape public services, both of which have been considered by civil servants in the Department for Housing, Communities and Local Government, who are actively engaging with the campaign as it moves towards becoming law.

The Trust has funded and participated in [NPC's Everyone's Environment programme](#), which is a collaboration of more than 80 social and environmental charities to accelerate action on the social determinants of the climate crisis. In December 2023, the Trust awarded a grant of £25,000 to support a health inequalities element of the programme. This has explored how vulnerable population groups and those experiencing health conditions and health inequalities are being and will be affected by the environmental crisis in the UK. The main product was a research briefing, published in June 2024, which found the climate crisis is already exacerbating and will further exacerbate health inequalities in a number of ways. NPC met with the Trust's network of funded partners in two well-attended sessions to discuss these findings and local solutions to them, which was then written up into [a report briefing](#).

The Trust's submitted its first report of progress for this year's Association of Charitable Foundations (ACF) report on the [Funder Commitment on Climate Change](#) (FCCC). Subsequently, the Trust has been invited by ACF to speak at a meeting of the FCCC about the health inequalities strand of the Everyone's Environment work, outlining the programme of work and reflecting holistically on embedding environmental justice into ongoing programme work (such as the Nature for Health priority under the Health Justice Fund).

Objective 4: We will develop as a diverse, equitable and inclusive organisation and funder.

By 2025, we will:

- Have ensured that our grant-making programmes and processes have embedded an EDI approach, are actively anti-racist and anti-oppressive and seek out groups who are not known to us.
- Have a staff team and Board which reflects more closely the communities we serve.
- Have a workplace which is free from racism, discrimination and oppression

Racism, discrimination, poverty, stigma and oppression of marginalised groups are not only profound social injustices, they affect how and where we live and work; our relationships; the daily pressures in our lives; how we feel about ourselves and our ability to safely speak out. They fundamentally affect our physical and mental health. We are unwavering in [our commitment](#) to the Trust's strategies, operations and communications reflecting this reality.

We aim to be an active anti-racist and anti-oppression charity, challenging all forms of discrimination and oppression throughout the full scope of our work. We have continued to deliver against our EDI Action Plan, including:

- Embedding EDI into our grant making processes, through the mapping of EDI at each stage of the programme design from agenda-setting and conception through to policy development, involvement of communities impacted, inclusion/exclusion criteria and application process. The next year will see us test this further with networks, performance data and evaluation.
- Undertaking the annual [Funders for Race Equality](#) audit with positive results that we can build on going forward. The results demonstrate we have performed consistently alongside other survey participants (a group that is already sector leaders) in the percentage of organisations we support that are working with communities experiencing racial injustice.
- Board recruitment - with an EDI focus - successfully completed early 2024 with a focus on racial diversity and age.

- Number of board members (including shadow members) from racially minoritised communities has increased from 2 to 4
- Age range expanded from 45 - 74 to 30 - 74, with 33% under the age of 45
- 25% of trustees are from lower socio-economic backgrounds (2023 - 37.5%)
- Trustees with disability have increased from 12.5% to 16.7%
- Initiated our successful shadow trustee role as a route to supporting people coming forward to Board roles who may otherwise have not.
- Key diversity statistics across the staff team (noting this is against a backdrop of a 12% reduction in staffing between the dates that the surveys were undertaken):
 - Staff from racially minoritised communities has remained consistent (21.5% compared to 20% in 2022/23)
 - Age range of staff: 25 to 64
 - 10.5% of staff are from lower socio-economic backgrounds (2023 - 5%)
 - Staff with a disability has decreased from 10% to 5.3%

The staff and trustee diversity surveys were completed in September 2024. Ethnicity, gender, sexual orientation, disability and socio-economic data is set out in the table below:

	FY 2023/24 All staff %	FY 2022/23 All staff %
Ethnicity		
Asian - East or South	5.3	5.0
Asian Indian	5.3	5.0
Black African	10.4	10.0
Black African and White	-	-
White British	63.1	65.0
White English	5.3	10.0
White Scottish	5.3	-
White Irish English	-	5.0
White other	5.3	-
Gender		
Female	63.2	70.0
Male	36.8	30.0
Non-binary	-	-
Sexual Orientation		
Heterosexual	84.2	90.0
LGBT+	10.5	10.0
Undeclared	5.3	-
Disability		
Disabled	5.3	10.0
Not Disabled	94.7	85.0
Undeclared	-	5.0
Education level		
Up to age 18	10.5	5.0
Post age 18	89.5	95.0
Post age 18 - first generation		

	58.8	57.9
Free school meals		
No	63.2	75.0
Yes	10.5	5.0
Not applicable/don't know	26.3	20.0
Professional backgrounds	84.2	85.0
Intermediate backgrounds	5.3	10.0
Lower socio-economic backgrounds	10.5	5.0

Enabler: Creating a strong organisation fit for the future and able to support greater health equity.

By 2025 we will:

- improved and diversified income
- a strong people offer, including more representative team, board and panels and a clear move towards a net-zero position.

The 'enabler' underpins the four strategic objectives and sets out the Trust's ambition to ensure we are a sustainable organisation with improved and diversified income, a strong people offer, a more representative team, board and panels, and a reduction in carbon emissions.

○ **Income**

The Trust's two main sources of income in the year were donations from the six CICs and investment income. Alongside this was an increase in unrestricted income in the year to £63,950 (2023 - £30,345).

Diversification of income has been a key focus in 2023/24. We have:

- Maintained a strong relationship with our corporate partner and the six donor Community Interest Companies until the ending of the relationship in January 2025;
- Undertaken studies with external fundraising consultants to test the feasibility of our planned income diversification and to help focus on target strategy;
- Hired a consultant Head of Major Partners;
- Redeveloped our website to appeal to a wider donor base;
- Developed new areas of contract income with external partners for specific areas of delivery e.g. Health Equals;
- Invested heavily to support new partnerships and future income generation.

The Board designated further funds to ensure the resource is available in the next financial year to support the continued diversification of income.

○ **People**

- In Spring 2025 the Trust undertook a review of the staff structure to ensure the staff team is aligned with the activity required to deliver the strategic objectives. This resulted in changes across all parts of the organisation, including the creation of four new posts, with an overall reduction in staff numbers from 1 May 2025. Staff leaving the organisation were supported with access to outplacement support.

- A 'continuous review and support process' was implemented, changing the way staff performance is managed at the Trust.
 - The Trust-wide training programme delivered on EDI and safeguarding in the year to ensure a well-informed staff team applies a consistent approach across the organisation. In addition, media training was targeted at key staff (and trustees) whose roles lead them to represent the Trust in a media setting.
 - The Trust undertakes an annual anonymous staff survey. Feedback, positive and negative, is considered by the Leadership and Management Teams and an action plan devised and implemented.
- **Governance**
- The Board implemented a continuity plan for trustee membership through the recruitment of four new trustees and one shadow trustee 15 months ahead of trustees stepping down to maintain the skills -base of the Board.
 - The loss of income via The Health Lottery represented a serious incident and was reported to the Charity Commission for England and Wales and to the Office of the Scottish Charity Regulator. Whilst there was whole Board responsibility for this issue, certain Trustees were delegated to sit on a detailed Board sub-group. This enabled the Board to successfully engage with the leadership team regarding the Trust's future operating model. It supported and guided on a set of detailed options regarding the future of the Trust ahead of the November 2024 Board away day. This resulted in the restructuring of the Trust in February/ March 2025.
- **Net Zero**
- The Climate Action Working Group continues to oversee and monitor the Trust's activity as set out in the [Climate Action Statement](#) and [Plan](#). In February 2024 the Trust submitted its first annual report under the ACF's [Funder Commitment on Climate Change](#). Two examples of the work the Trust has undertaken were referenced in the report; the Nature for Health priority (Health Justice Fund) and the fact that our website is hosted on servers utilising 100% renewable energy. This was a first-year report and overall the Trust's self-assessment was in line with the peer group (recent signatories).
- **Information Technology**
- The Trust reviews its policies and procedures regarding IT security on regular basis to ensure best practice. As a result, when the Trust underwent the process to renew the Cyber Essentials certification in August 2024 no significant changes were required.
- **Safeguarding**
- The Trust has in place appropriate [safeguarding policies and procedures](#) in line with regulatory frameworks and guidance. These apply both to the Trust's funding practices and its internal operations. The Trust is an active member of the Funder Safeguarding Collaborative (FSC). Tommy McIlravey (Trustee) remained in place as the safeguarding lead at Board level in 2023/24 and liaised with the Director of Grant Programmes, who is the leadership team member responsible for safeguarding matters. Tommy McIlravey resigned as a Trustee in November 2024 and Rory McLean has become the Board safeguarding lead.
 - The Trust received two self-reports by funded partners of safeguarding incidents within their organisation in the year (2023 - 5). These were responded to in accordance with the Trust's policy

and did not require the Trust to separately report to regulators. Specific safeguarding training through NCVO was also offered to all funded partners, which was popular, and subsequently re-commissioned.

○ **Customer Care**

- The Trust's complaints procedures reflect good practice, both in handling complaints about the Trust and the organisations that it funds. All staff who may be involved in complaint investigations have been fully trained on the practice and procedures of complaint handling. The Trust received no complaints in the year (2023 - 0).

Financial review

Financial position

A summary of the year's results can be found on page 29 of the financial statements.

Total income in the year was £3,483,082 (2023 - £3,691,049) with income from donations totalling £2,987,913 (2023 - £3,353,376). The decrease is due to a downturn in good causes money from society lotteries.

The total expenditure in the year was £2,714,504 (2023 - £6,086,409) all of which related to charitable activities. Grants expended in the year, including grant commitments and research and evaluation contracts amounted to £1,075,081 (2023 - £4,444,401). Total expenditure included within this figure are costs of charitable activities (net of grants) of £1,298,061 (2023 - £1,298,618), support costs of £255,478 (2023 - £265,078) and governance costs of £85,884 (2023 - £78,312).

Overall expenditure decreased in response to the fall in income from the society lotteries. Additionally, when notice was received that donations from the society lotteries would end in 2024/25, the Board paused some spending plans and took the time to reassess its financial position in that context.

At 30 September 2024, the Trust had total funds of £7,412,101 (2023 - £6,341,595). £6,108,245 (2023 - £5,026,443) of this related to restricted funds, of which £72,585 has been allocated to specific programmes in the next financial year (2023 - £710,916). Restricted funds include a fund representing the unrealised gain in the value of investment assets since 30 September 2021. Total unrestricted funds were £1,303,856 (2023 - £1,315,151), of which £151,372 (2023 - £55,691) were designated funds. Full details of funds are included in note 17 on pages 43-45.

○ **Donations**

The Trust's principal source of income has been donation income received from the six CICs operating the 12 society lotteries. Total donation income received from the society lotteries from 1 October 2011 to 30 September 2024, amounted to £132,458,788 (2023 - £129,470,875). Total donation income for the year (including from other sources) amounted to £2,987,913 (2023 - £3,353,376) allowed the Trust to continue to provide funding for groups of local residents and communities experiencing disadvantage and health inequalities.

Donations continued to decline in 2023/24 and ended in January 2025. The Trust is grateful to the players of The Health Lottery and to the six Community Interest Companies for the donations.

○ **Investment policy**

The Trust operates its investment activities in line with its current investment policy, which is intended to provide liquidity sufficient for the financing of the Trust's grants whilst maximising investment income. The policy states:

- The Trust will not make any investments where the risk of loss of capital is unacceptable to the Board.
- Cash deposits can only be made in a UK-based mainstream banking institution which has a credit rating that the Board regards as acceptable in terms of risk.
- The Trust will usually only invest in counterparties with a minimum rating of BBB+/ BAA1 or above from the three main credit rating agencies (Fitch, Moody's and Standard & Poor's).
- Investments in other asset classes will be considered where they meet the Trust's investment horizon and market risk appetite. Investment in other asset classes will be accessed through pooled funds (collective investment schemes) rather than direct investment.
- The Trust will not normally hold bank deposits with a notice period in excess of 35 days.
- The Trust will not hold investments with a counterparty that represent more than 35% of the Trust's cash investments. The Trust will invest only in accordance with its diversification policy: investing cash deposits in no less than three eligible financial institutions (a group of banks under the same ownership will be treated as one financial institution).
- The Trust will make all investments in sterling.

With respect to responsible investment:

The Trust has considered its approach and responsibilities in relation to responsible investment and has determined that investments and returns on investments must never take priority over or come into conflict with the Trust's charitable objects nor the fulfilment of operating expense obligations.

People's Health Trust believes in a world without health inequalities. We work to ensure that where people live does not unfairly reduce length of life, or quality of health. We will not knowingly invest in companies whose activities, corporate strategies or products are poorly aligned with our aims and values.

We actively seek to take account of environmental, social and governance (ESG) issues when considering our investments, and in our engagement with the fund managers who are responsible for our day-to-day investment decisions.

When appointing fund managers we will expect them to conform with our values outlined above, and require them to explain their engagement and escalation process, including how it is monitored and the timelines along which decisions are taken. Managers will likely not be selected if they cannot provide their process for dealing with unsuccessful engagements, and if these do not include triggers for escalation and are not incorporated into wider stewardship processes. We have asked our fund managers to explain, justify and provide evidence of investment intentions.

The policy will be reviewed in 2025.

The Trust did not make any new investments in 2023/24.

Despite some continued market volatility in 2023/24 the Trust's investment funds performed well and at the end of the financial year totalled in excess of the amount initially invested. The unrealised loss on the investment fund from previous years had become a gain at 30 September 2024, reflecting an increase of £59,244 against a decrease of £(1,364) for the previous year. The total gain was £301,928 (2023 - unrealised loss of £(242,684)). The unrealised gain is disclosed as a specific restricted fund (see Note 17).

In order to align the Trust's medium-term cash draw-down requirements and coupled with concerns over market volatility, in January 2025 the Trust sold two of its four longer term investments and realised a gain on both. It also gave notice on a third, which is anticipated to realise a loss in June 2025, but overall the three are expected to net off to a realised gain.

Investment income during 2023/24 totalled £431,219 (2023 - £307,328) split between interest received on cash deposits of £160,097 (2023 - £92,990) and income from investments of £271,122 (2023 - £214,338). Total income represented an effective rate over the average balances during the year of 4.10% (2023 - 2.35%) made up of 4.22% cash deposits, and 4.03% investments (2023 - 1.42% and 3.28% respectively). Investment income increased substantially year-on-year due to interest rates and the changes to deposits made part way through 2023/24. The Trustees continue to seek out investment opportunities that have the potential to increase income whilst remaining in line with the agreed policy.

Principal risks and uncertainties

Risk management

The Trust's approach to risk management was codified into a separate Risk Management Policy in July 2024. This policy sets out the Trust's underlying approach to risk management, documents the roles and responsibilities of the Board, staff, and other key parties: Board is responsible for the oversight of the risks faced by the Trust. However, the Finance, Audit and Operations Committee (FAOC) and Leadership Team also regularly (both separately and together) review the risk register, to ensure that it reflects the current operating environment and appropriate action is being taken to manage and mitigate risk.

The trustees ensure that controls exist over the key area of grant making, and that financial procedures and systems exist. At each Board meeting, trustees examine the risks faced by the Trust and ensure there are established effective plans and systems to manage and implement mitigating controls for those risks.

Financial risk is minimised through regular and rigorous review procedures of the Trust's activities by the Leadership Team, FAOC, and also at Board level.

Risk management processes assess risks based on their likelihood of occurrence, impact, and any mitigating controls that are in place. Each risk is allocated a pre and post mitigation score. Based on the score, risks are classified into low, medium, high, and very high risks. The high and very high risks represent the principal risks for the Trust. The process also seeks to identify any actions and resources required to manage these risks further.

The trustees have considered the principal risks and the key risk is as follows:

- Income - in the financial year 2023/24 the Trust was reliant on two sources of income, donations from lottery ticket sales and investment income. Donations from lottery ticket sales ended in January 2025. For several years donation income has been falling and the Trustees have put in place plans to mitigate against this reduction by exploring options and planning for diversification. In 2023/24 further funds - £133,649 - was designated by trustees for business development to explore different forms of income diversification. This has funded further work engaging external consultants to both advise on and implement proposals agreed by Board to diversify income. Income targets have been set for 2024/25 and into 2025/26 that are considered achievable by the Trust.

Reserves policy and going concern

Reserves policy

The reserves policy for the charitable company states that the Trust will aim to maintain general reserves of at least 26 weeks' running costs. As at 30 September 2024, the general reserves of £1,152,484 (2023 - £1,259,460) equated to 46.48 weeks' running costs (2023 - 40.7 weeks). The trustees consider the level of general reserves to be satisfactory at this point having taken into account the risk around income outlined in this report and actions taken to substantially reduce costs. The reserves policy is reviewed annually.

Going concern

Since the Trust was notified of the termination of the funding from The Health Lottery, the Board of Trustees and the Leadership Team have carried out a full review of the charity's strategy, operations and finances. The Board considered a range of options for its future which supports the Trust's charitable objects as a primary principle. This was extensively debated through a Board sub-group, by the Finance, Audit and Operations Committee and by full Board.

The Board agreed a budget in February 2025 is for the 19-month period from 1 September 2024 to 30 April 2026. The new staff structure is in place from 1 May 2025, so the budget period was extended to also demonstrate a full year of the new ways of working (12 months to 30 April 2026).

The trustees consider that there is a reasonable expectation that People's Health Trust has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue operating as a going concern.

Fundraising

The Trust undertakes fundraising from members of the public on a very small scale. It is registered with the Fundraising Regulator and committed to following the highest fundraising standards. In the year there have been:

- ◆ Nil failures to comply with the standard (2023 - nil)
- ◆ Nil complaints received by the charity about activities by the charity or by a person on behalf of the charity for the purpose of fund-raising (2023 - nil)

The Trust sets out to protect vulnerable people and other members of the public from unreasonable behaviour related to its fundraising by complying with the standards set by the Institute of Fundraising, managed by the Fundraising Regulator. The Trust is registered with the Information Commissioner's Office and strives to be compliant with GDPR.

Plans for the future

In November 2024, the Board agreed a new and exciting model for the Trust, one which would see it retaining its core work of:

- Working directly with people most impacted by health inequalities through its national and bespoke networks and supporting those organisations through considered priorities under the Health Justice Fund:
 - o We will be connectors by building on our hundreds of experts by experience and enhance our ability to connect people on the ground with funders, donors and decision-makers
 - o We will continue to support our existing funding priorities of Active Communities, Homes for Health, Advice for Health, Nature for Health, Good Jobs, Young People and Mental Health, Discrimination and Health and Active Communities. Further consideration will be given priorities driven by community and business need.
- Seeking to build evidence and practice around what works to address health inequalities:
 - o We will conclude and publish the findings of our Homes for Health pilot
 - o We will support the evaluation of Good Work for Young People's Mental Health, and Discrimination and Health, under the NIHR, School for Public Health VoVSES evaluation programme
 - o We will publish our top five learning outcomes from the last six years of evaluation and write and speak about these.
- Advocating - engaging with policy makers, funders and practitioners to improve understanding and action on health inequalities and the causes of those inequalities:
 - o We will continue to work closely with national and local government seeking to ensure the voices of local people and the evidence of what works is used to influence policy and practice on the ground
 - o We will continue to campaign on the core priorities which underpin good health, as determined by our experts by experience partners.
- Continuing our journey to ensure our work is equity focused and has clear focus on diversity, inclusion, anti-racism and anti-oppression
 - o We will continue to develop our equity, diversity and inclusion work throughout our funding mechanisms from policy to outcomes.
 - o We will hold ourselves to account through both our annual survey and through externally publishing our data via 360 Giving and Funders Race Equality Alliance
- Creating an organisation which is fit for future purpose and can meet its charitable objects
 - o We will build a strong pipeline of major donors and corporate partners with whom we can work and connect to local communities
 - o We will further develop work with funders, corporate partners, major donors and trusts and foundations in order to find common purpose and drive action around the causes of health inequalities and their impact on marginalised people
 - o Embedding the Trust's new structure (May 2025) as we move to a different operating model

- Recruitment of new trustees to support the Trust's future income generation. Retention of existing long-standing trustees to ensure the correct mix across the Board at a time of change.

◆ Budgets and Income

The Trustees have agreed a budget for the full 2024/25 financial year and an extended period to 30 April 2026. This aligns with the end of a full 12-month period from 1 May 2025, the date from which the new staff structure is in place. As part of the planning process the Trustees agreed an Income Generation Strategy that sets out the range of opportunities to be explored in future years and the ways in which we can positively leverage existing and new partnerships to further our charitable objects. Targets for income are agreed for the period to 30 April 2026 and there is high confidence that they will be achieved.

Market volatility since the end of the financial year led to the sale of the Trust's two multi asset funds in January 2025, which the Trustees considered to represent the greatest risk. The volatile environment has continued and the impact on the remaining investments remains uncertain and an estimate of financial impact cannot be made.

Structure, governance and management

Constitution

The Trust is a charitable company limited by guarantee (Company No 06492606), incorporated on 4 February 2008 and registered as a charity (Charity No 1125537) with the Charity Commission on 15 August 2008 and with the Office for Scottish Charity Regulator (OSCR) (Charity No SC039848) on 4 September 2008. The charitable company is governed by the Articles of Association which set out its objects, powers and its governance arrangements. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £1 each.

Trustees

Trustees may serve for three terms of three years. In exceptional circumstances they may serve a fourth additional term of a maximum of 12 months. Trustees are re-appointed at the board meeting prior to the anniversary of each term. Trustees are based in various locations around England, Scotland and Wales.

All trustees, who are also company directors, are non-executive members of the Board and Committees. There are clear distinctions between the roles of trustees and of the Leadership Team to whom day-to-day management is delegated.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Within the year 2023/24, the Board held seven meetings (three in person, four virtually). Board sub-groups were also in operation throughout the year to support work on the EDI plan and the Stronger Foundation's self-assessment. When notice was received that lottery donations would be coming to an end the Board established a sub-group to address the issue.

Board Committees

Trustees are nominated for a committee by two trustees and voted onto the committee by a simple majority vote by the Board. The chair of the committee is a trustee and is nominated by two members of the board, supported by a candidate statement and is voted into position by a simple majority vote of the Board.

Finance, Audit and Operations Committee (FAOC):

The FAOC reports to and advises the Board on the key areas of audit, risk, finance (including investments), performance, HR, legal and safeguarding. The Committee's terms of reference permit it to scrutinise officers' reports, make decisions on investments within agreed parameters set by the Board, meet with the auditors, offer advice to the Leadership Team and make recommendations to the Board. Membership of this Committee was, on average, five trustees (one of whom is a qualified accountant) with one co-opted external member, Martin Anderson, who brings relevant investment skills and experience to the Committee. (Martin Anderson became a trustee in January 2025 and his status on the committee therefore changed at that time). The Board acknowledges Martin Anderson's considerable expertise and is grateful for his time and counsel. The Chair of the Trust attended Committee meetings as an ex-officio member, as did the shadow trustee, who became a committee member when her status changed to a trustee in November 2024. The Committee met five times within the financial year.

Programmes Influencing and Impact Committee (PIIC) (previously the Policy, Research and Advocacy Committee (PRAC) up to December 2023):

The PIIC acts on behalf of the Board to provide advice and strategic oversight regarding the Trust's policy, research (including learning and evaluation), networks, advocacy and communications work to the Leadership Team. It provides a level of support and scrutiny to ensure that the Trust's work in research, policy and advocacy is strategic, progressing and impactful. The Committee's average membership was seven trustees (one of whom chairs the Committee), there was no co-opted member. The Chair of the Trust attends the Committee meetings as an ex-officio member, as did the shadow trustee, who became a committee member when her status changed to a trustee in November 2024. Four meetings were held in the year.

Appointment of trustees

The Trust actively considers EDI in its recruitment process for Board members. Appointment is to positions where specific skills and/or experience is required. It is conducted through an open and competitive process unless there is a business case not to, i.e. recruitment has been difficult. This is very much by exception and not the normal practice of the Trust.

Trustee induction and training

Trustees are partnered with an existing Board member to support their induction into the organisation. They will also meet with the Leadership Team to discuss their statutory responsibilities, their role within the Board, the governance framework, the strategic objectives of the Trust and how the Board works.

The performance of the Board is periodically assessed through trustee meetings with the Chair or Vice Chair. Through this process, trustee development is regularly reviewed and determines developmental objectives.

Related parties and relationships with other organisations

The Trust's key relationship in the year was with the six Community Interest Companies (CICs) which each run a society lottery under the marketing name of The Health Lottery. The CICs donate money for good causes arising from their lotteries to the Trust.

Remuneration policy for key management personnel

Key management personnel included the Leadership Team comprising the Chief Executive, four team directors and the Board of trustees (trustees are not remunerated for their role as board members).

The Trust's policy on remuneration is to ensure that pay offered to the Leadership Team is competitive when compared to other charity sector organisations (particularly funding organisations), geography, role and responsibility.

All Leadership Team salaries are reviewed by the Finance, Audit and Operations Committee (FAOC) which makes recommendations to the Board for approval. Any cost-of-living pay packages are recommended by the FAOC for Board agreement. The salaries are proposed and recommended based on benchmarking with other grant making charities and other information such as via recruitment agencies specialising in assessing the skills and expertise of a post, whilst also taking account of geography, Retail Price Index (RPI) and the sector. It is also the ambition of the Trust to narrow the gap between the highest and the lowest paid within the organisation.

The Leadership Team members do not receive any performance related pay or benefits-in-kind and have the same pension rights and annual leave as other staff employed in the charity. They may, as with all personnel, receive an annual cost-of-living pay rise. For the year 2023/24 the Leadership Team received the same percentage increase as other staff.

The Leadership Team members are reimbursed expenses incurred in the course of their duties on the same basis as all other employees of the Trust. Details of the total basic salary and pension benefits of the key management personnel are included in staff costs (note 7).

Policy for employment of disabled persons

The Trust has been a Disability Confident Committed employer since March 2021 and all job applicants are encouraged to indicate their eligibility for the scheme. Only one vacancy was advertised in the year.

In 2023/24 5.3% members of staff who completed the survey identified as disabled (2023 - 10.0%). Disabled members of staff and those with long term health conditions are supported to be successful in their roles through a number of routes, including the statutory requirement for reasonable adjustments, providing individualised training and tools, and wellness support and planning.

Employee information

In the year 2023/24, the Trust operated with an average of 19 (2023 - 23) roles in the year. The decrease year on year is proportionate to a reduction in the number of grants awarded and managed. The staff team worked across five teams:

- ◆ **Grants Team** which managed the Trust's funding programmes, funded partner networks and relations, including capacity-building, as well as system and procedure development
- ◆ **Policy, Research and Communications** which managed the Trust's internal, external and partner communications, public affairs, policy and research
- ◆ **Engagement** which managed the key funding relationships of the Trust
- ◆ **Finance and Operations Team** which managed the Trust's income and expenditure, investments, legal, performance, and back-office functions (HR, legal, IT)
- ◆ **CEO Team** which included Board and committee support and business development

The departments were led by a Leadership Team (LT) of five (4.3 FTE) establishment who all attend meetings of the Board and relevant committee meetings.

In addition to the LT, a Management Team of four is in place. The focus of the Management Team's is the delivery of the Trust's annual Delivery Plan.

Statement of responsibilities of the trustees

The trustees (who are also directors of People's Health Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year 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 period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial

statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to act in that capacity.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 1 May 2025 and signed on their behalf by

Jenny Edwards CBE, Chair of Trustees

Opinion

We have audited the financial statements of People's Health Trust (the 'charitable company') for the year ended 30 September 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 30 September 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 People's Health Trust'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 trustees' 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:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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

Independent auditor's report

To the members of

People's Health Trust

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

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

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.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Finance Audit and Operations Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor's report

To the members of

People's Health Trust

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

2 May 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

People's Health Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 September 2024

	Note	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Income from:							
Donations and legacies	2	-	2,987,913	2,987,913	204	3,353,172	3,353,376
Charitable activities		63,950	-	63,950	30,345	-	30,345
Investments	3	55,074	376,145	431,219	19,104	288,224	307,328
Total income		119,024	3,364,058	3,483,082	49,653	3,641,396	3,691,049
Expenditure on:							
Charitable activities							
Supporting greater health equity	4	65,319	2,181,567	2,246,886	46,079	5,583,714	5,629,793
Awareness and communications	4	-	467,618	467,618	-	456,616	456,616
Total expenditure		65,319	2,649,185	2,714,504	46,079	6,040,330	6,086,409
Net income / (expenditure) before net gains / (losses) on investments		53,705	714,873	768,578	3,574	(2,398,934)	(2,395,360)
Net gains / (losses) on investments		-	301,928	301,928	-	(1,364)	(1,364)
Net income / (expenditure) for the year		53,705	1,016,801	1,070,506	3,574	(2,400,298)	(2,396,724)
Transfers between funds		(65,000)	65,000	-	-	-	-
Net income / (expenditure) before other		(11,295)	1,081,801	1,070,506	3,574	(2,400,298)	(2,396,724)
Net movement in funds		(11,295)	1,081,801	1,070,506	3,574	(2,400,298)	(2,396,724)
Reconciliation of funds:							
Total funds brought forward		1,315,151	5,026,443	6,341,595	1,311,578	7,426,741	8,738,319
Total funds carried forward		1,303,856	6,108,244	7,412,101	1,315,151	5,026,443	6,341,595

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 17 to the financial statements.

People's Health Trust

Balance sheet

Company no. 06492606

As at 30 September 2024

	Note	£	2024 £	£	2023 £
Fixed assets:					
Tangible assets	11		4,351		6,621
Investments	12		6,827,682		6,525,754
			<u>6,832,033</u>		<u>6,532,375</u>
Current assets:					
Debtors	13	271,004		237,144	
Cash at bank and in hand		2,973,392		5,163,312	
		<u>3,244,396</u>		<u>5,400,456</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(2,231,479)		(4,481,797)	
Net current assets			<u>1,012,917</u>		<u>918,659</u>
Total assets less current liabilities			<u>7,844,950</u>		<u>7,451,034</u>
Creditors: amounts falling due after one year	15		(432,849)		(1,109,439)
Total net assets			<u>7,412,101</u>		<u>6,341,595</u>
The funds of the charity:					
Restricted income funds	16		6,108,245		5,026,443
Unrestricted income funds:					
Designated funds		151,372		55,691	
General funds		1,152,484		1,259,460	
Total unrestricted funds			<u>1,303,856</u>		<u>1,315,151</u>
Total charity funds			<u>7,412,101</u>		<u>6,341,595</u>

Approved by the trustees on 1 May 2025 and signed on their behalf by

Jenny Edwards
Chair of Trustees

People's Health Trust

Statement of cash flows

For the year ended 30 September 2024

	2024		2023	
	£	£	£	£
Cash flows from operating activities				
Net (expenditure)/ income for the reporting period (as per the statement of financial activities)	1,070,506		(2,396,724)	
Depreciation charges	2,270		3,986	
Loss on sale of fixed assets	-		129	
(Gains)/ losses on investments	(301,928)		1,364	
Dividends, interest and rent from investments	(431,219)		(307,328)	
(Increase)/Decrease in debtors	(33,860)		(13,569)	
(Decrease) in creditors	(2,926,908)		(275,348)	
Net cash provided by / (used in) operating activities		(2,621,139)		(2,987,490)
Cash flows from investing activities:				
Dividends, interest and rents from investments	431,219		307,328	
Purchase of fixed assets	-		(6,810)	
Proceeds from sale of fixed assets	-		800	
Net cash provided by / (used in) investing activities		431,219		301,318
Change in cash and cash equivalents in the year		(2,189,920)		(2,686,172)
Cash and cash equivalents at the beginning of the year		5,163,312		7,849,484
Cash and cash equivalents at the end of the year		2,973,392		5,163,312

1 Accounting policies

a) Statutory information

People's Health Trust is a charitable company limited by guarantee and is incorporated in England and Wales.

People's Health Trust is an incorporated charity registered with the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

The registered office address is 2 Bath Place, Rivington Street, London, EC2A 3DR

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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Key judgements that the charity has made which have a significant effect on the accounts include:

- estimating the allocation of support costs across expenditure categories;
- estimating the useful economic life of tangible fixed assets;
- estimating future income and expenditure flows for the purpose of assessing going concern.

The accounts are prepared as full values however are presented to the nearest £1. This may cause small discrepancies in the financial statements.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

Since the end of the financial year the Board has undertaken a full staff restructure and agreed a detailed 19 month budget to 30 April 2026, with broader financial planning for financial years 2026/27 and 2027/28. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Supporting greater health equity costs include:
 - Grants payable which are included in the statement of financial activities when approved by the trustees and when the intended recipient has been informed of the decision to make the grants and has satisfied all relevant and due terms and conditions.
 - Evaluation costs of the grant programmes.
 - Support costs which are allocated to charitable activities according to the amount of time staff spend within each charitable activity.
- Awareness and communication costs include mainly staff costs and various communications costs relating to raising the awareness of the Trust's brand, funded projects and the Health Inequality agenda.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Research and Evaluation

Research and evaluation is undertaken to establish the impact of grants awarded in furtherance of the charity's objects, either as a grant to an eligible organisation or a contract where VAT is applicable.

Provision for research and evaluation is made in full for a grant award when the intention to make a grant has been communicated to the recipient, and in accordance with the contractual arrangements where VAT is applied.

l) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

- | | |
|------------------------------------|-----|
| ▫ Supporting greater health equity | 87% |
| ▫ Awareness and communications | 13% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

m) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

n) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £3,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- IT and office equipment 3 years

o) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

p) Debtors

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

q) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

r) Cash at bank and in hand

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

s) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

t) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

u) Pensions

The Trust operates a defined contribution group personal pension scheme for employees. Annual contributions by the Trust in respect of the group personal pension scheme available to staff members are charged to the statement of financial activities in the period in which they are payable. Employer pension contributions of 6% are made for all employees in the pension scheme.

2 Income from donations and legacies

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Donations from Society Lotteries	-	2,987,913	2,987,913	-	3,353,172	3,353,172
Other	-	-	-	204	-	204
	-	2,987,913	2,987,913	204	3,353,172	3,353,376

3 Income from investments

	2024			2023		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Investments	-	271,122	271,122	-	214,338	214,338
Deposits	55,074	105,023	160,097	19,104	73,886	92,990
	<u>55,074</u>	<u>376,145</u>	<u>431,219</u>	<u>19,104</u>	<u>288,224</u>	<u>307,328</u>

People's Health Trust

Notes to the financial statements

For the year ended 30 September 2024

4a Analysis of expenditure (current year)

	Charitable activities				2024 Total £	2023 Total £
	Supporting greater health equity £	Awareness and communications £	Governance costs £	Support costs £		
Staff costs (Note 7)	656,944	279,810	24,331	255,478	1,216,563	1,268,326
Consultancy	7,038	-	-	-	7,038	11,787
Travel and accommodation costs	8,444	1,424	7,712	-	17,580	15,094
Office Costs	44,302	75	16,620	-	60,997	50,973
Premises and technology	158,045	85,101	11,248	-	254,394	253,782
Other costs	1,757	55,121	-	-	56,878	37,460
Professional fees	-	-	25,973	-	25,973	4,586
Grants and evaluation work (Note 5)	990,688	1,710	-	-	992,398	4,444,401
Research Contracts	82,683	-	-	-	82,683	-
	1,949,901	423,241	85,884	255,478	2,714,504	6,086,409
Support costs	222,266	33,212	-	(255,478)	-	-
Governance costs	74,719	11,165	(85,884)	-	-	-
Total expenditure 2024	2,246,886	467,618	-	-	2,714,504	
Total expenditure 2023	5,629,793	456,616	-	-		6,086,409

People's Health Trust

Notes to the financial statements

For the year ended 30 September 2024

4b Analysis of expenditure (prior year)

	Charitable activities				2023 Total £
	Supporting greater health equity £	Awareness and communications £	Governance costs £	Support costs £	
Staff costs (Note 7)	682,382	290,984	29,882	265,078	1,268,326
Consultancy	11,787	-	-	-	11,787
Travel and accommodation costs	6,819	1,012	7,263	-	15,094
Office Costs	34,697	476	15,800	-	50,973
Premises and technology	151,451	81,550	20,781	-	253,782
Other costs	13,148	24,312	-	-	37,460
Professional fees	-	-	4,586	-	4,586
Grants and evaluation work (Note 5)	4,430,760	13,641	-	-	4,444,401
Research Contracts	-	-	-	-	-
	5,331,044	411,975	78,312	265,078	6,086,409
Support costs	230,618	34,460	-	(265,078)	-
Governance costs	68,131	10,181	(78,312)	-	-
Total expenditure 2023	5,629,793	456,616	-	-	6,086,409

5a Grant making (current year)

	Grants committed £	2024 £	2023 £
Cost			
Supporting greater health equity	990,688	990,688	4,430,760
Awareness and Communications	1,710	1,710	13,641
	<u>992,398</u>	<u>992,398</u>	<u>4,444,401</u>
At the end of the year	<u>992,398</u>	<u>992,398</u>	<u>4,444,401</u>

The Trust funds projects addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). The Trust operated two main grant programmes in 2023/24.

Data on grants awarded is available from our website: <https://www.peopleshealthtrust.org.uk/projects-we-fund/360-giving>. This page links to details of all grants awarded by People's Health Trust from December 2012 until 30 September 2024.

5b Grant making (prior year)

	Grants committed	
	£	2023 £
Cost		
Supporting greater health equity	4,430,760	4,430,760
Awareness and Communications	13,641	13,641
	<u>4,444,401</u>	<u>4,444,401</u>
At the end of the year	<u>4,444,401</u>	<u>4,444,401</u>

The Trust funds projects addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). The Trust operated two main grant programmes.

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2024 £	2023 £
Depreciation	2,270	3,986
Operating lease rentals payable:		
Property	135,000	123,000
Auditor's remuneration (excluding VAT):		
Audit	13,850	13,200
Other services	-	-
	<u>151,990</u>	<u>140,192</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024	2023
	£	£
Salaries and wages	1,001,320	1,015,944
Social security costs	111,745	113,815
Employer's contribution to defined contribution pension schemes	63,686	66,668
Temporary staff and contractor costs	39,812	71,899
	1,216,563	1,268,326
	1,216,563	1,268,326

The termination costs settled and paid at the balance sheet date were £4,737 (2023: £nil).

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024	2023
	No.	No.
£60,000 - £69,999	1	-
£70,000 - £79,999	1	2
£80,000 - £89,999	1	-
£110,000 - £119,999	1	1
	1	1
	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £439,965 (2023: £415,371).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represent the payment or reimbursement of travel and subsistence costs totalling £6,111 (2023: £6,579) incurred by 10 (2023: 10) members relating to attendance at meetings of the trustees.

The charity also purchased insurance to protect it from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £7,706.72 (2023: £6,439) and provides cover of up to a maximum of £5 million. The premium for 2023 related only to this cover, whereas in 2024 the premium provided cover for other potential organisational losses previously covered under a separate policy.

8 Staff numbers

Staff are split across the activities of the charity as follows:

	Full time equivalent		Headcount	
	2024	2023	2024	2023
	No.	No.	No.	No.
Charitable activities	14.8	18.3	16	20
Support	4.4	4.4	5	4
	19.2	22.7	21	24
	19.2	22.7	21	24

9 Related party transactions

There are no related party transactions to disclose for this financial year (2023: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Expenses paid or reimbursed to the charity's trustees are disclosed in Note 7.

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	IT and office equipment £	Total £
Cost		
At the start of the year	73,056	73,056
Additions in year	-	-
Disposals in year	(51,702)	(51,702)
At the end of the year	<u>21,354</u>	<u>21,354</u>
Depreciation		
At the start of the year	66,435	66,435
Charge for the year	2,270	2,270
Eliminated on disposal	(51,702)	(51,702)
At the end of the year	<u>17,003</u>	<u>17,003</u>
Net book value		
At the end of the year	<u>4,351</u>	<u>4,351</u>
At the start of the year	<u>6,621</u>	<u>6,621</u>

12 Investments	2024 £	2023 £
Fair value at the start of the year	6,525,754	6,527,118
Additions at cost	-	-
Net gain / (loss) on change in fair value	301,928	(1,364)
	<u>6,827,682</u>	<u>6,525,754</u>
Fair value at the end of the year	<u>6,827,682</u>	<u>6,525,754</u>
Investments comprise:		
	2024 £	2023 £
Property fund	648,848	665,509
Mixed asset funds	6,178,834	5,860,245
	<u>6,827,682</u>	<u>6,525,754</u>
	<u>6,827,682</u>	<u>6,525,754</u>
13 Debtors		
	2024 £	2023 £
Accrued income and prepayments	156,947	119,247
Society lotteries	114,057	117,897
	<u>271,004</u>	<u>237,144</u>
	<u>271,004</u>	<u>237,144</u>
14 Creditors: amounts falling due within one year		
	2024 £	2023 £
Trade creditors	19,562	3,586
Taxation and social security	35,780	-
Grants payable	2,119,136	4,406,397
Accruals	57,001	71,814
	<u>2,231,479</u>	<u>4,481,797</u>
	<u>2,231,479</u>	<u>4,481,797</u>
15 Creditors: amounts falling due after one year		
	2024 £	2023 £
Grants payable	432,849	1,109,439
	<u>432,849</u>	<u>1,109,439</u>
	<u>432,849</u>	<u>1,109,439</u>

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	4,351	-	4,351
Investments	-	-	6,827,682	6,827,682
Net current assets	1,152,484	147,021	(286,588)	1,012,917
Long term liabilities	-	-	(432,849)	(432,849)
Defined benefit pension asset / (liability)	-	-	-	-
Net assets at 30 September 2024	1,152,484	151,372	6,108,245	7,412,101

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	6,621	-	6,621
Investments	-	-	6,525,754	6,525,754
Net current assets	1,259,460	49,070	(389,872)	918,659
Long term liabilities	-	-	(1,109,439)	(1,109,439)
Net assets at 30 September 2023	1,259,460	55,691	5,026,443	6,341,595

17a Movements in funds (current year)

	At 1 October 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2024 £
Restricted funds:					
Geographical area funds	5,247,055	1,582,197	(1,073,371)	65,000	5,820,881
Operating costs funds	20,363	1,781,861	(1,574,104)	-	228,120
Unrealised loss on investment fund	(242,684)	301,928	-	-	59,244
Health CICs	1,710	-	(1,710)	-	-
Total restricted funds	5,026,444	3,665,986	(2,649,185)	65,000	6,108,245
Unrestricted funds:					
Designated funds:					
Fixed assets	6,621	-	(2,270)	-	4,351
Business development	23,490	-	(30,639)	133,649	126,500
Network events	13,368	-	(1,237)	-	12,131
Website	5,966	-	(3,822)	-	2,144
Fixed asset replacement	6,246	-	-	-	6,246
Total designated funds	55,691	-	(37,968)	133,649	151,372
General funds	1,259,460	119,024	(27,351)	(198,649)	1,152,484
Total unrestricted funds	1,315,151	119,024	(65,319)	(65,000)	1,303,856
Total funds	6,341,595	3,785,010	(2,714,504)	-	7,412,101

The transfer of £65,000 from General funds to Geographical area funds corrects an accounting error in a prior financial period .

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At 1 October 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 1 October 2023 £
Restricted funds:					
Geographical area funds	7,652,710	2,025,105	(4,430,760)	-	5,247,055
Operating costs funds	-	1,616,291	(1,595,929)	-	20,362
Unrealised loss on investment fund	(241,320)	-	(1,364)	-	(242,684)
Health CICs	15,351	-	(13,641)	-	1,710
Total restricted funds	7,426,741	3,641,396	(6,041,694)	-	5,026,443
Unrestricted funds:					
Designated funds:					
Fixed assets	4,726	-	(3,986)	5,881	6,621
Business development	43,290	-	(19,800)	-	23,490
Network events	18,691	-	(5,323)	-	13,368
Change project	5,889	-	-	(5,889)	-
Website	6,791	-	(825)	-	5,966
Fixed asset replacement	13,109	-	(53)	(6,810)	6,246
Total designated funds	92,496	-	(29,987)	(6,818)	55,691
General funds	1,219,082	49,653	(16,092)	6,818	1,259,460
Total unrestricted funds	1,311,578	49,653	(46,079)	-	1,315,151
Total funds	8,738,319	3,691,049	(6,087,773)	-	6,341,595

Purposes of restricted funds

Geographical area funds:

Funds arise from donations by 6 separate community interest companies (CIC) (2023 - 6), each of which donates good causes monies raised through individual society lotteries. Each CIC focuses upon a specific community of geographical interest and each fund is restricted for use (after reasonable operating costs) for onward donation as grants to charities and community groups within that CICs area for the purpose of supporting greater health equity.

No restricted fund was in deficit (2023: none). Of the geographical area funds balance of £5,820,881 at 30 September 2024 (2023 - £5,247,055), the following amounts were allocated for specific grant programmes in the next financial year as follows:

- £42,672 allocated for research work;
- £29,913 allocated for capacity development.

Operating costs funds:

Funds arise from donations by 6 separate community interest companies (2023 - 6) for supporting greater health equity non-grant expenditure, supplemented by investment income.

Health CICs:

The Trust received £50,000 in 2020 to support its work with networks. The fund was spent down in the year, with the unspent amount as at 30 September 2023 - £1,710.

Purposes of designated funds

The fixed assets fund represents:

- The net book value of the charity's tangible fixed assets at the year end to recognise the fact that the assets are required for the day-to-day operation of the Trust and are not available for other purposes or as a general reserve.

Business development represents:▯

- Funds set aside for future income generation initiatives that the Trust plans to undertake.

Network events represents:▯

- Future costs expected to be incurred in relation to networking events across the Active Communities programmes.

Change project represents:

- Future costs expected to be incurred in relation to resource support for the change programme approved in September 2015. This programme was designed to support cross-team working and a review of the Active Communities programme. It was no longer required, and the remaining balance was de-designated and transferred to General funds in the previous year.

Website represents:

- Funds set aside for replacement website.

Fixed Asset Replacement represents:

- Costs expected to be incurred in relation to fixed asset replacements.

18 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2024	2023
	£	£
Less than one year	108,000	99,000
	<u>108,000</u>	<u>99,000</u>

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

20 Post balance sheet events

Market volatility since the end of the financial year led to the sale of the Trust's two multi asset funds in January 2025, which the Trustees considered to represent the greatest risk. The volatile environment has continued and the impact on the remaining investments remains uncertain and an estimate of financial impact cannot be made.

PEOPLE'S HEALTH TRUST

England & Wales - Charity number 1125537

Accounts

Company number: 6492606

Charity number: 1125537 (England & Wales)

SC039848 (Scotland)

People's Health Trust

Report and financial statements

For the year ended 30 September 2023

People's Health Trust

Contents

For the year ended 30 September 2023

Reference and administrative information	1
Trustees' annual report	3
Independent auditor's report	28
Statement of financial activities (incorporating an income and expenditure account)	32
Balance sheet	33
Statement of cash flows	34
Notes to the financial statements	35

Reference and administrative information

For the year ended 30 September 2023

Company number	6492606
Country of incorporation	United Kingdom
Charity number	1125537 (England and Wales) SC039848 (Scotland)
Registered office and operational address	2 Bath Place Rivington Street London EC2A 3DR

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Jenny Edwards CBE (Chair)
Jacqueline Lodge (Deputy Chair)
Paul Ballantyne (Scotland)
Leandra Box
Andrew Bickerdike (appointed 3 April 2024)
Professor Elizabeth Dowler
Ranjeet Kaile (appointed 3 April 2024)
Shelagh Kirkland ACA (appointed 29 October 2023)
Joe Leigh CPFA & FCCA (resigned 9 October 2023)
Rory MacLean (appointed 21 December 2023)
Nicola McCallum (Scotland) (appointed 21 December 2023)
Thomas McIlravey
Barbara Simmonds FCA (retired 30 May 2023)
Duncan Stephenson (resigned 11 December 2023)
Shavannah Taj (Wales)

Key management personnel John Hume, Chief Executive Officer
Max Rutherford, Director of Grant Programmes
Nicola Brian (on maternity leave from 16 March 2022 to 24 January 2023), Director of Engagement
Dr Lisa Doyle (interim from 28 February 2022 to 30 September 2023), Director of Engagement and Influencing
Dr Matthew Sowemimo (from 4 December 2023), Director of Policy and Communications
Elaine Battson FCCA, Director of Finance and Operations

People's Health Trust

Reference and administrative information

For the year ended 30 September 2023

Bankers	National Westminster Bank plc Charities and Education Team Commercial and Corporate Banking 1st Floor 440 Strand London WC2R 0QS
Solicitors	Bates Wells LLP 10 Queen Street Place London EC4R 1BE
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane LONDON EC1Y 0TG

The trustees present their report and the audited financial statements for the year ended 30 September 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The object of the charitable company is the promotion of health for the public benefit by increasing and supporting sustainable health equality in and for disadvantaged communities and groups across England, Scotland and Wales.

The Trust undertakes this work because of its ambition to take action on the causes of ill-health and shortened lives for some of the most marginalised people in England, Scotland and Wales.

The Trust aims to achieve this ambition by:

- listening to and supporting marginalised groups to speak out about their experience of health inequalities;
- building evidence and practice around what works to address health inequalities;
- speaking clearly and boldly on the avoidable inequalities in health faced by marginalised people;
- developing as a diverse, equitable and inclusive organisation and funder.

The trustees review the strategic aims, objectives and activities of the charity every three years. This helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes. This report looks at the charity's achievements and the outcomes of its work in the reporting period, the first year of the Trust's Strategic Plan for 2022/25. The trustees report the progress of each key activity and the benefits the charity has brought to people that it supports.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

2022/23 represented year one of the Trust's three-year strategic plan (2022/25), one that commits the Trust to taking action on the causes of ill-health and shortened lives for the most marginalised people in England, Scotland and Wales.

Four new strategic objectives were developed, underpinned by an 'enabler' that sets out the Trust's intention to ensure it is a strong organisation fit for the future and able to support greater health equity.

The Trust was able to continue its charitable work primarily due to the continued support of the 6 Community Interest Companies (CICs) which run the 12 society lotteries through The Health Lottery. The Trust remains grateful to The Health Lottery and to the Community Interest Companies for their ongoing, vital contribution.

Strategic Objective One: We will listen to and support marginalised groups to speak out about their experience of health inequalities.

Over the year, the Trust deepened its commitment to communities experiencing the greatest social and economic disadvantage, and worked collaboratively to further amplify the voices of those most affected by health inequality to ensure they are heard by decision-makers.

Through its networks of funded partners, an extensive programme of capacity building support, evaluation and grant funding, the Trust gathered and utilised evidence that demonstrates the ways in which communities are addressing the social and economic causes of ill-health and early death.

Grant making policy

The Trust received restricted donations from six Community Interest Companies (CICs) operating society lotteries during the year enabling it to deliver its funding programmes for charities and community groups, allocated within the defined and published geographical areas across Great Britain. Each CIC focuses upon two specific communities of geographical interest co-terminous with multiple local authority boundaries.

The Trust funds local work addressing the 'social and economic determinants of health' - the building blocks that affect life expectancy and quality of health. These can include jobs and income; community power; social connections; local environment; local economies; housing; education and skills; digital inclusion; food security; and discrimination. A fundamental belief of the Trust is that decisions about communities should be taken by those most impacted, so control and social connections remain foundational aims in all of the Trust's funding.

The Trust invested funding in neighbourhoods which experience the greatest disadvantage as identified by targeting neighbourhoods in the top 30% of the Index of Multiple Deprivation (IMD), Scottish Index of Multiple Deprivation (SIMD) and Welsh Index of Multiple Deprivation (WIMD).

It also supported projects working with specific communities of interest, people who have a shared identity or experiences that are likely to experience significant health inequalities and discrimination. These include groups that are protected under the Equality Act 2010 because of age, disability, race, sex, sexual

orientation, gender, gender reassignment, religion, or belief; and people who share a particular identity of common experience, for example ex-offenders, D/deaf people, young carers, tenants, care leavers, and people who have experienced homelessness.

The Trust operated two grant programmes during 2022/23: Active Communities, Local Conversations, and developed a new strand of work, Homes for Health (more detail can be found under the Grant Programmes section below). It also developed plans for a new funding programme, the Health Justice Fund, informed by direct consultation and engagement with stakeholders including current and previous funded partners, which was approved by the board in September 2023 and was launched soon after. The Health Justice Fund provides a route through which communities experiencing the sharp end of health inequalities can work with the Trust on a range of priorities, using their experience and practice, to improve health for the long term.

Review of activities

Grant Programmes

During 2022/23 the Trust incurred costs of £4,430,760 (2022 - £4,359,064) across its main funding programmes.

Programme	2022/23 Total £	2021/22 Total £
Active Communities	3,461,581	3,634,735
Local Conversations	305,394	572,001
Living Wage	50,000	0
Capacity Building	37,468	82,751
Homes for Health	567,285	0
Total value of grant commitments	4,421,728	4,289,487
Research	9,032	69,576
Total	£4,430,760	£4,359,063

During the financial year 2022/23, the Trust made 160 (2022 - 152) grants across all of its programmes which benefitted approximately 35,028 local people (2022 - 27,343). Since it started awarding grants in 2011, and up to 30 September 2023, the Trust had made 3,853 (2022 - 3,693) grants which have benefitted over 679,992 local people (2022 - 644,964). Details of the range of projects funded can be found on the website at www.peopleshealthtrust.org.uk and in the Trust's [annual review](#).

87% (2022 - 90%) of the respondents of the Trust's 2023 annual stakeholder survey reported that they found the Trust's application process easy to some or a large extent, 90% (2022 - 95%) felt that the Trust's monitoring requirements were proportionate to some or a large extent, and 93% (2022 - 96%) felt that an appropriate level of support is offered on grant management.

The Trust delivers a highly relational approach to its grant-making. In addition to providing direct grant management support through its Partnership Officers, it supports funded partners with an extensive programme of capacity building support and access to thematic and regional networks (see below). Funded partners play a key role in helping to influence and shape the Trust's programmes, policy priorities and campaigns, informing evidence gathering, providing data for research projects, and contributing insight to policy and public affairs work. This operating model, enabling deep collaboration between the Trust and its funded partners, is integral to the success of the Trust's strategic priorities and mission as a charity.

Active Communities is a funding programme that has been running since 2012 and opened for the final time towards the end of 2023. It was open for applications in different areas of Great Britain at different times of the year. The programme funded projects that put local people in control of ideas that address the social and economic reasons for poor health and early death. It opened to people living in neighbourhoods featuring in top 30% on IMD and those who identify as a community of interest. A wide variety of activities was funded through the Active Communities programme during the year, focusing on activities that foster stronger links and ties within communities and build collective power, both of which are foundational social determinants of health. Emerging trends and themes arising from funded partners that the programme has responded to through the Trust's funding included the cost-of-living crisis, mental health needs, housing and access to good work. The Trust also supported many organisations led by and for communities with protected characteristics, who are more likely to experience marginalisation and discrimination, including carers, people with learning disabilities, racially minoritised communities, refugees and people seeking asylum.

Under the Active Communities programme, the Trust provided funding of between £5,000 and £40,000 for up to two years. £3,461,581 was committed through this programme during the year (2022 - £3,634,735). The average grant award was £ 29,234.68 (2022 - £27,285.18). Since programme inception in 2012, 379,916 people (2022 - 361,425) have or are directly benefitting from the programme. Each Board meeting receives an update on the programme.

Local Conversations is a funding programme that has been a ten-year investment in specific places in England, Scotland and Wales. It is designed to enable people to take control over decisions and action to make their neighbourhoods better places to grow, live, work and age, and to improve their health and wellbeing. The Local Conversation usually takes place over neighbourhoods of between 4,000 and 12,000 people. The funding is awarded to a non-profit organisation in each neighbourhood which supports residents to identify community-wide priorities and exert increasing influence over decisions that have an impact on them and their families' lives.

In mid-2022, trustees agreed to fund a final year for Local Conversations projects in 2023, ending in January 2024. During 2022/23, the Trust supported the projects to work on sustainability plans through bespoke capacity building support and grant management, network events and learning reports. The Trust also made grants totalling £305,394 (2022 - £572,001) to 12 remaining Local Conversations projects. Two of these were based in neighbourhoods in Wales, two were in Scotland and eight were in England.

The programme evaluation found it had achieved many of its core aims, including increased social connections and the amount of control that people have - at an individual and collective level - over their

lives and communities. It provides the resources and wider support to enable long term and deep engagement to take place across a neighbourhood.

Six Local Conversations partners were invited to apply for strategic grants for specific influencing or evidence projects that would build on the structures and local findings or gaps, to be completed in 2024. Four such grants were awarded in 2022/23.

Homes for Health was launched in September 2023. It is a 21-month pilot programme and collaboration between the Trust and experts from housing, community, and racial justice civil society organisations, delivering projects that respond to the growing problem of unfit private and social rented homes and their effects on tenants' physical and mental health. At the centre of the work are marginalised people whose intersecting identities make them more likely to experience poor mental and physical health caused by their sub-standard homes and insecure tenancies.

Homes for Health provides grant funding, resources and training, and facilitates a supportive network of peers to help to find practical, on-the-ground solutions, as well as encouraging action by decision-makers. The programme looks at how poor health and wellbeing arising from housing conditions can be tackled through local action and influencing decision-makers and landlords. Through nearly £600,000 in grant funding, the Trust has funded ten projects across England, Scotland and Wales. These projects use a combination of community organising, collective action and campaigning to improve tenant knowledge on housing rights, increase tenant voice, and improve housing conditions, standards and security which impact health. Most of the projects are focusing on racially minoritised communities in their local area, including Roma people, refugees and people seeking asylum, and people who are more likely to experience discrimination because of their ethnicity, and several of the funded partners bring specialist expertise.

The Trust worked with people with first-hand experience of poor health related housing, academics and sector specialists in developing the programme. An independent advisory group continues to support the programme. The Trust has commissioned an independent evaluation team to formally measure the impact of the work, which will involve training and working with local community researchers.

Living Wage - the Trust continues its support of the real Living Wage movement, recognising that fair pay for good work is an important determinant of health. This year, the Trust supported the development of Living Wage places, which enabled the campaign to work in towns and cities to encourage and secure adoption of the real Living Wage on a city-wide and strategic basis. The Trust is a Living Wage Employer and continued its work as a founding member of the Living Wage Funders mark and chair of the Third Sector Committee (driving up low pay in the third sector). The Trust is a member of the Living Wage Advisory Council. As in previous years, in 2022/23 the Trust met the costs of increases in the Living Wage to existing grant holders and proactively offered this to projects where staff funded through the Trust's grant are close to or below the Real Living Wage rate. The Trust also funded research led by the Universities of Warwick and Lancaster to explore the direct links between paying the living wage and the effects on health.

Capacity building programme - during 2022/23 the Trust invested £37,468 (2021 - £82,751) in activities aimed at strengthening the organisations it funds. This included training on fundraising, safeguarding, volunteer recruitment, and tailored engagement support for Local Conversation projects. Training was

offered to all funded partners, including for the first time to previously funded organisations whose grants ended within the last year.

The Trust's capacity building offer received a huge response from funded partners. 66 sessions were delivered between November 2022 to September 2023, with 448 training spaces fully utilised, and 201 unique attendees from 120 funded partner organisations. This year's offer was reported as hugely valuable to funded partners, many of whom cited the training as key to their future sustainability in their end of funding reports.

Strategic Objective Two: We will build evidence and practice around what works to address health inequalities.

The Trust undertook a range of activities in 2022/23 to build evidence and practice around what works to address health inequalities. The aim is to ensure the identification of extensive learnings about the impact of our projects and then plough this information into the development of the programmes.

Evaluation

One of the Trust's main mechanisms for building evidence and best practice on what works is through the evaluation partnership with Social Life (a specialist researcher in community projects). The Trust surveyed 1,803 people involved in the Active Communities and Local Conversations projects, examining areas around reduced social isolation; physical health mental health and well-being. The evaluation evidence provides important insight into the impact programmes have on project participants and local communities. In 2022/23 the Trust conducted two further waves of evaluation, which included evidence from over 862 project participants and 303 practitioners across England, Scotland and Wales.

Some of the key findings of this work included:

- 91% of the surveyed participants involved in Active Communities projects and 74% of those involved in Local Conversations projects said they had learnt or developed new or existing skills through the project.
- 80% of participants said they believe they can change the way their area is run, compared to 51% in similarly disadvantaged neighbourhoods across Great Britain.
- Eight in ten Local Conversations report increasing their influence over services in their neighbourhoods.

Towards the end of 2022/23, the Trust sought an evaluation partner for the new Homes for Health pilot programme. A key feature of any new programme will be to develop better evidence and practice around what works for addressing health inequalities. The evaluation partner for Homes for Health will evaluate the impact of programme activities on physical and mental health, as well as a range of other shorter-term measures. The insight generated from the evaluation will then be shared with local and national decision-makers to inform policy and practice. The budget for this activity was not committed in year and it was agreed by Board to be carried forward to the next financial year. Following a tender process the contract was awarded to a specialist research consultancy in November 2023.

Networks

In addition to the evidence collected through programme evaluation, the Trust also builds evidence on health inequalities and the impact of social determinants through engagement with the network of funded partners. Supporting networks of funded partners is central to the Trust's mission. Through the networks, the staff, trustees and committee members of funded partners are supported to connect with each other, share learning, influence strategic decision-making within the Trust, and engage with external audiences such as policy-makers.

During 2022/23, the Trust ran multiple network events on the Cost-of-Living crisis to better understand how these challenges were impacting projects and their participants, including in regional specific contexts. The Policy and Research team also used networks to build knowledge around how poor housing was impacting the health and wellbeing of local communities, which fed directly into the development of our Homes for Health programme. This engagement ensures that programmes meet the needs of communities and that the Trust prioritises the issues that are at the forefront of health within communities experiencing disadvantage.

This year's Network events have been delivered through regionally and thematic online meetings. More than 60 funded partners attended events on housing and cost of living, with two regional events shining a light of differences and similarities across England. The Trust also launched a new programme of work to understand the current priorities of communities experiencing disadvantage to formulate policy recommendations for the upcoming general election. 40 funded partners attended sessions through the summer of 2022 focussed on key priorities, with themes that included food, places and spaces, and community control. This was to make sure that political parties are aware of the challenges in addressing health inequalities, but that they also have policy ideas needed to address these as we move towards the parties writing their election manifestos. The first stage of this work took place in 2022/23, which was to research and collect evidence on these priorities, to then be able to develop this insight into tangible policy recommendations for publication in 2023/24. The Policy and Research team ran a series of workshops towards the end of 2022/23 which were attended by over 50 funded partners from the Trust's networks. These sessions directly informed the development of policy recommendations which would later form the basis of important advocacy work for 2023/24. This work has been carried forward as a priority in 2023/24 through the publication of the [Community Manifesto for Health Justice](#).

The Trust continues to evolve the networks to enhance the support for partners, to directly inform the Trust's work and influence external stakeholders.

Commissioning research

The research undertaken through engagement with funded partners sits alongside other research that is commissioned by the Trust to fill evidence gaps on addressing health inequalities. In 2022/23, the Trust funded [research undertaken by the What works for wellbeing centre](#) that explored the relationship between community agency, control and wellbeing. The research provided good indications that improved community agency and control can lead to improved community wellbeing. The recommendations identified can help practitioners and funders to better understand how to maximise these positive outcomes through the development and delivery of community programmes.

The Trust also funded research exploring the impact of being paid the real Living Wage on health, through qualitative research with employers and employees and a statistical analysis. This research has helped to inform the Trust's priorities in relation to jobs and income as a social determinant of health, and to develop a more holistic understanding of "good work" that goes beyond wages.

Strategic Objective three: We will develop a strong voice to champion the rights of marginalised people, ensuring decision makers, funders and practitioners understand the social and economic causes of ill-health and early death and know what can be done about it.

The Trust continues to build on its role as an advocacy organisation by championing the rights and voices of the communities working with the Trust. In 2022/23, the Trust responded to multiple consultations across a range of areas, developed relationships with decision-makers and a wide range of networks to support campaigning objectives and developed policy through engaging with communities.

Engagement

The Trust established good relationships with different government departments including the Department for Levelling Up, Housing and Communities, the Department for Health and Social Care (DHSC) and the National Trading Standards Estate and Letting Agency team.

The Trust responded to multiple consultations in 2022/23 focused on health inequalities and marginalised groups. The Department for Culture Media and Sport (DCMS) announced plans to expand the Dormant Assets Scheme to include community wealth funds in England. The purpose of the funds is to allow local residents in disadvantaged areas to improve their neighbourhoods and make decisions on how to use the money. The announcement follows a consultation in summer 2022 (to which the Trust submitted a response) on the use of dormant assets. This is a welcome campaign victory for the Community Wealth Fund Alliance (Alliance): the Trust sits on the Advisory Group of the Alliance and has previously contributed funding to the work. The Trust responded to a number of calls for evidence and consultations. This included a consultation by the Health and Social Care Committee, which has since announced ten themes that will be examined in its new inquiry into preventing ill-health, to include health inequalities, healthy places and mental health and well-being which are of particular interest.

The Trust also responded to the call for evidence on the proposed new Major Conditions Strategy put forward by the DHSC by highlighting evidence from funded partners on the need to address social determinants of health to support prevention. The All-Party Parliamentary Group on Left Behind Communities also launched an inquiry into Levelling Up and the Trust submitted a response on the importance of health inequalities and social determinants of health within the Levelling Up agenda.

Through the Trust's networks funded partners shared their experiences and concerns about the growing mental health crisis for charity sector workers. At the request of the Department for Health and Social Care the Trust consulted people from its networks of hundreds of funded partners to bring their views to the Government's thinking on mental health.

The Trust also had constructive meetings with the National Trading Standards' Estate and Letting Agency Team and with the Department for Levelling Up, Housing and Communities in relation to Homes for Health.

Campaigns

The Trust developed an approach and methods for two new policy campaigns during the year. These pieces of work will continue to build momentum into the next financial year.

Homes for Health

Many local organisations the Trust funds are already working to address housing issues in their communities. There is even more that can be done to change things for the better, and this needs to involve the people and organisations most affected. Over the last year, a new priority area, Homes for Health, has been developed in response to the growing crisis of poor housing conditions and how this impacts physical and mental health, particularly for marginalised communities. It focusses on the key issues affecting people living in rented homes because currently, a [fifth of private rented homes do not meet the Decent Homes Standard](#). Ten projects began in November 2023 and the programme will provide resources, training, and facilitate a network to help to find practical, on-the-ground solutions, as well as encouraging action by decision-makers.

The Trust's campaigning activities are also raising awareness of housing issues and the negative impact they are having in communities and are responding to the external policy context including to proposed legislation and this work will continue into the next year.

Mental Health

The Trust heard the early warning signs of a growing mental health crisis amongst charity sector workers from its network of hundreds of local organisations. As a result, the Trust is working with other funders to explore how to better support the mental health of the people working in organisations it funds. Following the publication of the report in June 2022, ["We were absolutely invisible": The impact of... | People's Health Trust \(peopleshealthtrust.org.uk\)](#) which documented the impact of the increasing demand on the mental health of voluntary and community sector staff, in 2022/23 the Trust convened a group of funders to help to address the issue. This collaboration developed a set of principles to guide funders on how to support and protect the mental health of staff working in an organisation that they fund, and to advocate for a co-ordinated strategy to address their needs. This work continues in 2023/24.

Collaboration

In the year the Trust continued its membership of [Health Equals](#): a collaboration of 29 charities and businesses working with the building blocks of health. It's primary function is to create a national campaign alerting the public to the socio-economic drivers of ill health and early death. The Trust was commissioned to convene the advisory group for this work, ensuring that the voices of the people most affected by the issues were heard.

The Trust developed sessions for the Greater London Authority, looking at the impact of discrimination on health - a theme the Trust will continue next year with research into discrimination and health. This aligns with the Trust's important partnership with Funders Race Equality Alliance, which helps the Trust to deliver towards its ambitious plan to become an anti-racist and anti-oppression organisation (see also Objective 4 below).

In 2022/23, the Trust continued its partnership with We're Right Here, a campaigning coalition that calls for greater support for the rights of local communities to shape priorities through genuine co-production. This partnership will continue into 2023/24 to ensure that community power remains on the agenda in any upcoming general election.

It is clear that the climate crisis has an impact on health and that it has a greater negative impact on those who are worse off. That is why the Trust is working with other funders as a signatory to the [Funder Commitment on Climate Change](#), alongside work with New Philanthropy Capital as part of their [Everyone's Environment](#) programme.

Strategic Objective Four: We will develop as a diverse, equitable and inclusive organisation and funder.

Equity, diversity and inclusion (EDI) continues to be a high priority through all grant programme activities and is embedded in the approach to Homes for Health and the new programme.

Participating in the [Funders for Race Equality Alliance](#) audit for the third time demonstrated progress the Trust has made towards funding organisations led by people experiencing racial injustice. A sample of 70 funded partners were assessed and the audit showed that 29% of Trust grants were committed to organisations which benefit communities with experience of racial inequality (in 2022 this was 28%, +1% in 2023). 29% of Trust grants were committed to organisations led by and for people experiencing racial injustice (in 2022 this was 16%, +13% in 2023).

We will use this data to ensure a focus of funding under the new programme on those most impacted by health inequalities and also to review who has not been supported. We will also use this approach to consider our reported data on other social categories.

Under the Trust's [EDI Action Plan](#), launched in 2022, the Trust carried out extensive work with staff to examine our culture and has put measures in place to support staff in understanding EDI in the context of their work, and to inform employment practices. Alongside this, working with funded partners, the Trust has developed a terminology guide to inform the language we use to describe groups of people.

The Trust has taken measures to increase its diversity, particularly in terms of its management teams and those from racially minoritised communities.

As part of the Trust's EDI Action Plan, the Board has focused its own recruitment to increase representation of communities it supports. In particular, people living within these communities, disabled people, young people, and people from racially minoritised communities. To support development of new Trustees from these groups, the Trust has committed to offering shadow board member opportunities. This work continued into the following year, undertaking recruitment to meet these commitments.

From a survey of our Board, as at 31 March 2024:

- 30.8% identify as racially minoritised
- 15.4% identify as disabled
- 61.5% are under the age of 55

- 23.1% grew up in lower socio-economic backgrounds

The staff and trustee diversity surveys were completed in March 2024. There has been some movement in staffing since the surveys were undertaken at the end of the last financial year:

- The Trust has a broad range of ages employed (25-64). Those at management level are from 25- 59.
- Ethnicity, gender, sexual orientation, disability and socio-economic data is set out in the table below:

	31 March 2024	FY 2022/23 All staff	FY 2021/22 All staff
	%	%	%
Ethnicity			
Asian - East or South	4.8	5.0	-
Asian Indian	4.8	5.0	4.6
Black African	9.5	10.0	13.6
Black African and White	4.8		
White British	57.1	65.0	63.6
White English	14.2	10.0	9.0
White Scottish	0.0	-	4.6
White Irish English	4.8	5.0	4.6
Gender			
Female	61.9	70.0	68.2
Male	38.1	30.0	31.8
Non-binary	-	-	-
Sexual Orientation			
Heterosexual	85.7	90.0	81.8
LGBT+	9.5	10.0	13.6
Undeclared	4.8	-	4.6
Disability			
Disabled	14.3	10.0	13.6
Not Disabled	85.7	85.0	86.4
Undeclared	-	5.0	-
Education level			
Up to age 18	9.5	5.0	9.1
Post age 18	90.5	95.0	90.9
Post age 18 - first generation	50.0	57.9	63.2
Free school meals			
No	66.7	75.0	
Yes	9.5	5.0	
Not applicable/don't know	23.8	20.0	
Professional backgrounds	81.0	85.0	
Intermediate backgrounds	9.5	10.0	
Lower socio-economic backgrounds	9.5	5.0	

Note: the above table includes data to reflect supplementary questions not asked in 2021/22.

Enabler: Creating a strong organisation fit for the future and able to support greater health equity.

The new strategy includes an 'enabler' that underpins the four strategic objectives, and which sets out the Trust's ambition to ensure it is a sustainable organisation with improved and diversified income, a strong people offer, a more representative team, board and panels, and a reduction in carbon emissions.

o **Income**

The Trust's main source of income is donations from the six CICs and in 2022/23 the Trust ensured the appropriate level of support was, and will remain, in place to facilitate mutually beneficial relationships with the CICs and The Health Lottery. Alongside this, some limited progress was made on the Board's ambition to diversify income - as set out in the Risk Section (see below) - with an increase in unrestricted income in the year to £30,345, compared to £4,550 in the previous year. More significantly an initial feasibility exercise was undertaken with a specialist charity consultancy to look at the options available to the Trust to diversify its sources of income (this work was funded by a fund, designated by the trustees for this purpose).

o **People**

The hybrid working arrangements that had been in place since covid were formalised, after consultation with staff, with the agreement of the Hybrid Working Policy. Under this policy the contractual place of work remains the Trust's office, and staff are expected to attend the office 40% of the time. The Trust believes that this approach promotes work-life balance, reduces employee stress and improves performance and productivity.

The Trust undertakes an annual anonymous staff survey. Where issues are raised or trends identified, responses are considered by the Leadership and Management Teams and an action plan devised and implemented. The results and responses are also discussed at one of the regular (twice a year) all staff Away Days.

o **Governance**

At the Board Away Day in January 2023 it was agreed that the Trust would review its governance arrangements using the Association of Charitable Foundations' 'Stronger Foundations' self-assessment tool. A sub-group of trustees was established to undertake this work and used the specific [resource](#) aimed at chairs and trustees that highlights '10 pillars of stronger foundation practice'. Trustees completed individual surveys related to each of these pillars, and an analysis was prepared for sharing with the board at its annual away day in early 2023/24.

o **Net Zero**

In 2022/23 the Climate Action Working Group was established to develop a [Climate Action Statement](#) and [Plan](#), and then monitor the work of the plan. Both the Statement and Plan were agreed by Board at the end of the year, with work on key areas having started alongside the development of the Plan.

As a framework for this work the Trust signed up to the ACF's [Funder Commitment on Climate Change](#) and made its first report of activities and future plans in February 2024.

The Trust believes the greatest impact it can have will be through the design of funding programmes, grant-making and research, and through those in receipt of Trust funds.

○ **Information Technology**

Two significant IT projects concluded in 2022/23. The Trust achieved its cyber essentials certification and a move to cloud-based servers. Both these resource intensive initiatives are part of the Trust's ongoing commitment to ensuring secure, inclusive and flexible IT infrastructure to support staff on a day-to-day basis. Towards the end of the year a new IT Strategy was finalised and this guide further activity for the remaining two years of the overarching strategy.

○ **GDPR**

The Trust continues to comply with GDPR, with action taken to maintain compliance on an ongoing basis. The Trust also continues to work with grantees to ensure understanding of their legal obligations.

○ **Safeguarding**

The Trust has in place appropriate safeguarding policies and procedures, in line with regulatory frameworks and guidance, with respect to the Trust's funding practices and due diligence, and its internal operations.

Tommy McIlravey (Trustee) remains in place as the safeguarding lead at Board level in 2022/23 and liaises with the Director of Grant Programmes, the leadership team member responsible for safeguarding matters.

The Trust maintains a dedicated page about safeguarding within the resources available on our website. The Trust is an active member of the Funder Safeguarding Collaborative (FSC), which provides access to peer learning with other safeguarding leads, and support/training for staff within the Grants team. The Trust worked with the FSC to review its approach to safeguarding and policy.

The Trust received five self-reports by funded partners of safeguarding incidents within their organisation in the year (2022: 0). These were responded to in accordance with the Trust's policy and did not require the Trust to separately report to regulators. The increase in reports followed a proactive reminder to all funded partners of reporting requirements around safeguarding, alongside training to Trust staff in how to approach discussions about safeguarding as part of monitoring and compliance visits. Specific safeguarding training through NCVO was also offered to all funded partners, which was popular, well-received, and subsequently re-commissioned.

○ **Customer Care**

The Trust's complaints procedures reflect good practice, both in handling complaints about the Trust and the organisations that it funds. All staff who may be involved in complaint investigations have been fully trained on the practice and procedures of complaint handling. The Trust received no complaints in the year (2022: 1).

Financial review

Financial position

A summary of the year's results can be found on page 32 of the financial statements.

Total income in the year was £3,691,049 (2022 - £4,702,709) with income from donations totalling £3,353,376 (2022 - £4,556,060). The decrease is largely due to a downturn in good causes money from society lotteries.

The total expenditure in the year was £6,086,409 (2022 - £5,918,905) all of which related to charitable activities. Grants expended in the year, including grant commitments amounted to £4,444,401 (2022 - £4,377,870). Total expenditure included within this figure are costs of charitable activities (net of grants) of £1,298,618 (2022 - £1,248,063), support costs of £265,078 (2022 - £243,360) and governance costs of £78,312 (2022 - £49,612).

Overall expenditure increased despite a fall in income. This was the result of a decision by Board to draw down on restricted funds brought forward into the financial year in order to maintain a comparable level of grant commitments as in 2021/22.

At 30 September 2023, the Trust had total funds of £6,341,595 (2022 - £8,738,319). £5,026,443 (2022 - £7,426,741) of this related to restricted funds, of which £710,916 has been allocated to specific programmes in the next financial year (2022 - £720,000). Restricted funds include a negative fund representing the unrealised loss in the value of investment assets since 30 September 2021. Total unrestricted funds were £1,315,151 (2022 - £1,311,578), of which £55,691 (2022 - £92,496) were designated funds. Full details of funds are included in note 17 on pages 46 and 47.

○ **Donations**

The Trust's principal source of income is donation income received from the CICs operating the 12 society lotteries. Total donation income received from the society lotteries from 1 October 2011 to 30 September 2023, amounted to £129,470,875 (2022 - £126,117,703). Total donation income for the year (including from other sources) amounted to £3,353,376 (2022 - £4,556,060) has allowed the Trust to continue to provide an income for groups of local residents and communities experiencing disadvantage and health inequalities.

Donations continued to decline in 2022/23. From 1 November 2022 the percentage of lottery ticket sales donated to the Trust decreased from 25.50% to 20.34%. The impact of this change was monitored by the Leadership Team and Trustees, with regular meetings with the Trust's donors taking place throughout the year. The Trust remains grateful to The Health Lottery and to the Community Interest Companies for their generous donations.

○ **Investment policy**

The Trust operates its investment activities in line with its current investment policy, which is intended to provide liquidity sufficient for the financing of the Trust's grants whilst maximising investment income. The policy states:

- The Trust will not make any investments where the risk of loss of capital is unacceptable to the Board.
- Cash deposits can only be made in a UK-based mainstream banking institution which has a credit rating that the Board regards as acceptable in terms of risk.
- The Trust will usually only invest in counterparties with a minimum rating of BBB+/ BAA1 or above from the three main credit rating agencies (Fitch, Moody's and Standard & Poor's).
- Investments in other asset classes will be considered where they meet the Trust's investment horizon and market risk appetite. Investment in other asset classes will be accessed through pooled funds (collective investment schemes) rather than direct investment.
- The Trust will not normally hold bank deposits with a notice period in excess of 35 days.
- The Trust will not hold investments with a counterparty that represent more than 35% of the Trust's cash investments. The Trust will invest only in accordance with its diversification policy: investing cash deposits in no less than three eligible financial institutions (a group of banks under the same ownership will be treated as one financial institution).
- The Trust will make all investments in sterling.

With respect to responsible investment:

The Trust has considered its approach and responsibilities in relation to responsible investment and has determined that investments and returns on investments must never take priority over or come into conflict with the Trust's charitable object nor the fulfilment of operating expense obligations.

People's Health Trust believes in a world without health inequalities. We work to ensure that where people live does not unfairly reduce length of life, or quality of health. We will not knowingly invest in companies whose activities, corporate strategies or products are poorly aligned with our aims and values.

We actively seek to take account of environmental, social and governance (ESG) issues when considering our investments, and in our engagement with the fund managers who are responsible for our day-to-day investment decisions.

When appointing fund managers we will expect them to conform with our values outlined above, and require them to explain their engagement and escalation process, including how it is monitored and the timelines along which decisions are taken. Managers will likely not be selected if they cannot provide their process for dealing with unsuccessful engagements, and if these do not include triggers for escalation and are not incorporated into wider stewardship processes. We have asked our fund managers to explain, justify and provide evidence of investment intentions.

The policy is due for review in 2023/24 and will be reconsidered in light of the Trust's work in response to the climate crisis as articulated in the Trust's [Climate Action Statement](#).

The Trust did not make any new investments in 2022/23.

2022/23 continued the pattern of recent years with significant volatility in the value of investments. Whilst overall the Trust's investment funds were in excess of the value of the amount initially invested, the unrealised loss on investment fund as at 30 September 2023 reflected an increase of £(1,364) for the year to £(242,684) (2022 - unrealised loss of £(241,320)). The unrealised loss in 2022/23 is disclosed as a specific restricted fund (see Note 17) at the end of the year in anticipation that capital values will recover in the longer term. The Trust views these fixed asset investments as having a three-to-five-year horizon.

Investment income during 2022/23 totalled £307,328 (2022 - £142,099) split between interest received on cash deposits of £92,990 (2022 - £5,878) and income from investments of £214,338 (2022 - £136,221). Total income represented an effective rate over the average balances during the year of 2.35% (2022 - 0.91%) made up of 1.42% cash deposits, and 3.28% investments (2022 - 0.07% and 2.01% respectively). Investment income increased substantially year-on-year due to increased interest rates and the changes to deposits made part way through 2022/23. The Trustees continue to seek out investment opportunities that have the potential to increase income whilst remaining in line with the agreed policy.

Principal risks and uncertainties

Risk management

The Board is responsible for the oversight of the risks faced by the Trust. The Finance, Audit and Operations Committee (FAOC) and the Leadership Team regularly (both separately and together) review the risk register and management issue regular reports on actions taken to manage and mitigate exposure to the risks.

The trustees ensure that controls exist over the key area of grant making, and that financial procedures and systems exist. At each Board meeting, trustees examine the risks faced by the Trust, and ensure there are established effective plans and systems to manage and implement mitigating controls for those risks.

Financial risk is minimised through regular and rigorous review procedures of the Trust's activities by the Leadership Team, FAOC, and also at Board level.

Risk management processes assess risks based on their likelihood of occurrence, impact, and any mitigating controls that are in place. Each risk is allocated a pre and post mitigation score. Based on the score, risks are classified into low, medium, high, and very high risks. The high to very high risks represent the principal risks for the Trust. The process also seeks to identify any actions and resources required to manage these risks further.

The trustees have considered the principal risks and two key areas have been identified as follows:

- Income - the Trust's continued reliance on two sources of income (donations from lottery ticket sales and investment income) remains a risk. Donation income is the primary source of income and it reduced by 26.4% year on year. This was mainly due to the reduction in the percentage of lottery ticket sales donated to the Trust in November 2022 from 25.50% to 20.34%, but also reflected a small underlying downward trend in ticket sales. This places at risk the level and volume of work the Trust can deliver. Plans are in place to diversify income sources and there has been some small growth in this area in 2022/23. This work has continued in 2023/24 with external consultants engaged to both advise on and implement proposals agreed by Board to diversify income. Further funds have been designated in

2023/24 to support this and targets have been set that are considered achievable by the Trust for this and the following four years.

- The Chief Executive, the Chair of Trustees, and other members of the executive team and trustees meet regularly with the directors of both the CICs and The Health Lottery and the positive, mutually beneficial relationship continued to develop in year.

Reserves policy and going concern

Reserves policy

The reserves policy for the charitable company states that the Trust will aim to maintain general reserves of at least 26 weeks' running costs. As at 30 September 2023, the general reserves of £1,259,460 (2022 - £1,219,082) equated to 40.7 weeks' running costs (2022 - 37.3 weeks). The trustees consider the level of general reserves to be satisfactory at this point having taken into account the risk around income outlined in this report. The reserves policy is reviewed annually.

Going concern

The trustees consider that there is a reasonable expectation that People's Health Trust has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue operating as a going concern.

The Trust has a track record of strong financial control and effective risk management, which together with the approach to reserves outlined immediately above leads the trustees to conclude that the Trust can sustain its operations for a period of at least twelve months from the date of signing these financial statements. Consequently, the financial statements have been prepared on the basis that the charity remains a going concern.

Fundraising

The Trust undertakes fundraising from members of the public on a very small scale. It is registered with the Fundraising Regulator and committed to following the highest fundraising standards. In the year there have been:

- ◆ Nil failures to comply with the standard (2022: none)
- ◆ Nil complaints received by the charity about activities by the charity or by a person on behalf of the charity for the purpose of fund-raising (2022: none)

The Trust sets out to protect vulnerable people and other members of the public from unreasonable behaviour related to its fundraising by complying with the standards set by the Institute of Fundraising, managed by the Fundraising Regulator. The Trust is registered with the Information Commissioner's Office and strives to be compliant with GDPR.

Plans for the future

2022/23 was the first year of the new three-year strategy. Activity in 2023/24 to support the strategy will include:

- ◆ Grant programmes:
 - The new Health Justice Fund provides a route through which communities experiencing the sharp end of health inequalities can work with the Trust, using their experience and practice, to improve health for the long term. The fund will prioritise thematic areas based on what people most affected by these issues have told the Trust is needed and what the evidence points towards - starting with a fund linking access to nature and mental health. The learning and evidence gained (from independent evaluation and on-the-ground practice) will be used to influence decision makers and support action that leads to real health justice for communities across Great Britain.
 - Features of the fund include: working in partnership, connecting projects through networks, evaluating and learning in real time, funding, using evidence to make the case for change, communicating what the Trust is doing, being flexible in approach, and evolving that approach based on what is learned from communities most affected by health inequalities.
 - Initial priorities within the Health Justice Fund are focusing on access to nature for people with mental health problems, and work is underway to develop future openings on learning disability, advice services, discrimination, and jobs and young people. The Homes for Health pilot programme launched with 10 projects across England, Wales and Scotland in November 2023. A formative evaluation will run alongside delivery and will inform the Trust's wider housing campaign and public affairs work.
 - Active Communities funded partners will continue to form the largest group in of the Trust's grant portfolio. The final round of new funding took place in early 2024, with grants of up to two years awarded.
 - Local Conversations closed in January 2024, with some partner organisations receiving strategic grants to continue to deepen their methodological approach, influence and shape local health systems.
 - A programme of capacity building and networks will continue to be offered on both a bespoke and universal basis to funded partners, supporting them to enhance their practice and develop connections through peer-to-peer learning and influence policy.

- ◆ Policy, research, communication and public affairs:

The focus on evaluating impact and using this work to inform our own practice, as well as the wider sector will continue into 2023/24. The fourth wave of research with Social Life will go further in exploring the relationship between health and participation in both our Local Conversations and Active Communities programmes (both of which end in 2023/24). For the first time the Social Life research will be conducting qualitative analysis to inform the quantitative research to date. This builds on the strong evidence base the Trust has collected over the last decade on the impact of programmes, with a specific aim of informing new programme development, as well as sharing best practice with future funded partners.

In addition to the evaluation partnership on Homes for Health, the Trust is looking to continue developing evaluation partnerships in 2023/24, including academics within the School of Public Health Research, to support the evaluation of other areas of work. The Trust will also continue to disseminate evaluation findings externally to both academic audiences and policymakers to share learnings on what works in addressing health inequalities.

The Trust will build on the publication of the Community Manifesto for Health Justice. The manifesto sets out the specific policies that the Trust wishes the main political parties to adopt. The Trust will move into a phase where it campaigns for the adoption of key policies in the Community Manifesto. The Trust plans to make media interventions to highlight the need to tackle unfit housing conditions in rented homes. It also plans to share proposals for stronger housing enforcement with all the main political parties. The Trust will be seeking platforms in House of Commons proceedings to maintain the profile of this issue and secure a detailed response from ministers. The Trust will also be equipping Homes for Health partners with the skills to advocate for change with their local members of parliament.

In 2023/24 the Trust will continue to build relationships with external networks through developing existing partnerships and forming new ones to help achieve campaigning objectives, with the aim to gather further intelligence and insights on the key priorities of our funded partners. As a result, a new Learning Framework will be put in place that allows for a two way exchange of information and best practice between the Trust and funded partners.

The Trust will continue to build its brand as a leading expert working with local communities to tackle health inequalities. The Trust will be developing its brand to engage specifically with potential corporate donors, funded partners and policymakers. At the same time a review is planned to establish how far our social media channels are reaching key audiences, such as public health practitioners. The Trust will also be looking at producing a broader variety of types of content to appeal to these audiences and updating its key channels such as the website as needed.

It will share its refreshed values highlighting the increasing active approach the Trust is taking to tackling health inequalities through influencing and policy work and existing and new bold partnerships.

The Trust is focused on building new partnerships with corporate organisations to help increase its resources to tackle health inequality in the form of match funding and in other ways.

◆ Equity, diversity and inclusion

In 2023/24 we will continue to focus on our overarching [Equality, Diversity and Inclusion Action Plan](#), working with our funded partners and reiterating our commitment to ensure our funding programmes, networks and processes have the ability to change to meet the needs of those we work with, and ensure the actions of the Trust impact positively in combatting discrimination and health inequalities.

Both the staff and Board working groups established to support the work of the action plan are continuing to meet. As EDI work has progressed against the planned activity there has been a deliberate focus on mainstreaming it. As a result, there has been collective agreement to undertake work slightly differently

in 2023/24. Rather than undertaking discrete and sometimes disconnected pieces of work which then need to be applied practically, the Trust will take one funding priority through an entire EDI process, which means firmly applying an EDI lens to all of the work and looking at points of success, weakness and development.

◆ Income

Income diversification is a clear priority and the trustees have approved additional resources to address this in 2023/24. An experienced charity consultant was appointed to take this work forward with the intention that an income generation function will have been established by the Trust by the end of the 2023/24 financial year. Integral to this will be the development of an ethical framework to ensure that the Trust's charitable objective and values are not compromised.

◆ Governance

In early 2023/24 the Board undertook two rounds of recruitment and was successful in recruiting two trustees in each round (four in total) to the Board, achieving the aim of improving diversity and adding to the range of skills already evident within the current trustee body.

The Board also appointed its first shadow trustee in December 2023 providing an opportunity to allow a relevantly skilled and experienced individual to learn from the experience and develop into a trustee role. The shadow trustee may attend Board and sub-committee meetings but is not a legal director of the company, or trustee registered with either the Charity Commission or OSCR.

◆ People

In line with our EDI ambitions the Trust continues to increase diversity in the staff team to better represent the communities the Trust supports.

The Trust's ongoing work to support positive mental health across the team is enhanced through the employee assistance programme, underpinned by good people practices which are regularly reviewed and promoted.

In 2023/24 there is a focus on ensuring that staff have increased confidence in campaigning and advocacy work of the Trust, as it relates to their role, with the aim that they can speak confidently about the work of the Trust.

◆ Net Zero

In February 2024 the Trust undertook a self-assessment of the activity over the period since signing up to the ACF's FCCC, rating itself against the [Climate Crisis Action Plan](#) agreed by Board. The newly appointed Board Champion, Shelagh Kirkland, contributed to this process and one of the actions for the remainder of 2023/24 is to work with Shelagh and draw on her experience and enthusiasm for the role.

Much work had been done in the first period of assessment, in particular under the heading 'educate and learn' as the climate crisis was not explicitly referenced in the previous strategy. This has applied to staff, trustees and funded partners. In 2023/24 the Trust will look for further opportunities to be involved in, learn from, and contribute to climate-focussed groups across the sector, and there is the potential to offer network and capacity building events to funded partners: we will seek to incorporate climate-related considerations wherever possible.

Structure, governance and management

Constitution

The Trust is a charitable company limited by guarantee (Company No 06492606), incorporated on 4 February 2008 and registered as a charity (Charity No 1125537) with the Charity Commission on 15 August 2008 and with the Office for Scottish Charity Regulator (OSCR) (Charity No SC039848) on 4 September 2008. The charitable company is governed by the Articles of Association which set out its objects, powers and its governance arrangements. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £1 each.

Trustees

Trustees may serve for three terms of three years. In exceptional circumstances they may serve a fourth additional term of a maximum of 12 months. Trustees are re-appointed at the board meeting prior to the anniversary of each term. Trustees are based in various locations around England, Scotland and Wales. On 21 December 2023 the Trustees passed a special resolution to amend the Articles so that in exceptional circumstances a Trustee's term may be extended to a maximum aggregate of ten years. The requirement to have an AGM was also removed.

All trustees, who are also company directors, are non-executive members of the Board and Committees. There are clear distinctions between the roles of trustees and of the Leadership Team to whom day-to-day management is delegated.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Within the year 2022/23, the Board held five meetings. Board sub-groups were also in operation throughout the year to support work on the EDI plan, the Stronger Foundation's self-assessment and trustee recruitment to the Board.

Board Committees

Trustees are nominated for a committee by two trustees and voted onto the committee by a simple majority vote by the Board. The chair of the committee is a trustee and is nominated by two members of the board, supported by a candidate statement and is voted into position by a simple majority vote of the Board.

Finance, Audit and Operations Committee (FAOC):

The FAOC reports to and advises the Board on the key areas of audit, risk, finance (including investments), performance, HR, legal and safeguarding. The Committee's terms of reference permit it to scrutinise officers' reports, make decisions on investments within agreed parameters set by the Board, meet with the auditors, offer advice to the Leadership Team and make recommendations to the Board. Membership of this Committee was, on average, five trustees (one of whom is a qualified accountant) with two co-opted external members, Martin Anderson, who brings relevant investment skills and experience to the Committee, and Shelagh Kirkland, a qualified accountant with experience from a number of charity boards. (Shelagh Kirkland became a trustee in October 2023 and her status on the committee therefore changed at that time). The Board acknowledges both Martin Anderson's and Shelagh Kirkland's considerable expertise and thanks them both for their time and counsel. The Chair of the Trust attends Committee meetings as an ex-officio member. The Committee met five times within the financial year.

Policy, Research and Advocacy Committee (PRAC)/ Programmes Influencing and Impact Committee (PIIC):

The PRAC worked on behalf of the Board to provide advice and strategic oversight regarding the Trust's policy, research (including learning and evaluation), networks, advocacy and communications work to the Leadership Team. It provided a level of support and scrutiny to ensure that the Trust's work in research, policy and advocacy was strategic, progressing and impactful. The Committee's membership was five trustees (one of whom chairs the Committee), there was no co-opted member. The Chair of the Trust attends the Committee meetings as an ex-officio member. Three meetings were held in the year.

The Board agreed to rename this sub-committee, Programmes Influencing and Impact Committee (PIIC) in 22 December 2023, to more accurately reflect the role of the committee.

Board Development and Focus

The Board established a sub-group in the year to review its governance arrangements using the Association of Charitable Foundations' 'Stronger Foundations' self-assessment tool. This work continues into 2023/24 and is noted above in the Enabler section.

Appointment of trustees

Recruitment to the Board considers the dimensions of equality, diversity and inclusion. Appointment is to positions where specific skills and/or experience is required. It is conducted through an open and competitive process.

Trustee induction and training

Trustees are partnered with an existing Board member to support their induction into the organisation. They will also meet with the Leadership Team to discuss their statutory responsibilities, their role within the Board, the governance framework, the strategic objectives of the Trust and how the Board works.

The performance of the Board is periodically assessed through annual meetings with the Chair. Through this process, trustee development is regularly reviewed and determines developmental objectives.

Related parties and relationships with other organisations

The Trust's key relationship is with the six Community Interest Companies (CICs) which each run a society lottery under the marketing name of The Health Lottery. The CICs donate money for good causes arising from their lotteries to the Trust.

Remuneration policy for key management personnel

Key management personnel include the Leadership Team comprising the Chief Executive, four team directors and the Board of trustees (trustees are not remunerated for their role as board members).

The Trust's policy on remuneration is to ensure that pay offered to the Leadership Team is competitive when compared to other charity sector organisations (particularly funding organisations), geography, role and responsibility.

All Leadership Team salaries are approved by the Finance, Audit and Operations Committee (FAOC). Any cost-of-living pay packages are recommended by the FAOC for Board agreement. The salaries are proposed and recommended based on benchmarking with other grant making charities and other information such as via recruitment agencies specialising in assessing the skills and expertise of a post, whilst also taking account of geography, Retail Price Index (RPI) and the sector. It is also the ambition of the Trust to narrow the gap between the highest and the lowest paid within the organisation.

The Leadership Team do not receive any performance related pay or benefits-in-kind and have the same pension rights and annual leave as other staff employed in the charity. They may, as with all personnel, receive an annual cost-of-living pay rise. For the year 2022/23 the Leadership Team received the same percentage increase as other staff but did not receive a one-off non-consolidated award paid to other staff.

The Leadership Team are reimbursed expenses incurred in the course of their duties on the same basis as all other employees of the Trust. Details of the total basic salary and pension benefits of the key management personnel are included in staff costs (note 7).

Policy for employment of disabled persons

The Trust has been a Disability Confident Committed employer since March 2021 and all job applicants are encouraged to indicate their eligibility for the scheme.

In 2022/23 10% members of staff who completed the survey identified as disabled (2021 - 13.6%). Disabled members of staff and those with long term health conditions are supported to be successful in their roles through a number of routes, including the statutory requirement for reasonable adjustments, providing individualised training and tools, and wellness support and planning.

Employee information

The Trust operated with an average of 23 (2022: 24) roles in the year. There is a slight decrease year on year that reflected a small reduction over the year in the grants managed as the funded projects delayed or prolonged grants due to the impact of Covid-19 on activity in recent years came to an end. The staff team works across five teams:

- ◆ **Grants Team** which manages the Trust's funding programmes, funded partner networks and relations, including capacity-building, system and procedure development
- ◆ **Policy, Research and Communications** which manages the Trust's internal, external and partner communications, public affairs, policy and research
- ◆ **Engagement** which manages the key funding relationships of the Trust
- ◆ **Finance and Operations Team** which manages the Trust's income and expenditure, investments, legal, performance, and back-office functions (HR, legal, IT)
- ◆ **CEO Team** which includes Board and committee support and business development

The departments are led by the Leadership Team (LT) of five (4.3 FTE establishment) who all attend meetings of the Board and relevant committee meetings.

In addition to the LT, a Management Team of four is in place. The focus of the Management Team's focus is the delivery of the Trust's annual Delivery Plan.

Statement of responsibilities of the trustees

The trustees (who are also directors of People's Health Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year 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 period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to act in that capacity.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 21 May 2024 and signed on their behalf by

Jenny Edwards, Chair of Trustees

Independent auditor's report

To the members of

People's Health Trust

Opinion

We have audited the financial statements of People's Health Trust (the 'charitable company') for the year ended 30 September 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 30 September 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 People's Health Trust'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.

Independent auditor's report

To the members of

People's Health Trust

Other Information

The other information comprises the information included in the trustees' 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:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company

Independent auditor's report

To the members of

People's Health Trust

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

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

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.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Finance Audit and Operations Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

Independent auditor's report

To the members of

People's Health Trust

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

23 May 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

People's Health Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 September 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from:							
Donations and legacies	2	204	3,353,172	3,353,376	100,072	4,455,988	4,556,060
Charitable activities		30,345	-	30,345	4,550	-	4,550
Investments	3	19,104	288,224	307,328	-	142,099	142,099
Total income		49,653	3,641,396	3,691,049	104,622	4,598,087	4,702,709
Expenditure on:							
Charitable activities							
Supporting greater health equity	4	46,079	5,583,714	5,629,793	11,154	5,421,008	5,432,162
Awareness and communications	4	-	456,616	456,616	45,356	441,387	486,743
Total expenditure		46,079	6,040,330	6,086,409	56,510	5,862,395	5,918,905
Net income / (expenditure) before net gains / (losses) on investments		3,574	(2,398,934)	(2,395,360)	48,112	(1,264,308)	(1,216,196)
Net gains / (losses) on investments		-	(1,364)	(1,364)	-	(241,320)	(241,320)
Net income / (expenditure) for the year		3,574	(2,400,298)	(2,396,724)	48,112	(1,505,628)	(1,457,516)
Transfers between funds		-	-	-	(63,902)	63,902	-
Net income / (expenditure) before other		3,574	(2,400,298)	(2,396,724)	(15,790)	(1,441,726)	(1,457,516)
Net movement in funds		3,574	(2,400,298)	(2,396,724)	(15,790)	(1,441,726)	(1,457,516)
Reconciliation of funds:							
Total funds brought forward		1,311,578	7,426,741	8,738,319	1,327,368	8,868,467	10,195,835
Total funds carried forward		1,315,151	5,026,443	6,341,595	1,311,578	7,426,741	8,738,319

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 17 to the financial statements.

Balance sheet

Company no. 06492606

As at 30 September 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	11		6,621		4,726
Investments	12		6,525,754		6,527,118
			<u>6,532,375</u>		<u>6,531,844</u>
Current assets:					
Debtors	13	237,144		223,575	
Cash at bank and in hand		5,163,312		7,849,484	
		<u>5,400,456</u>		<u>8,073,059</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(4,481,797)		(4,833,590)	
			<u>918,659</u>		<u>3,239,469</u>
Net current assets					
			<u>7,451,034</u>		<u>9,771,313</u>
Total assets less current liabilities					
Creditors: amounts falling due after one year	15		(1,109,439)		(1,032,994)
Total net assets			<u>6,341,595</u>		<u>8,738,319</u>
The funds of the charity:					
Restricted income funds	16		5,026,443		7,426,741
Unrestricted income funds:					
Designated funds		55,691		92,496	
General funds		1,259,460		1,219,082	
		<u>1,315,151</u>		<u>1,311,578</u>	
Total unrestricted funds					
			<u>6,341,595</u>		<u>8,738,319</u>

Approved by the trustees on 21 May 2024 and signed on their behalf by

Jenny Edwards
Chair of Trustees

People's Health Trust

Statement of cash flows

For the year ended 30 September 2023

	2023		2022	
	£	£	£	£
Cash flows from operating activities				
Net (expenditure)/ income for the reporting period (as per the statement of financial activities)	(2,396,724)		(1,457,516)	
Depreciation charges	3,986		4,356	
Loss on sale of fixed assets	129		-	
Losses on investments	1,364		241,320	
Dividends, interest and rent from investments	(307,328)		(142,099)	
(Increase)/Decrease in debtors	(13,569)		10,769	
(Decrease) in creditors	(275,348)		(266,471)	
Net cash provided by / (used in) operating activities		(2,987,490)		(1,609,641)
Cash flows from investing activities:				
Dividends, interest and rents from investments	307,328		142,099	
Purchase of fixed assets	(6,810)		-	
Proceeds from sale of fixed assets	800		-	
Net cash provided by / (used in) investing activities		301,318		142,099
Change in cash and cash equivalents in the year		(2,686,172)		(1,467,542)
Cash and cash equivalents at the beginning of the year		7,849,484		9,317,026
Cash and cash equivalents at the end of the year		5,163,312		7,849,484

1 Accounting policies

a) Statutory information

People's Health Trust is a charitable company limited by guarantee and is incorporated in England and Wales. People's Health Trust is an incorporated charity registered with the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

The registered office address is 2 Bath Place, Rivington Street, London, EC2A 3DR

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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Key judgements that the charity has made which have a significant effect on the accounts include:

- estimating the allocation of support costs across expenditure categories;
- estimating the useful economic life of tangible fixed assets;
- estimating future income and expenditure flows for the purpose of assessing going concern.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Supporting greater health equity costs include:
 - Grants payable which are included in the statement of financial activities when approved by the trustees and when the intended recipient has been informed of the decision to make the grants and has satisfied all relevant and due terms and conditions.
 - Evaluation costs of the grant programmes.
 - Support costs which are allocated to charitable activities according to the amount of time staff spend within each charitable activity.
- Awareness and communication costs include mainly staff costs and various communications costs relating to raising the awareness of the Trust's brand, funded projects and the Health Inequality agenda.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

- | | |
|------------------------------------|-----|
| ▫ Supporting greater health equity | 87% |
| ▫ Awareness and communications | 13% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £3,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

▫ IT and office equipment	3 years
---------------------------	---------

n) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

o) Debtors

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

p) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

q) Cash at bank and in hand

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

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

s) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

t) Pensions

The Trust operates a defined contribution group personal pension scheme for employees. Annual contributions by the Trust in respect of the group personal pension scheme available to staff members are charged to the statement of financial activities in the period in which they are payable. Employer pension contributions of 6% are made for all employees in the pension scheme.

2 Income from donations and legacies

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Donations from Society Lotteries	-	3,353,172	3,353,172	-	4,455,988	4,455,988
Other	204	-	204	100,072	-	100,072
	204	3,353,172	3,353,376	100,072	4,455,988	4,556,060

3 Income from investments

	2023			2022		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Investments	-	214,338	214,338	-	136,221	136,221
Deposits	19,104	73,886	92,990	-	5,878	5,878
	<u>19,104</u>	<u>288,224</u>	<u>307,328</u>	<u>-</u>	<u>142,099</u>	<u>142,099</u>

People's Health Trust

Notes to the financial statements

For the year ended 30 September 2023

4a Analysis of expenditure (current year)

	Charitable activities				2023 Total £	2022 Total £
	Supporting greater health equity £	Awareness and communications £	Governance costs £	Support costs £		
Staff costs (Note 7)	682,382	290,984	29,882	265,078	1,268,326	1,164,410
Consultancy	11,787	-	-	-	11,787	10,985
Travel and accommodation costs	6,819	1,012	7,263	-	15,094	5,036
Office Costs	34,697	476	15,800	-	50,973	51,178
Premises and technology	151,451	81,550	20,781	-	253,782	216,264
Other costs	13,148	24,312	-	-	37,460	87,086
Professional fees	-	-	4,586	-	4,586	6,076
Grants made (Note 5)	4,430,760	13,641	-	-	4,444,401	4,377,870
	5,331,044	411,975	78,312	265,078	6,086,409	5,918,905
Support costs	230,618	34,460	-	(265,078)	-	-
Governance costs	68,131	10,181	(78,312)	-	-	-
Total expenditure 2023	5,629,793	456,616	-	-	6,086,409	
Total expenditure 2022	5,432,162	486,743	-	-		5,918,905

People's Health Trust

Notes to the financial statements

For the year ended 30 September 2023

4b Analysis of expenditure (prior year)

	Charitable activities				2022 Total £
	Supporting greater health equity £	Awareness and communications £	Governance costs £	Support costs £	
Staff costs (Note 7)	626,473	267,144	27,433	243,360	1,164,410
Consultancy	10,985	-	-	-	10,985
Travel and accommodation costs	3,373	-	1,663	-	5,036
Office Costs	36,558	180	14,440	-	51,178
Premises and technology	140,572	75,692	-	-	216,264
Other costs	253	86,833	-	-	87,086
Professional fees	-	-	6,076	-	6,076
Grants made (Note 5)	4,359,063	18,807	-	-	4,377,870
	5,177,277	448,656	49,612	243,360	5,918,905
Support costs	211,723	31,637	-	(243,360)	-
Governance costs	43,162	6,450	(49,612)	-	-
Total expenditure 2022	5,432,162	486,743	-	-	5,918,905

For the year ended 30 September 2023

5a Grant making (current year)

	Grants committed £	2023 £	2022 £
Cost			
Supporting greater health equity	4,430,760	4,430,760	4,359,063
Awareness and Communications	13,641	13,641	18,807
	<u>4,444,401</u>	<u>4,444,401</u>	<u>4,377,870</u>
At the end of the year	<u>4,444,401</u>	<u>4,444,401</u>	<u>4,377,870</u>

The Trust funds projects addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). The Trust operated two main grant programmes in 2022/23.

Data on grants awarded is available from our website: <https://www.peopleshealthtrust.org.uk/projects-we-fund/360-giving>. This page links to details of all grants awarded by People's Health Trust from December 2012 until 30 September 2023.

5b Grant making (prior year)

	Grants committed £	2022 £
Cost		
Supporting greater health equity	4,359,063	4,359,063
Awareness and Communications	18,807	18,807
	<u>4,377,870</u>	<u>4,377,870</u>
At the end of the year	<u>4,377,870</u>	<u>4,377,870</u>

The Trust funds projects addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). The Trust operated two main grant programmes and ended a third programme during 2020/21.

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2023 £	2022 £
Depreciation	3,986	4,356
Operating lease rentals payable:		
Property	123,000	120,000
Auditor's remuneration (excluding VAT):		
Audit	13,200	12,000
Other services	-	-
	<u>140,186</u>	<u>136,356</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023	2022
	£	£
Salaries and wages	1,015,944	956,544
Social security costs	113,815	109,134
Employer's contribution to defined contribution pension schemes	66,668	69,342
Temporary staff and contractor costs	71,899	29,390
	<u>1,268,326</u>	<u>1,164,410</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023	2022
	No.	No.
£60,000 - £69,999	-	-
£70,000 - £79,999	2	-
£100,000 - £109,999	1	1
	<u>3</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £415,371 (2022: £379,063).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represent the payment or reimbursement of travel and subsistence costs totalling £6,579 (2022: £1,089) incurred by 10 (2022: 4) members relating to attendance at meetings of the trustees.

The charity also purchased insurance to protect it from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £6,439 (2022: £5,926) and provides cover of up to a maximum of £5 million.

8 Staff numbers

Staff are split across the activities of the charity as follows:

	Full time equivalent		Headcount	
	2023 No.	2022 No.	2023 No.	2022 No.
Charitable activities	18.3	19.4	20	21
Support	4.4	4.4	4	5
	<u>22.7</u>	<u>23.8</u>	<u>24</u>	<u>26</u>

9 Related party transactions

There are no related party transactions to disclose for this financial year (2022: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

Cost	IT and office equipment £	Total £
At the start of the year	72,950	72,950
Additions in year	6,810	6,810
Disposals in year	(6,704)	(6,704)
At the end of the year	<u>73,056</u>	<u>73,056</u>
Depreciation		
At the start of the year	68,224	68,224
Charge for the year	3,986	3,986
Eliminated on disposal	(5,775)	(5,775)
At the end of the year	<u>66,435</u>	<u>66,435</u>
Net book value		
At the end of the year	<u>6,621</u>	<u>6,621</u>
At the start of the year	<u>4,726</u>	<u>4,726</u>

12 Investments

	2023 £	2022 £
Fair value at the start of the year	6,527,118	6,768,438
Additions at cost	-	-
Net gain / (loss) on change in fair value	(1,364)	(241,320)
	<u>6,525,754</u>	<u>6,527,118</u>
Fair value at the end of the year	<u>6,525,754</u>	<u>6,527,118</u>

Investments comprise:

	2023 £	2022 £
Property fund	665,509	821,637
Mixed asset funds	5,860,245	5,705,481
	<u>6,525,754</u>	<u>6,527,118</u>

13 Debtors

	2023 £	2022 £
Accrued income and prepayments	119,247	106,470
Society lotteries	117,897	117,105
	<u>237,144</u>	<u>223,575</u>

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	3,586	6,521
Taxation and social security	-	17,374
Grants payable	4,406,397	4,755,281
Accruals	71,814	54,414
	<u>4,481,797</u>	<u>4,833,590</u>

15 Creditors: amounts falling due after one year

	2023 £	2022 £
Grants payable	1,109,439	1,032,994
	<u>1,109,439</u>	<u>1,032,994</u>

For the year ended 30 September 2023

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	6,621	-	6,621
Investments	-	-	6,525,754	6,525,754
Net current assets	1,259,460	49,070	(389,872)	918,659
Long term liabilities	-	-	(1,109,439)	(1,109,439)
Net assets at 30 September 2023	1,259,460	55,691	5,026,443	6,341,595

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	4,726	-	4,726
Investments	-	-	6,527,118	6,527,118
Net current assets	1,219,082	87,770	1,932,617	3,239,469
Long term liabilities	-	-	(1,032,994)	(1,032,994)
Net assets at 30 September 2022	1,219,082	92,496	7,426,741	8,738,319

17a Movements in funds (current year)

	At 1 October 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2023 £
Restricted funds:					
Geographical area funds	7,652,710	2,025,105	(4,430,760)	-	5,247,055
Operating costs funds	-	1,616,291	(1,595,929)	-	20,362
Unrealised loss on investment fund	(241,320)	-	(1,364)	-	(242,684)
Health CICs	15,351	-	(13,641)	-	1,710
Total restricted funds	7,426,741	3,641,396	(6,041,694)	-	5,026,443
Unrestricted funds:					
Designated funds:					
Fixed assets	4,726	-	(3,986)	5,881	6,621
Business development	43,290	-	(19,800)	-	23,490
Network events	18,691	-	(5,323)	-	13,368
Change project	5,889	-	-	(5,889)	-
Website	6,791	-	(825)	-	5,966
Fixed asset replacement	13,109	-	(53)	(6,810)	6,246
Total designated funds	92,496	-	(29,987)	(6,818)	55,691
General funds	1,219,082	49,653	(16,092)	6,818	1,259,460
Total unrestricted funds	1,311,578	49,653	(46,079)	-	1,315,151
Total funds	8,738,319	3,691,049	(6,087,773)	-	6,341,595

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At 1 October 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2022 £
Restricted funds:					
Geographical area funds	8,834,309	3,177,464	(4,359,063)	-	7,652,710
Operating costs funds	-	1,420,623	(1,484,525)	63,902	
Unrealised loss on investment fund	-	-	(241,320)	-	(241,320)
Health CICs	34,158	-	(18,807)	-	15,351
Total restricted funds	8,868,467	4,598,087	(6,103,715)	63,902	7,426,741
Unrestricted funds:					
Designated funds:					
Fixed assets	9,082	-	(4,356)	-	4,726
Grant making software	2,495	-	-	(2,495)	-
Business development	43,290	-	-	-	43,290
Network events	22,709	-	(4,018)	-	18,691
Change project	8,144	-	(2,255)	-	5,889
Website	43,292	-	(38,996)	2,495	6,791
Fixed asset replacement	15,444	-	(2,335)	-	13,109
Total designated funds	144,456	-	(51,960)	-	92,496
General funds	1,182,912	104,622	(4,550)	(63,902)	1,219,082
Total unrestricted funds	1,327,368	104,622	(56,510)	(63,902)	1,311,578
Total funds	10,195,835	4,702,709	(6,160,225)	-	8,738,319

Purposes of restricted funds

Geographical area funds:

Funds arise from donations by 6 separate community interest companies (CIC) (2022 - 6), each of which donates good causes monies raised through individual society lotteries. Each CIC focuses upon a specific community of geographical interest and each fund is restricted for use (after reasonable operating costs) for onward donation as grants to charities and community groups within that CICs area for the purpose of supporting greater health equity.

No restricted fund was in deficit (2022: none). Of the geographical area funds balance of £5,247,055 at 30 September 2023 (2022 - £7,652,710), the following amounts were allocated for specific grant programmes as follows:

- £50,000 to Living Wage;
- £490,916 allocated for research work;
- £170,000 allocated for capacity development and legacy work.

Operating costs funds:

Funds arise from donations by 6 separate community interest companies (2022 - 6) for supporting greater health equity non-grant expenditure, supplemented by investment income.

Health CICs:

The Trust received £50,000 in 2020 to support its work with networks. The balance of £1,710 represents the unspent

Purposes of designated funds

The fixed assets fund represents:

- The net book value of the charity's tangible fixed assets at the year end to recognise the fact that the assets are required for the day-to-day operation of the Trust and are not available for other purposes or as a general reserve.

Grant making software represents:

- Future costs expected to be incurred in relation to the updating of grant making software and project consultancy on a review of grant programmes.

Business development represents:

- Funds set aside for future income generation initiatives that the Trust plans to undertake.

Network events represents:

- Future costs expected to be incurred in relation to networking events across the Active Communities programmes.

Change project represents:

- Future costs expected to be incurred in relation to resource support for the change programme approved in September 2015. This programme was designed to support cross-team working and a review of the Active Communities programme. It was no longer required, and the remaining balance was de-designated and transferred to General funds in the year.

Website represents:

- Funds set aside for replacement website.

Fixed Asset Replacement represents:

- Costs expected to be incurred in relation to fixed asset replacements.

18 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property	
	2023	2022
	£	£
Less than one year	99,000	90,000
	99,000	90,000
	99,000	90,000

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

PEOPLE'S HEALTH TRUST

England & Wales - Charity number 1125537

Accounts

Company number: 6492606

Charity number: 1125537 (England & Wales)

SC039848 (Scotland)

People's Health Trust

Report and financial statements

For the year ended 30 September 2022

People's Health Trust

Contents

For the year ended 30 September 2022

Reference and administrative information	1
Trustees' annual report	3
Independent auditor's report	26
Statement of financial activities (incorporating an income and expenditure account)	30
Balance sheet	31
Statement of cash flows	32
Notes to the financial statements	33

People's Health Trust

Reference and administrative information

For the year ended 30 September 2022

Company number	6492606
Country of incorporation	United Kingdom
Charity number	1125537 (England and Wales) SC039848 (Scotland)
Registered office and operational address	2 Bath Place Rivington Street London EC2A 3DR

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Jenny Edwards CBE (Chair)
Jacqueline Lodge (Deputy Chair)
Paul Ballantyne (Scotland)
Leandra Box
Professor Elizabeth Dowler
Joe Leigh CPFA & FCCA (appointed 22 June 2022)
Thomas McIlravey
Barbara Simmonds FCA (retired 30 May 2023)
Duncan Stephenson
Shavannah Taj (Wales)

Key management personnel John Hume Chief Executive Officer
David Jones (to 30 June 2022)
Max Rutherford (from 20 June 2022)
Nicola Brian (on maternity leave from 16 March 2022 to 24 January 2023)
Dr Lisa Doyle (interim from 28 February 2022)
Elaine Battson FCCA

Bankers National Westminster Bank plc
Charities and Education Team
Commercial and Corporate Banking
1st Floor
440 Strand
London
WC2R 0QS

Solicitors Bates Wells LLP
10 Queen Street Place
London
EC4R 1BE

People's Health Trust

Reference and administrative information

For the year ended 30 September 2022

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 30 September 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The object of the charitable company is the promotion of health for the public benefit by increasing and supporting sustainable health equality in and for disadvantaged communities and groups across England, Scotland and Wales.

The Trust undertakes this work because of its ambition to see a society without health inequalities: where a person lives should not unfairly reduce the length of that person's life, or the quality of their health.

The Trust aims to achieve its objects through:

- Funding and support for communities
- Using evidence and learning to influence change locally and nationally
- Working with networks of funded partners to offer support, to shape the programmes and policy, and ensure their voices are well-represented with decision-makers.

The trustees review the aims, objectives and activities of the charity each year. This report looks at the charity's achievements and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to support. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

In 2021/22 the Trust worked on the third year of its three-year strategic plan. It was able to do so primarily due to the continued support of the 6 Community Interest Companies (CICs) which run the 12 society lotteries through The Health Lottery. The Trust remains grateful to The Health Lottery and to the Community Interest Companies for their ongoing, vital contribution.

Strategic Objective One: Investing in organisations, skills and spaces to better enable local organisations to act on the social and economic causes of health inequalities.

Over the year, the Trust continued to invest in neighbourhoods and communities across Great Britain that experience the greatest social and economic disadvantage. Through formal and informal learning, it continued to gather evidence that demonstrates the ways in which communities are addressing the social and economic causes of ill-health and early death. Throughout 2021/22 the Trust collaborated with its funded partners to develop and deliver a programme of network activities and provided them with a menu of capacity building opportunities to develop the skills and confidence of the community practitioners and organisations.

Grant making policy

The Trust received donations from 6 Community Interest Companies (CICs) operating society lotteries during the year and this money is restricted to enable the Trust to deliver its funding programmes for local charities and community groups within the defined and published geographical areas across Great Britain. Each CIC focuses upon 2 specific communities of geographical interest (2021 - 1), and the areas are co-terminous with multiple local authority boundaries.

The Trust funds local work addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). Through its funding and support, the Trust encourages resident-focused approaches as a means of addressing these underlying structural causes of health inequalities. The Trust invests its funds in neighbourhoods and communities of interest (see below) which experience the greatest disadvantage as identified by targeting its funding on the bottom 30% of the Index of Multiple Deprivation (IMD), Scottish Index of Multiple Deprivation (SIMD) and Welsh Index of Multiple Deprivation (WIMD).

A [community of interest](#) is a group of people who have a shared identity or experiences. and wish to come together to address issues that are important to them. These communities may be:

- Protected under the Equality Act 2010 because of age, disability, race, sex, sexual orientation, gender, gender reassignment, religion, or belief.
- People who share a particular identity of common experience, for example ex-offenders, D/deaf people, young carers, tenants, care leavers, and people who have experienced homelessness.

The treatment of particular groups of people can mean that they are disadvantaged and this can contribute to significant differences in mental and physical health: there are some stark inequalities in the average life expectancy across different population groups.

The Trust's grant-making is based around the drivers of health inequalities which are social and economic. Its focus has been on jobs and income; community power; social connections; local environment; local economies; housing; education and skills; digital inclusion; and food security. A fundamental belief is that decisions about communities should be taken by those most impacted, so control and social connections remain foundational aims in all of the Trust's funding.

The Trust operated two grant programmes during 2021/22: the [Active Communities Funding Programme](#) and the [Local Conversations Funding Programme](#). More detail can be found under the Grant Programmes section below.

Review of activities

Grant Programmes

During 2021/22 the Trust incurred costs of £4,359,064 (2021 - £3,407,247) across its main funding programmes.

Programme	2021/22 Total £	2020/21 Total £
Active Communities	3,634,735	3,400,784
Local Conversations	572,001	450,905
Local People	0	(600,613)
Living Wage	0	50,000
Strategic Funding	0	(4,685)
Capacity Building	82,751	32,116
Total value of grant commitments	4,289,487	3,328,507
Research	69,576	78,740
Total	£4,359,063	3,407,247

During the financial year 2021/22, the Trust made 152 (2021 - 123) grants across all of its programmes which benefitted approximately 27,343 local people. Since it started awarding grants in 2011, and up to 30 September 2022, the Trust had made 3,693 (2021 - 3,555) grants which have benefitted over 644,964 local people (2021 - 617,621). Details of the range of projects funded can be found on the website at www.peopleshealthtrust.org.uk and in the Trust's [annual review](#).

Active Communities is a funding programme which has been running since 2012. It is open for applications in different areas of Great Britain at different times of the year. The programme puts local people in control of ideas that address the social and economic reasons for poor health and early death. The programme is open to people living in neighbourhoods featuring in lower 30% on IMD and those who identify as a community of interest. A wide variety of activities was funded through the Active Communities programme during the year including projects supporting:

- Disabled people, to support their mental health and wellbeing through deepening social connections, peer support and physical activity;
- Women experiencing domestic violence, providing a safe and welcoming place to learn new skills, build self-esteem and make friends;
- Refugees and asylum seekers, to reduce loneliness and improve mental health;
- Disabled children, to access dance and music classes;
- People who have survived a stroke, with arts and creative classes and to build new friendships and peer support;
- Deaf children and young people, to support them to participate in a Deaf people's cricket club and build self-esteem;
- People with Chronic Fatigue Syndrome or long-Covid, to meet and support each other by sharing their experiences to help understand, self-manage and recover from their conditions;
- People with dementia and their care givers, to come together at a community café and make friends in a positive environment, tackling the social isolation that many people in these groups may experience;
- Amputees, to meet up regularly to benefit from shared lived experience, building friendships and improving their overall wellbeing.

Under the Active Communities programme, the Trust provides funding of between £5,000 and £40,000 for up to two years. It started the year with 338 'live' Active Communities grants and closed it with 348 'live' grants. £3,634,734 (2021 - 3,400,784) was committed through this programme during the year. The average grant award was £27,285.18 (2021 - £27,730). Since programme inception in 2012, 361,425 (2021 - 346,894) people have or are directly benefitting from the programme. Each Board meeting receives an update on the programme.

90% (2021 - 84%) of the respondents of the Trust's 2022 annual stakeholder survey reported that they found the Trust's application process easy to some or a large extent, 95% (2021 - 85%) felt that the Trust's monitoring requirements were proportionate to some or a large extent, and 96% (2021 - 96%) felt that an appropriate level of support is offered on grant management.

The Trust delivers a highly relational approach to its grant-making. In addition to providing direct grant management support through its Partnership Officers, it supports funded partners with a programme of capacity building support and access to thematic and regional networks (see below). Funded partners play a key role in helping to influence and shape the Trust's policy priorities, informing evidence gathering, providing data for research projects, and contributing insight to policy and public affairs work. This operating model, enabling deep collaboration between the Trust and its funded partners, is integral to the success of the Trust's strategic priorities and mission as a charity.

Living Wage - the Trust continues its support of the real Living Wage movement, recognising that fair pay for good work is an important determinant of health. It is a Living Wage Employer and continues its work as a founding member of the Living Wage Funders mark and chair of the Third Sector Committee (driving up low pay in the third sector). The Trust is a member of the Living Wage Advisory Council. As in previous years, in 2021/22 the Trust met the costs of increases in the Living Wage to existing grant holders and proactively offered this to projects where staff funded through the Trust's grant are close to or below the Real Living Wage rate. The Trust is funding research led by the Universities of Warwick and Lancaster to explore the direct links between paying the living wage and the effects on health.

Local Conversations funding programme is a nine year-long investment in specific places in England, Scotland and Wales. It is designed to enable people to take control over decisions and action to make their neighbourhoods better places to grow, live, work and age, and to improve their health and wellbeing.

During the year to 30 September 2022, the Trust made grants totalling £572,001 (2021 - £450,905) to support the Local Conversations grant programme in the 13 neighbourhoods. Covid-19 continued to have a significant impact on the work of the Local Conversations projects, and many remained underspent within year and have, therefore, not needed the full amount of funds which were budgeted to be committed within the 2021/22 year.

The programme aims to increase social connections and the amount of control that people have - at an individual and collective level - over their lives and communities. It provides the resources and wider support to enable long term and deep engagement to take place across a neighbourhood. The Local Conversation usually takes place over neighbourhoods of between 4,000 and 12,000 people. The funding is awarded to a non-profit organisation in each neighbourhood which supports residents to identify community-wide priorities and exert increasing influence over decisions that have an impact on them and their families' lives.

The programme supports the engagement across neighbourhoods and communities of interest which are complex in nature. Typically, the Trust focuses on those neighbourhoods which feature in the 30% most disadvantaged according to indices of multiple deprivation though other measures have been considered as appropriate. Three of the Local Conversations were based in neighbourhoods in Wales, two were in Scotland and eight were in England.

Each of the Local Conversations has a locally determined Community Plan, which reflects residents' aspirations for the neighbourhood, and which is delivered through three or four locally defined priorities. During 2021/22, the Trust encouraged each lead organisation to move away from the provision of activities that contribute to meeting the priorities, unless they lead to more diverse or deeper engagement, in favour of taking greater action on influencing the local social and economic determinants of health. In 2022, having funded the programme for more than 8 years, the trustees decided that investment in the programme would come to an end December 2023. An 18-month notice period was given, individualised sustainability plans were developed, and a programme of tailored capacity building support is in place. As part of this support regular network days were held, along with meetings and site visits that support strategic conversations.

As in previous years, the programme has supported lead organisations by offering tailored support through community development, dedicated networks, and capacity building support (see below). The co-produced Local Conversations Practice Guide, developed during the previous year, has been widely used. It provides community practitioners, resident led steering groups and lead organisations with the theory, practice examples, and resources that underpin a successful Local Conversation. Specific consideration is given throughout the guide on taking account of equity, diversity and inclusion, and what the application of these priorities can mean in different local contexts.

Capacity building programme - during 2021/22 the Trust invested £82,753 (2020 - £32,116) in activities aimed at strengthening the organisations it funds. This included training on fundraising, youth and community engagement, and tailored engagement support for Local Conversation projects. Towards the end of the year, a major expansion of the capacity building programme was commissioned, including new training on mental health and safeguarding. These were offered to all funded partners, with specific consideration given to the contexts of those funded through Active Communities.

Networks - supporting networks of funded partners is central to the Trust's mission. Through the networks, the staff, trustees and committee members of funded partners are supported to connect with each other, share learning, influence strategic decision-making within the Trust, and engage with external audiences such as policy-makers. During the pandemic these were an increasingly important space for online support. This year the Trust returned to a blended approach of both online and in-person meetings and events, including fora for practitioners to talk about key issues in their communities such as the cost-of-living crisis, mental health, digital inclusion, and housing. The information and insights from the networks were used to test ideas for new programmes, develop campaigns and refine policy positions (for use in 2022/23). The Trust continues to evolve the networks to enhance the support for partners, to more directly inform the Trust's work, and to more impactfully influence external stakeholders.

Research and development - during 2021/22 the Trust invested £69,576 (2021 - £78,740) into research and evaluation which supports health equity. The University of Lancaster and University of Warwick were contracted to research the health impact of the real Living Wage, and the What Works for Wellbeing received a grant to conduct a review of research on community well-being and agency. Grants were also awarded to support the development of a theory of change and evaluation activities.

The Trust started development on potential new programmes and campaigning areas built around its policy areas. Further work on these areas will take place in 2022/23.

The impact of Covid-19 on the grant programmes - Covid-19 continued to have an impact on the work of many of the funded projects, across all the programmes. The Trust continued to offer flexibility to funded partners, including reconsidering budgets, activities and timelines. Many have taken up the offers and continued to adapt their activities to meet the needs of their communities. Some have not drawn down funds as anticipated because of delayed expenditure as local restrictions had an impact on delivery. The Trust has extended the end dates of funded projects where it has been appropriate to do so, and in some cases has not needed to award the additional funds which were budgeted to be committed within the 2021/22 year.

Responding to the needs of communities -In the last quarter of 2021/22 the Trust refreshed its Active Communities (AC) programme to incorporate an intentional consideration of thematic issues. These thematic lenses have initially included both decreasing community and voluntary and community sector (VCS) mental health and the rising costs of living driven by increased energy prices and inflation. These issues have been referenced with greater frequency by funded partners in their progress reports.

In September 2022, the Trust wrote to all AC partners to offer increased flexibility and support to meet rising costs and demand on their services. This initial package of support comprised an offer to consider requests for:

- Adjustments to planned activities to do more to address the rising costs of living and mental health needs
- Shortening a grant's length, while keeping the overall grant value the same, to deliver more and/or to take account of increasing costs such as energy bills.
- Increasing grant value to ensure that any staff paid through the Trust's grant receive at least the Real Living Wage, which increased by 10% in September
- A webinar on top tips for building financial and governance resilience in small charities

In the first month, responses were received from around 10% of funded partners, half of which have related to increasing salaries to meet the new Real Living Wage rate.

Towards the end of the year there was a notable increase in demand for the Active Communities programme funding, and a clear upwards trend for oversubscription during the 2021/22 financial year. In our 2022 stakeholder survey, 90% of respondents stated they feel that organisations such as the Trust are critical at this time.

Strategic Objective Two: To develop strong external partnerships and establish ways of working together to act on the real causes of health inequalities.

Content

The Trust has further developed its focus on influencing policy and decision makers at a local, regional and national level. The Trust developed and implemented new Communications and Public Affairs strategies to support the move to undertake more advocacy and influencing. These have been supported by the Policy, Research and Advocacy Committee who provide strategic guidance and feedback.

The Trust's influencing work is based on evidence coming from local projects and therefore rooted in the experiences of communities in areas of England, Scotland and Wales experiencing the highest levels of disadvantage which are most affected by health inequalities.

Some examples of this work throughout the year include:

- [Responding](#) to The Department of Health and Social Care's consultation on the development of the government's 10-year plan for mental health and wellbeing for England. The Trust held two workshops and a selection of follow-up interviews with specific groups of community leaders and residents from our funded networks. The discussions focused on prevention, support and promotion which formed the basis of the submission. The focus was on men and people from Black, Asian and minoritised ethnic communities.

- Responding to NHS England's consultation on 'Working in Partnership with People and Communities', emphasising the value of engaging communities most affected by health inequalities, and the importance of engaging small grassroots voluntary and community sector organisations.
- Continuing involvement in the ['We're right here'](#) grass-roots-led community collaboration on community power. In June 2022, The Trust supported three funded partners to attend an event in Parliament which was attended by politicians across the political spectrum.

Research, policy and evaluation

Mental Health - In June 2022, the Trust published the research report ["*We were absolutely invisible*": the impact of Covid-19 on the mental health of grassroots voluntary and community sector workers](#). The report is based upon data gathered from grassroots voluntary and community sector (VCS) organisations between April 2020 and February 2022. The research revealed heightened concern about the levels of mental health support which the sector is now having to offer, with organisations identifying this as their biggest challenge ahead.

The surveys and workshops illustrated that demand for mental health support in disadvantaged neighbourhoods has soared since the start of the pandemic, and this has stretched the capacity of charities and left their workers on the brink of burnout. Surveys revealed that:

- 97% of organisations identified mental health support as their biggest challenge ahead (97% in April 2021 and 90% in November 2021).
- 82% of VCS project leaders were concerned about staff burnout in the next six-months.
- 29% of grassroots and community VCS workers had received no formal mental health training at all.

The findings showed that grassroots charities have continued to step up since the start of the pandemic and have played a vital role in supporting their communities, yet they often lack the resources and training to support this work. Given that they form a crucial part of the mental health support landscape, the Trust is calling for an urgent, co-ordinated national strategy for voluntary and community sector (VCS) workers and are working to influence the statutory sector and funders to make this happen. The Trust is engaging with a range of stakeholders, including funders, to push for changes in policy and practice to better support staff and organisations. The Trust has actively supported organisations with mental health training.

Partnerships

The Trust is an active participant in a range of partnerships focused on addressing health inequalities and the social determinants of health. These include:

- ◆ Health Equals (formerly known as the Wellbeing and Health Collaborations run by the Health Foundation) which is a campaign to address health inequalities through public campaigning, policy and public affairs activities. The coalition comprises 30 organisations and public-facing campaign will commence in 2023.

- ◆ Royal College of Physicians Inequalities in Health Alliance - the Trust is one of over 200 organisations working together to push for a national strategy for action on the social determinants of health, a triggering of the socio-economic duty, section 1 of the Equality Act 2010, and the adoption of a child health in all policies approach to decision-making and policy development. The Trust was a signatory of a public letter to the Secretary of State for Health and Social Care in September 2022 calling on the government to publish its promised White Paper on Health Disparities.
- ◆ School for Public Health Research - the Trust CEO is an advisory group member and provides advice on activities, direction and priorities.
- ◆ NHS England - the Trust has continued to explore a closer working relationship with NHSE on social determinants of health.
- ◆ Living Wage Foundation - the Trust continues its work addressing low pay by supporting a very successful place-based approach and has commissioned research exploring the impact of implemented the real Living Wage on health. Research on low pay in the Third Sector was published in 2022.
- ◆ 'We're Right Here' campaign - this collaboration is focused on community power and includes a broad range of organisations Power to Change, Locality and New Local. The aim is to campaign for more power for communities to take control of their neighbourhood, and the collaboration has written a proposal for a Community Power Act.

Programme evaluation

This year saw the publication of the [final report](#) for the independent five-year Local Conversations programme evaluation (2016 - 2021). The evaluation, carried out by New Economics Foundation with Leeds Beckett University, showed that building community power can transform neighbourhoods, improve wellbeing and support action on social determinants of health. The evaluation was built upon more than 2,800 survey responses from residents across six waves of data collection, annual staff surveys, 22 in-depth case studies, and peer research. Evidence from the evaluation showed:

- Participating in the programme led to increased levels of trust, connectedness and neighbourhood belonging. 81% of participants said they very or fairly strongly believe they belong in their local neighbourhood, compared to 56.2% in similarly disadvantaged neighbourhoods and 61.6% England average.
- Participation also supported communities to develop a sense of agency and the belief that their involvement can bring change. 82% of participants agreed that when people in the area get involved, they can really change the way the area is run, compared to 50% in similarly disadvantaged neighbourhoods and 54% England average.
- Local Conversations residents are more satisfied with life, less anxious, and more likely to feel that the things they do in life are worthwhile, compared to averages for similarly disadvantaged areas in England.
- The Trust continued to work with Social Life to assess the impact of participation in our Active Communities and Local Conversations programmes. The [first wave of research](#) was based on data collected through 540 questionnaires with project participants, and interviews and questionnaires with practitioners. The research found that 59% of residents involved agree they can influence decisions affecting their local area, compared to 22% of people living in areas experiencing similar levels of disadvantage nationally. 86% of Local Conversations practitioners and 66% of Active

Communities practitioners said their projects have facilitated new partnerships with local organisations with common goals or interests.

Website development

The Trust launched a new website in March 2022. The new site repositions the Trust's work to support greater engagement with policy makers and opinion formers on the social determinants of health and metrics show an increase in visitors to key pages focused on these issues. The Trust's Newsletter has also been rebranded and the content has a stronger policy and research focus than its predecessor.

Working with The Health Lottery

The Trust continues to work with The Health Lottery and the six Community Interest Companies to promote the good causes arising from The Health Lottery monies. Media work is regional to reflect the regional and local nature of the lottery funding.

Strategic Objective Three: Ensure the Trust is in good health, capable of supporting its vision and objectives.

Board Development and Focus

2021/22 saw strong continuity at Board level. One trustee was appointed in June 2022 in anticipation of taking over the role of finance trustee from a long-standing trustee who retires at the 2023 AGM. The Board is extremely grateful to Barbara Simmonds for her many years of dedicated service as trustee and as a member of the Finance, Audit and Operations Committee.

From August 2021, the Board began the process of developing its new [strategic plan for 2022-25](#). The process involved the Board, staff team and the network of funded partners. The new strategy went live in October 2022 - details are noted under Plans for the Future on page 19.

Over the course of the year, the Board dedicated specific time to the development, publication and implementation of its [equity, diversity and inclusion strategy](#). Through this statement, the Board committed to being an anti-racist/anti-oppressive organisation and acknowledged that racism, discrimination, poverty, stigma and oppression of marginalised groups are not only profound social injustices, they affect how and where individuals live and work, their relationships, the daily pressures in their lives, how people feel about themselves, and their ability to safely speak out. In turn this all affects physical and mental health.

The published action plan focusses on 12 areas for action across governance, organisation, communication, programmes, networks and policy.

The **staff and trustee diversity surveys** were completed in September 2022. There has been some movement in staffing over the past year:

- The Trust has a broad range of ages employed (25-64). Those at management level are from 35- 59.
- Ethnicity, gender, sexual orientation, disability and data on education level is set out in the table below:

	FY 2021/22 All staff %	FY 2021/22 Management level %	FY 2020/21 All staff %	FY 2020/21 Management level %
Ethnicity				
Asian Indian	4.6	-	4.6	
Black African	13.6	-	13.6	
White British	63.6	85.7	63.6	87.5
White English	9.0	-	9.0	
White Scottish	4.6	-	4.6	
White Irish English	4.6	14.3	4.6	12.5
Gender				
Female	68.2	71.4	69.6	62.5
Male	31.8	28.6	30.4	37.5
Non-binary	0	0	0	0
Sexual Orientation				
Heterosexual	81.8	71.4	82.61	75.0
LGBT+	13.6	28.6	17.4	25.0
Undeclared	4.6	-	-	-
Disability				
Disabled	13.6	-	21.7	12.5
Not Disabled	86.4	100.0	73.9	87.5
Undeclared	-	-	4.4	-
Education level				
Up to age 18	9.1	-	8.7	-
Post age 18	90.9	100.0	91.3	100.0
Post age 18 - 1 st generation	63.2	83.3	68.4	62.5

Through its EDI Action Plan, the Trust recognises that it needs to increase its diversity, particularly in terms of its management teams and those from Black, Asian and minority ethnic communities.

The Board has continued its commitment to attract people who were: younger (under 55); from Black, Asian or minoritised ethnic backgrounds; and disabled people. Membership of the Board has remained relatively static over the past year (with one new Trustee recruited in the year), so key data has stayed largely the same:

- 20% identify as Black, Asian or minoritised ethnic.
- 10% identify as disabled
- 44% are under the age of 55

The Board recognises the need to increase its diversity in terms of socio-economic backgrounds, people with lived experience of the communities the Trust works with, people from racialised communities and disabled people. The work on this forms part of the published EDI Action Plan and is being actioned in 2022/23.

○ **Safeguarding**

The Trust has in place appropriate safeguarding policies and procedures, in line with regulatory frameworks and guidance, with respect to the Trust's funding practices and due diligence, and its internal operations.

Tommy McIlravey (Trustee) was appointed as safeguarding lead at Board level in 2021/22 and maintained continuity when a transfer of responsibilities at Leadership Team level occurred with the change in post holder for Director of Grant Programmes.

This year a dedicated section on safeguarding was added to the resources available on our website, and the Trust became a member of the Funder Safeguarding Collaborative, which provides access to peer learning with other safeguarding leads, and support/training for staff within the Grants team.

The Trust received 0 reports of safeguarding incidents in the year (2021: 0).

○ **Customer Care**

The Trust's complaints procedures reflect good practice, both in handling complaints about the Trust and the organisations that it funds. All staff who may be involved in complaint investigations have been fully trained on the practice and procedures of complaint handling. The Trust received 1 complaint in the year (2021: 0), which was resolved.

○ **Information Technology**

There were no major changes to the Trust's physical infrastructure in 2021/22. However, a significant amount of progress was made in preparation for the Trust achieving cyber essentials certification and its move to cloud-based servers in 2022/23. Both these initiatives are related to the Trust's commitment to having in place secure IT infrastructure, that additionally supports staff who choose to take advantage of hybrid working.

○ **GDPR**

The Trust continues to comply with GDPR, with action taken to maintain compliance on an ongoing basis. The Trust also continues to work with grantees to ensure understanding of their legal obligations.

Financial review

Financial position

A summary of the year's results can be found on page 30 of the financial statements.

In 2021/22 the Trustees reviewed the accounting treatment of income and expenditure of what had historically been disclosed as unrestricted funds. After taking professional advice the Trustees determined that effective from 1 October 2021 the disclosure of some elements of the Trust's income and expenditure would be changed, and this is reflected in the Financial Statements for the year ended 30 September 2022. This is not a change in accounting policy, rather a change in disclosure, and therefore the comparatives for the year ended 30 September 2021 have not been re-stated.

Total income in the year was £4,702,709 (2021 - £5,753,199) with income from donations totalling £4,556,060 (2021 - £5,611,228). The decrease is largely due to a downturn in good causes money from society lotteries.

The total expenditure in the year was £5,918,905 (2021 - £4,833,908) all of which related to charitable activities. Grants expended in the year, including grant commitments amounted to £4,377,870 (2021 - £3,423,089). Total expenditure included within this figure are costs of charitable activities (net of grants) of £1,248,063 (2021 - £1,112,054), support costs of £243,360 (2021 - £252,530) and governance costs of £49,612 (2021 - £46,235).

Overall expenditure increased despite a fall in income. This was the result of a decision by Board to draw down on restricted funds brought forward into the financial year.

At 30 September 2022, the Trust had total funds of £8,738,319 (2021 - £10,195,835). £7,426,741 (2021 - £8,868,467) of this related to restricted funds, of which £720,000 has been allocated to specific programmes in the next financial year (2021 - £450,000). Unrestricted funds include a negative fund representing the unrealised loss in the value of investment assets for the year. Total unrestricted funds were £1,311,578 (2021 - £1,327,368), of which £92,496 (2021 - £144,456) were designated funds. Full details of funds are included in note 17 on pages 44 and 45.

○ **Donations**

The Trust's principal source of income is donation income received from society lotteries. Total donation income received from the society lotteries from 1 October 2011 to 30 September 2022, amounted to £126,117,703 (2021 - £121,561,643). Donation income for the year amounted to £4,556,060 (2021 - £5,611,228) has allowed the Trust to continue to provide a sustainable income stream for groups of local residents experiencing disadvantage.

Donations continued to decline in 2021/22. This was closely monitored by the Leadership Team and Trustees, and regular meetings with the Trust's donors have taken place in order to address this trend. In July 2020, the percentage of lottery ticket sales donated to the Trust increased from 20.34% to 25.50%. This increase was reverted back to 20.34% from 1 November 2022. The Trust remains grateful to The Health Lottery and to the Community Interest Companies for their generous donations.

As set out in the Risk Section (see below) the Trustees have identified that there is risk in the Trust's reliance on a small number of income sources and has planned to diversify its income in 2022/23, using funds designated in previous years to support this activity.

○ **Investment policy**

The Trust operates its investment activities in line with its current investment policy, which is intended to provide liquidity sufficient for the financing of the Trust's grants whilst maximising investment income. During 2021/22 the Trust reviewed and updated its Investment and Treasury Management Policy in response to the changed economic environment as a result of Covid-19, but more significantly to clearly articulate its position on responsible (or ethical) investment. The policy now states:

- The Trust will not make any investments where the risk of loss of capital is unacceptable to the Board.

- Cash deposits can only be made in a UK-based mainstream banking institution which has a credit rating that the Board regards as acceptable in terms of risk.
- The Trust will usually only invest in counterparties with a minimum rating of BBB+ / BAA1 or above from the three main credit rating agencies (Fitch, Moody's and Standard & Poor's).
- Investments in other asset classes will be considered where they meet the Trust's investment horizon and market risk appetite. Investment in other asset classes will be accessed through pooled funds (collective investment schemes) rather than direct investment.
- The Trust will not normally hold bank deposits with a notice period in excess of 35 days.
- The Trust will not hold investments with a counterparty that represent more than 35% of the Trust's cash investments. The Trust will invest only in accordance with its diversification policy: investing cash deposits in no less than three eligible financial institutions (a group of banks under the same ownership will be treated as one financial institution).
- The Trust will make all investments in sterling.

With respect to responsible investment:

The Trust has considered its approach and responsibilities in relation to responsible investment and has determined that investments and returns on investments must never take priority over or come into conflict with the Trust's charitable object nor the fulfilment of operating expense obligations.

People's Health Trust believes in a world without health inequalities. We work to ensure that where people live does not unfairly reduce length of life, or quality of health. We will not knowingly invest in companies whose activities, corporate strategies or products are poorly aligned with our aims and values.

We actively seek to take account of environmental, social and governance (ESG) issues when considering our investments, and in our engagement with the fund managers who are responsible for our day-to-day investment decisions.

When appointing fund managers we will expect them to conform with our values outlined above, and require them to explain their engagement and escalation process, including how it is monitored and the timelines along which decisions are taken. Managers will likely not be selected if they cannot provide their process for dealing with unsuccessful engagements, and if these do not include triggers for escalation and are not incorporated into wider stewardship processes. We have asked our fund managers to explain, justify and provide evidence of investment intentions.

The Trust did not make any new investments in 2021/22.

2021/22, like the previous two years, was a year of significant volatility in the value of investments. Whilst overall, at year end, the Trust's investment funds were in excess of the value of the amount initially invested, the revaluation reserve as at 30 September 2022 reflected an unrealised loss of £241,340 (2021 - unrealised gain of £343,859). The unrealised loss in 2021/22 is disclosed in a specific restricted fund (see

Note 17) at the end of the year in anticipation that capital values will recover in the longer term. The Trust views these fixed asset investments as having a 3-to-5-year horizon.

Investment income during 2021/22 totalled £142,099 (2021 - £141,971) split between interest received on cash deposits of £5,878 (2021 - £42,488) and income from investments of £136,221 (2021 - £99,483). The total income represented an effective rate over the average balances during the year of 0.91% (2021 - 0.87%) made up of 0.07% cash deposits, and 2.01% investments (2021 - 0.33% and 2.98% respectively). Investment income remained relatively stable year-on-year, despite changes in the breakdown of it, these being due to changes to investments made part way through 2020/21. The Trustees continue to seek out investment opportunities that have the potential to increase income whilst remaining in line with the agreed policy.

Principal risks and uncertainties

Risk management

The Board is responsible for the oversight of the risks faced by the Trust. The Finance, Audit and Operations Committee (FAOC) and the Leadership Team regularly (both separately and together) review the risk register and management issue regular reports on actions taken to manage and mitigate exposure to the risks.

The trustees ensure that controls exist over the key area of grant making, and that financial procedures and systems exist. At each Board meeting, trustees examine the risks faced by the Trust, and ensure there are established effective plans and systems to manage and implement mitigating controls for those risks.

Financial risk is minimised through regular and rigorous review procedures of the Trust's activities by the Leadership Team, FAOC, and also at Board level.

In 2021/22 the Board led a review of the recording and reporting of risk and are satisfied that the processes in place to support effective decision making. Risk management processes assess risks based on their likelihood of occurrence, the impact of the risks, and any mitigating controls that are in place. Each risk is allocated a pre and post mitigation score. The scoring mechanism was considered and revised in 2021/22 and weighted for impact to better reflect risk levels. Based on the score, risks are classified into low, medium, high, and very high risks. The high to very high risks represent the principal risks for the Trust. The process also seeks to identify any actions and resources required to manage these risks further.

The trustees have considered the principal risks and two key areas have been identified as follows:

- Income - the Trust's historical reliance on two sources of income (donations from lottery ticket sales and investment income) remains a risk. Whilst investment income remained stable in the year, donation income - the principal source of income - reduced by almost 19% year on year. This places at risk the Trust's continued ability to address health inequalities and to support existing projects. The trustees have agreed plans to diversify income sources and there has been minor success in 2021/22, however, competing priorities in the year have meant that this work has not progressed to the extent planned at the start of the year. The small fund designated for business development is being carried forward in full to 2022/2023 to support this work.
- The Chief Executive and other members of the executive team meet regularly with the directors of both the CICs and The Health Lottery and a positive, mutually beneficial relationship has been established.

- The Trust has an inherent risk that its key systems and procedures may fail and that a major incident occurs, posing a threat to business continuity. In 2021/22 the Trust reviewed its IT security arrangements in advance of its cyber essentials certification achieved in 2022/23. As a result a small number of issues were identified and addressed. The overarching business continuity planning documentation is due for review and this will be completed in 2022/23.

Reserves policy and going concern

Reserves policy

The reserves policy for the charitable company states that the Trust will aim to maintain general reserves of at least 26 weeks' running costs. As at 30 September 2022, the general reserves of £1,219,082 (2021 - £1,182,912) equated to 37.3 weeks' running costs (2021 - 39.7 weeks). The trustees consider the level of general reserves to be satisfactory at this point given the particular risk around income outline in this report. The reserves policy is reviewed annually.

Going concern

The trustees consider that there is a reasonable expectation that People's Health Trust has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue operating as a going concern.

In making this decision, the trustees have taken into consideration the risks and uncertainties arising from the Coronavirus pandemic, which are referenced in this report where relevant. The pandemic continued to have a negative effect on the Trust and the communities it serves in 2021/22, however, the impact is diminishing, and it is anticipated (as at the date of signing) that this impact will reduce again in the next financial year.

The Trust has a track record of strong financial control and effective risk management, which together with the approach to reserves outlined immediately above leads the trustees to conclude that the Trust can sustain its operations for a period of at least twelve months from the date of signing these financial statements. Consequently, the financial statements have been prepared on the basis that the charity remains a going concern.

Fundraising

The Trust undertakes fundraising from members of the public on a very small scale. It is registered with the Fundraising Regulator and committed to following the highest fundraising standards. In the year there have been:

- ◆ Nil failures to comply with the standard (2021: none)
- ◆ Nil complaints received by the charity about activities by the charity or by a person on behalf of the charity for the purpose of fund-raising (2021: none)

The Trust sets out to protect vulnerable people and other members of the public from unreasonable behaviour related to its fundraising by complying with the standards set by the Institute of Fundraising, managed by the Fundraising Regulator. The Trust is registered with the Information Commissioner's Office and strives to be compliant with GDPR.

Plans for the future

New Strategy

2021/22 was the last year of the three-year strategy. From August 2021, the trustees, leadership team, and wider staff team spent a significant amount of time considering the next three years and the strategy for the next phase in the Trust's actions to address the causes of ill-health and shortened lives for the most marginalised people in England, Scotland and Wales. The new objectives were launched in October 2022.

Four new objectives have been developed which place a clear emphasis on the Trust listening to marginalised groups and speaking clearly and boldly on the avoidable inequalities in health faced by marginalised people. The Trust intends to build its evidence base on what works, and influence policy and decision-makers through local and national partnerships. The trustees look forward to strengthening existing partnerships and looks forward to forming new partnerships with other organisations working on the causes of health inequalities.

The Trust will focus its next three years on four strategic areas of work:

- "We will listen to and support marginalised groups to speak out about their experience of health inequalities.
- We will build evidence and practice around what works to address health inequalities.
- We will speak clearly and boldly on the avoidable inequalities in health faced by marginalised people.
- We will develop as a diverse, equitable and inclusive organisation and funder."

These four strategic objectives are underpinned by the Trust's ambition to ensure its position as a funder is strengthened through improved and diversified income, with a strong people offer, a more representative team, board and panels, and a reduction in our carbon emissions. The enabler is focussed on the Trust as a strong organisation fit for the future, able to support greater health equity.

For the next financial year the Trustees will report on achievements and performance against this new strategy.

Activity in 2022/23 to support the new strategy will include:

◆ Grant programmes:

- In 2021/2022, after nearly a decade of support, it was decided that the Trust's investment in its Local Conversations programme would complete at the end of 2023. The Trust will support the remaining funded partners to consider how they can sustain the approach of the programme in their future work, and embed the principles of community leadership and governance.

- The Trust is responding in a variety of ways to the rising costs of living, and the connected increase in mental health needs among staff and volunteers working within grassroots organisations. Increased flexibility alongside additional funding to ensure that the real Living Wage is paid in all salaries supported by the Trust's funding will be introduced in 2022/23. Communications about the Trust's Active Communities programme have emphasised the Trust's interest in projects with a mental health and/or cost of living focus.
- A comprehensive programme of capacity building and training is planned for 2022/23, with more than 200 attendees anticipated in the first 6 months. The Trust's network offer will be relaunched, with an emphasis on hearing from funded partners about the impact of the cost-of-living crisis on their communities and organisations.
- ◆ Policy, research, communication and public affairs - in line with the Trust's new strategic direction, the Trust will undertake more campaigning and influencing work based on research evidence and the experiences of funded partners. The focus of these activities for 2022/23 will be around the impact of housing on health and a continued focus on mental health as experienced by grassroots organisations. The cost-of-living crisis has particularly affected the communities that the Trust works with, which will be highlighted through research and stories of those experiencing the health impacts rising prices for essential good and energy.
- ◆ The Trust published its statement of commitment to being an anti-racist, anti-oppression organisation in early 2022, along with its implementation plan for achieving this. As a member of Funders for Race Equality Alliance, the Trust participated in their annual audit and carried out an internal audit against the Foundation Practice Rating standards, making improvements to transparency of diversity information. Continuing through into 2022/23, the Trust carried out a cultural audit with its staff and trustees, with a listening exercise to understand how the Trust operates as a funder and as a place of work, and outputs of this are being implemented, including strengthening our internal training provision to develop the team's knowledge and understanding. Work is also underway to implement the Diversity, Equity and Inclusion (DEI) Data Standard for future grant making, to extend the Trust's contribution to DEI data collection across the funding sector. In 2022/23 the Trust is seeking views from funded partners impacted by discrimination, to determine the language used in internal and external communications.
- ◆ Income generation - following the reduction in the percentage of lottery ticket sales donated from 25.5% to 20.34% in November 2022, together with a fall overall ticket sales, income diversification is a clear priority and the trustees have approved additional resources to address this in 2022/23. At the same time the Trust will work with the 6 Community Interest Companies who operate the 12 society lotteries under The Health Lottery brand to ensure the maximisation of donation income.
- ◆ Governance - in 2022/23 the Board will focus on two key areas:
 - Board diversity - expanding the Board and the committees with a consideration to broader diversity of experience, thought and specific characteristics
 - Measuring Board effectiveness - the Board will work with existing frameworks to measure its impact and areas for improvement.

- ◆ Whilst the coronavirus pandemic (Covid-19) did not affect the Trust in 2021/22 in the same way as the previous two years, its impact has still been felt and longer term it is anticipated that it will continue to some extent for the foreseeable future, with beneficiaries, partners and stakeholders all being affected, principally through the continued negative effect on the wider economic environment and the high prevalence of mental health ill-health.

Structure, governance and management

Constitution

The Trust is a charitable company limited by guarantee (Company No 06492606), incorporated on 4 February 2008 and registered as a charity (Charity No 1125537) with the Charity Commission on 15 August 2008 and with the Office for Scottish Charity Regulator (OSCR) (Charity No SC039848) on 4 September 2008. The charitable company is governed by the Articles of Association which set out its objects, powers and its governance arrangements. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £1 each.

Trustees

Trustees serve a maximum aggregate term of nine years with one third of the Board retiring at each AGM. Trustees are based in various locations around England, Scotland and Wales.

All trustees, who are also company directors, are non-executive members of the Board and Committees. There are clear distinctions between the roles of trustees and of the Leadership Team to whom day-to-day management is delegated.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Within the year 2021/22, the Board held four meetings. Additionally, there were four meetings of the Finance, Audit and Operations Committee, and three meetings of the Policy, Research and Advocacy Committee. Board sub-groups were also in operation throughout the year to support the development of the new strategic plan and to support the development and management of the EDI work.

Board Sub-Committees

Trustees are nominated for a committee by two trustees and voted onto the committee by a simple majority vote by the Board. The chair of the committee is a trustee and is nominated by two members of the board, supported by a candidate statement and is voted into position by a simple majority vote of the Board.

Finance, Audit and Operations Committee (FAOC):

The FAOC reports to and advises the Board on the key areas of audit, risk, finance (including investments), performance, HR, legal and safeguarding. The Committee's terms of reference permit it to scrutinise officers' reports, make decisions on investments within agreed parameters set by the Board, meet with the auditors, offer advice to the Leadership Team and make recommendations to the Board. Membership of this Committee within the year increased from four to five trustees (two of whom are qualified accountants, and one of whom chairs the Committee), with a sixth co-opted external member, Martin Anderson, who brings relevant investment skills and experience to the Committee. The Board acknowledges his considerable expertise and thanks him for his time. The Chair of the Trust may, and does, attend the Committee as an ex-officio member. The Committee met four times within the financial year.

Policy, Research and Advocacy Committee (PRAC):

The PRAC works on behalf of the Board to provide advice and strategic oversight regarding the Trust's policy, research (including learning and evaluation), networks, advocacy and communications work to the Leadership Team. It provides a level of support and scrutiny to ensure that the Trust's work in research, policy and advocacy is strategic, progressing and impactful.

Three meetings were held in the year. The Chair of the Trust may, and does, attend the Committee as an ex-officio member. Within the year membership of this Committee increased from four to five trustees (one of whom chairs the Committee), there is currently no co-opted member.

Appointment of trustees

Recruitment to the Board considers the dimensions of equality, diversity and inclusion. Appointment is to positions where specific skills and/or experience is required. It is conducted through an open and competitive process.

Trustee induction and training

Trustees are partnered with an existing Board member to support their induction into the organisation. They will also meet with the Leadership Team to discuss their statutory responsibilities, their role within the Board, the governance framework, the strategic objectives of the Trust and how the Board works.

The performance of the Board is periodically assessed through regular meetings and through annual meetings with the Chair and/or the Deputy Chair and annual away days. Through this process, trustee development is regularly reviewed and determines developmental objectives.

Related parties and relationships with other organisations

The Trust's key relationship is with the six Community Interest Companies (CICs) which each run a society lottery under the marketing name of The Health Lottery. The CICs donate money for good causes arising from their lotteries to the Trust.

Remuneration policy for key management personnel

Key management personnel include the Leadership Team comprising the Chief Executive, three team directors and the Board of trustees (trustees are not remunerated for their role as board members).

The Trust's policy on remuneration is to ensure that pay offered to the Leadership Team is competitive when compared to other charity sector organisations (particularly funding organisations), geography, role and responsibility.

All Leadership Team salaries are approved by the Finance, Audit and Operations Committee (FAOC). Any cost-of-living pay packages are recommended by the FAOC for Board agreement. The salaries are proposed and recommended based on benchmarking with other grant making charities and other information such as via recruitment agencies specialising in assessing the skills and expertise of a post, whilst also taking account of geography, Retail Price Index (RPI) and the sector. It is also the ambition of the Trust to narrow the gap between the highest and the lowest paid within the organisation.

The Leadership Team do not receive any performance related pay or benefits-in-kind and have the same pension rights and annual leave as other staff employed in the charity. They may, as with all personnel, receive an annual cost-of-living pay rise. For the year 2021/22 the Leadership Team received the same percentage increase as other staff, having previously received a zero raise in the prior year to allow for a greater percentage increase to other staff.

Key management personnel are reimbursed expenses incurred in the course of their duties on the same basis as all other employees of the Trust. Details of the total basic salary and pension benefits of the key management personnel are included in staff costs (note 7).

Policy for employment of disabled persons

In March 2021 the Trust signed up to the Disability Confident commitments. As part of this, it undertook a review of its recruitment policy and processes to ensure it addresses all of the commitments.

In 2021/22 3 members of staff who completed the survey identified as disabled (2021 - 5). Disabled members of staff and those with long term health conditions are supported to be successful in their roles through a number of routes, including the statutory requirement for reasonable adjustments, providing individualised training and tools, and wellness support and planning.

Employee information

The Trust operated with an average of 24 (2021: 23) roles in the year. There is a slight increase year on year to address resourcing issues in the Grants team as some funded projects delayed or prolonged grants due to the impact of Covid-19 on activity, meaning that the number of grants to be managed was higher than anticipated. The staff team works across four departments:

- ◆ **Grants Team** which manages the Trust's funding programmes, funded partner relations, including capacity-building, system and procedure development

- ◆ **Policy, Research and Communications** (changed within year to bring together two functional areas) which manages the Trust's internal, external and partner communications, public affairs, Policy and Research function and network management
- ◆ **Finance and Operations Team** which manages the Trust's income and expenditure, investments, legal, performance, and back-office functions (HR, legal, IT)
- ◆ **CEO Team** which includes Board and committee support and business development (and for part of the year, policy and research).

Each department is led by a Leadership Team (LT) member and each LT member attends the Board and selected committee meetings.

In addition to the LT, a Management Team of four is in place. The focus of the Management Team's focus is the delivery of the Trust's annual Delivery Plan.

The Trust undertakes an annual anonymous staff survey. Where issues are raised or trends identified, either historically or across teams, responses are considered by LT and an action plan devised and implemented.

During the year, following more than two years of remote and/ or hybrid working enforced by lockdown restrictions due to Covid-19, the Trust trialled a formal Hybrid Working Policy, with a view to making permanent hybrid working arrangements balancing the needs of the organisation with the element of flexibility for the individual that hybrid working allowed individual staff members.

Statement of responsibilities of the trustees

The trustees (who are also directors of People's Health Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year 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 period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial

statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to act in that capacity.

The trustees' annual report which includes the strategic report has been approved by the trustees on 30 May 2023 and signed on their behalf by

Jenny Edwards, Chair of Trustees

Independent auditor's report

To the members of

People's Health Trust

Opinion

We have audited the financial statements of People's Health Trust (the 'charitable company') for the year ended 30 September 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 30 September 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 People's Health Trust'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.

Independent auditor's report

To the members of

People's Health Trust

Other Information

The other information comprises the information included in the trustees' 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:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company

Independent auditor's report

To the members of

People's Health Trust

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

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

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.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Finance Audit and Operations Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

Independent auditor's report

To the members of

People's Health Trust

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

2 June 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

People's Health Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 September 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from:							
Donations and legacies	2	100,072	4,455,988	4,556,060	1,279,671	4,331,557	5,611,228
Charitable activities	4	4,550	-	4,550	-	-	-
Investments	3	-	142,099	142,099	141,971	-	141,971
Total income		104,622	4,598,087	4,702,709	1,421,642	4,331,557	5,753,199
Expenditure on:							
Charitable activities							
Supporting greater health equity	4	11,154	5,421,008	5,432,162	1,123,052	3,407,247	4,530,299
Awareness and communications	4	45,356	441,387	486,743	287,767	15,842	303,609
Total expenditure		56,510	5,862,395	5,918,905	1,410,819	3,423,089	4,833,908
Net income / (expenditure) before net gains / (losses) on investments		48,112	(1,264,308)	(1,216,196)	10,823	908,468	919,291
Net gains / (losses) on investments		-	(241,320)	(241,320)	343,859	-	343,859
Net income / (expenditure) for the year		48,112	(1,505,628)	(1,457,516)	354,682	908,468	1,263,150
Transfers between funds		(63,902)	63,902	-	-	-	-
Net income / (expenditure) before other		(15,790)	(1,441,726)	(1,457,516)	354,682	908,468	1,263,150
Net movement in funds		(15,790)	(1,441,726)	(1,457,516)	354,682	908,468	1,263,150
Reconciliation of funds:							
Total funds brought forward		1,327,368	8,868,467	10,195,835	972,686	7,959,999	8,932,685
Total funds carried forward		1,311,578	7,426,741	8,738,319	1,327,368	8,868,467	10,195,835

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 17 to the financial statements.

As at 30 September 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	11		4,726		9,082
Investments	12		6,527,118		6,768,438
			<u>6,531,844</u>		<u>6,777,520</u>
Current assets:					
Debtors	13	223,575		234,344	
Cash at bank and in hand		7,849,484		9,317,026	
		<u>8,073,059</u>		<u>9,551,370</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(4,833,590)		(5,060,843)	
			<u>3,239,469</u>		<u>4,490,527</u>
Net current assets					
			<u>9,771,313</u>		<u>11,268,047</u>
Total assets less current liabilities					
Creditors: amounts falling due after one year	15		(1,032,994)		(1,072,212)
Total net assets			<u>8,738,319</u>		<u>10,195,835</u>
The funds of the charity:	16				
Restricted income funds			7,426,741		8,868,467
Unrestricted income funds:					
Designated funds		92,496		144,456	
General funds		1,219,082		1,182,912	
Total unrestricted funds			<u>1,311,578</u>		<u>1,327,368</u>
Total charity funds			<u>8,738,319</u>		<u>10,195,835</u>

Approved by the trustees on 30 May 2023 and signed on their behalf by

Jenny Edwards, Chair of Trustees

Statement of cash flows

For the year ended 30 September 2022

	2022		2021	
	£	£	£	£
Cash flows from operating activities				
Net (expenditure)/ income for the reporting period (as per the statement of financial activities)	(1,457,516)		1,263,150	
Depreciation charges	4,356		3,983	
Losses/(Gains) on investments	241,320		(343,859)	
Decrease in debtors	10,769		136,230	
(Decrease) in creditors	(266,471)		(1,366,920)	
Net cash provided by / (used in) operating activities		(1,609,641)		(449,387)
Cash flows from investing activities:				
Dividends, interest and rents from investments	142,099		141,971	
Purchase of fixed assets	-		(6,705)	
Purchase of investments	-		(4,000,000)	
Net cash provided by / (used in) investing activities		142,099		(3,864,734)
Change in cash and cash equivalents in the year		(1,467,542)		(4,314,121)
Cash and cash equivalents at the beginning of the year		9,317,026		13,631,147
Cash and cash equivalents at the end of the year		7,849,484		9,317,026

1 Accounting policies

a) Statutory information

People's Health Trust is a charitable company limited by guarantee and is incorporated in England and Wales. People's Health Trust is an incorporated charity registered with the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

The registered office address is 2 Bath Place, Rivington Street, London, EC2A 3DR

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) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Key judgements that the charity has made which have a significant effect on the accounts include:

- estimating the allocation of support costs across expenditure categories;
- estimating the useful economic life of tangible fixed assets;
- estimating future income and expenditure flows for the purpose of assessing going concern.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Supporting greater health equity costs include:
 - Grants payable which are included in the statement of financial activities when approved by the trustees and when the intended recipient has been informed of the decision to make the grants and has satisfied all relevant and due terms and conditions.
 - Evaluation costs of the grant programmes.
 - Support costs which are allocated to charitable activities according to the amount of time staff spend within each charitable activity.
- Awareness and communication costs include mainly staff costs and various communications costs relating to raising the awareness of the Trust's brand, funded projects and the Health Inequality agenda.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

- | | |
|------------------------------------|-----|
| ▫ Supporting greater health equity | 87% |
| ▫ Awareness and communications | 13% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £3,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

▫ IT and office equipment	3 years
---------------------------	---------

n) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

o) Debtors

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

p) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

q) Cash at bank and in hand

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

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

s) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

t) Pensions

The Trust operates a defined contribution group personal pension scheme for employees. Annual contributions by the Trust in respect of the group personal pension scheme available to staff members are charged to the statement of financial activities in the period in which they are payable. Employer pension contributions of 6% are made for all employees in the pension scheme.

2 Income from donations and legacies

	2022			2021		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Donations from Society Lotteries	-	4,455,988	4,455,988	1,278,524	4,331,557	5,610,081
Other	100,072	-	100,072	1,147	-	1,147
	<u>100,072</u>	<u>4,455,988</u>	<u>4,556,060</u>	<u>1,279,671</u>	<u>4,331,557</u>	<u>5,611,228</u>

3 Income from investments

	2022			2021		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Investments	-	136,221	136,221	99,483	-	99,483
Deposits	-	5,878	5,878	42,488	-	42,488
	-	142,099	142,099	141,971	-	141,971

4a Analysis of expenditure (current year)

	Charitable activities				2022 Total £	2021 Total £
	Supporting greater health equity £	Awareness and communications £	Governance costs £	Support costs £		
Staff costs (Note 7)	626,473	267,144	27,433	243,360	1,164,410	1,107,586
Consultancy	10,985	-	-	-	10,985	6,695
Travel and accommodation costs	3,373	-	1,663	-	5,036	623
Office Costs	36,558	180	14,440	-	51,178	52,602
Premises and technology	140,572	75,692	-	-	216,264	205,240
Other costs	253	86,833	-	-	87,086	31,764
Professional fees	-	-	6,076	-	6,076	6,309
Grants made (Note 5)	4,359,063	18,807	-	-	4,377,870	3,423,089
	5,177,277	448,656	49,612	243,360	5,918,905	4,833,908
Support costs	211,723	31,637	-	(243,360)	-	-
Governance costs	43,162	6,450	(49,612)	-	-	-
Total expenditure 2022	5,432,162	486,743	-	-	5,918,905	
Total expenditure 2021	4,530,299	303,609	-	-		4,833,908

People's Health Trust

Notes to the financial statements

For the year ended 30 September 2022

4b Analysis of expenditure (prior year)

	Charitable activities				2021 Total £
	Supporting greater health equity £	Awareness and communications £	Governance costs £	Support costs £	
Staff costs (Note 7)	656,577	185,188	13,291	252,530	1,107,586
Consultancy	6,695	-	-	-	6,695
Travel and accommodation costs	-	-	623	-	623
Office Costs	36,749	103	15,750	-	52,602
Premises and technology	164,192	30,786	10,262	-	205,240
Other costs	-	31,764	-	-	31,764
Professional fees	-	-	6,309	-	6,309
Grants made (Note 5)	3,407,247	15,842	-	-	3,423,089
	4,271,460	263,683	46,235	252,530	4,833,908
Support costs	40,056	6,179	(46,235)	-	-
Governance costs	218,783	33,747	-	(252,530)	-
Total expenditure 2021	4,530,299	303,609	-	-	4,833,908

5a Grant making (current year)

	Grants committed £	2022 £	2021 £
Cost			
Supporting greater health equity	4,359,063	4,359,063	3,407,247
Awareness and Communications	18,807	18,807	15,842
	<u>4,377,870</u>	<u>4,377,870</u>	<u>3,423,089</u>
At the end of the year	<u>4,377,870</u>	<u>4,377,870</u>	<u>3,423,089</u>

The Trust funds projects addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). The Trust operated two main grant programmes in 2021/22.

Data on grants awarded is available from our website: <https://www.peopleshealthtrust.org.uk/projects-we-fund/360-giving>. This page links to details of all grants awarded by People's Health Trust from December 2012 until 30 September 2022.

5b Grant making (prior year)

	Grants committed £	2021 £
Cost		
Supporting greater health equity	3,407,247	3,407,247
Awareness and Communications	15,842	15,842
	<u>3,423,089</u>	<u>3,423,089</u>
At the end of the year	<u>3,423,089</u>	<u>3,423,089</u>

The Trust funds projects addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). The Trust operated two main grant programmes and ended a third programme during 2020/21.

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Depreciation	4,356	3,983
Operating lease rentals payable:		
Property	120,000	114,000
Auditor's remuneration (excluding VAT):		
Audit	12,000	13,125
Other services (auditor for 2021/22: Buzzacott LLP)	-	30,624
	<u>136,356</u>	<u>161,732</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	956,543	937,250
Social security costs	109,134	101,748
Employer's contribution to defined contribution pension schemes	69,342	60,676
Temporary staff and contractor costs	29,390	7,912
	<u>1,164,409</u>	<u>1,107,586</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022	2021
	No.	No.
£60,000 - £69,999	-	1
£70,000 - £79,999	-	1
£100,000 - £109,999	1	1
	<u>1</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £379,063 (2021: £353,960).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,089 (2021: £477) incurred by 4 (2021: 7) members relating to attendance at meetings of the trustees.

The charity also purchased insurance to protect it from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £5,926 (2021: £6,588) and provides cover of up to a maximum of £5 million.

8 Staff numbers

Staff are split across the activities of the charity as follows:

	Full time equivalent		Headcount	
	2022 No.	2021 No.	2022 No.	2021 No.
Charitable activities	19.4	18.9	21	19
Support	4.4	4.4	5	5
	<u>23.8</u>	<u>23.3</u>	<u>26</u>	<u>24</u>

9 Related party transactions

There are no related party transactions to disclose for this financial year (2021: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	IT and office equipment £	Total £
Cost		
At the start of the year	72,950	72,950
Additions in year	-	-
Disposals in year	-	-
At the end of the year	<u>72,950</u>	<u>72,950</u>
Depreciation		
At the start of the year	63,868	63,868
Charge for the year	4,356	4,356
Eliminated on disposal	-	-
At the end of the year	<u>68,224</u>	<u>68,224</u>
Net book value		
At the end of the year	<u>4,726</u>	<u>4,726</u>
At the start of the year	<u>9,082</u>	<u>9,082</u>

12 Investments

	2022 £	2021 £
Fair value at the start of the year	6,768,438	2,424,579
Additions at cost	-	4,000,000
Net gain / (loss) on change in fair value	(241,320)	343,859
	<u>6,527,118</u>	<u>6,768,438</u>
Fair value at the end of the year	<u>6,527,118</u>	<u>6,768,438</u>

Investments comprise:

	2022 £	2021 £
Property fund	821,637	745,008
Mixed asset funds	5,705,481	6,023,430
	<u>6,527,118</u>	<u>6,768,438</u>

13 Debtors

	2022 £	2021 £
Accrued income	106,470	103,348
Society lotteries	117,105	130,996
	<u>223,575</u>	<u>234,344</u>

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	6,521	10,850
Taxation and social security	17,374	37,528
Grants payable	4,755,281	4,959,460
Accruals	54,414	53,005
	<u>4,833,590</u>	<u>5,060,843</u>

15 Creditors: amounts falling due after one year

	2022 £	2021 £
Grants payable	1,032,994	1,072,212
	<u>1,032,994</u>	<u>1,072,212</u>

For the year ended 30 September 2022

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	4,726	-	4,726
Investments	-	-	6,527,118	6,527,118
Net current assets	1,219,082	87,770	1,932,617	3,239,469
Long term liabilities	-	-	(1,032,994)	(1,032,994)
Net assets at 30 September 2022	1,219,082	92,496	7,426,741	8,738,319

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	9,082	-	9,082
Investments	-	-	6,768,438	6,768,438
Net current assets	1,182,912	135,374	3,172,241	4,490,527
Long term liabilities	-	-	(1,072,212)	(1,072,212)
Net assets at 30 September 2021	1,182,912	144,456	8,868,467	10,195,835

17a Movements in funds (current year)

	At 1 October 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2022 £
Restricted funds:					
Geographical area funds	8,834,309	3,177,464	(4,359,063)	-	7,652,710
Operating costs funds	-	1,420,623	(1,484,525)	63,902	-
Unrealised loss on investment fund	-	-	(241,320)	-	(241,320)
Health CICs	34,158	-	(18,807)	-	15,351
Total restricted funds	8,868,467	4,598,087	(6,103,715)	63,902	7,426,741
Unrestricted funds:					
Designated funds:					
Fixed assets	9,082	-	(4,356)	-	4,726
Grant making software	2,495	-	-	(2,495)	-
Business development	43,290	-	-	-	43,290
Network events	22,709	-	(4,018)	-	18,691
IT equipment	-	-	-	-	-
Change project	8,144	-	(2,255)	-	5,889
Website	43,292	-	(38,996)	2,495	6,791
Fixed asset replacement	15,444	-	(2,335)	-	13,109
Total designated funds	144,456	-	(51,960)	-	92,496
General funds	1,182,912	104,622	(4,550)	(63,902)	1,219,082
Total unrestricted funds	1,327,368	104,622	(56,510)	(63,902)	1,311,578
Total funds	10,195,835	4,702,709	(6,160,225)	-	8,738,319

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At 1 October 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2021 £
Restricted funds:					
Geographical area funds	7,909,999	4,331,557	(3,407,247)	-	8,834,309
Health CICs	50,000	-	(15,842)	-	34,158
Total restricted funds	7,959,999	4,331,557	(3,423,089)	-	8,868,467
Unrestricted funds:					
Designated funds:					
Fixed assets	6,360	6,705	(3,983)	-	9,082
Grant making software	2,495	-	-	-	2,495
Business development	43,290	-	-	-	43,290
Network events	22,709	-	-	-	22,709
IT equipment	8,140	-	(8,140)	-	-
Change project	10,231	-	(2,087)	-	8,144
Chair recruitment	-	14,895	(14,895)	-	-
Website	-	50,000	(6,708)	-	43,292
Fixed asset replacement	-	15,444	-	-	15,444
Total designated funds	93,225	87,044	(35,813)	-	144,456
General funds	879,461	1,678,457	(1,375,006)	-	1,182,912
Total unrestricted funds	972,686	1,765,501	(1,410,819)	-	1,327,368
Total funds	8,932,685	6,097,058	(4,833,908)	-	10,195,835

Purposes of restricted funds

Geographical area funds:

Funds arise from donations by 6 separate community interest companies (2021 - 12), each of which donates good causes monies raised through individual society lotteries. Each CIC focuses upon a specific community of geographical interest and each fund is restricted for use (after reasonable administration charges) for onward donation to charities and community groups within that CICs area for the purpose of supporting greater health equality.

No restricted fund was in deficit (2021: none). Of the geographical area funds balance of £7,652,710 at 30 September 2022 (2021 - £8,834,309), the following amounts were allocated for specific grant programmes as follows:

- £100,000 to Living Wage;
- £250,000 allocated for research work;
- £370,000 allocated for capacity development and legacy work.

Health CICs:

The Trust received £50,000 in 2020 to support its work with networks. The balance of £15,351 represents the unspent amount as at 30 September 2022 (2021 - £34,158).

Purposes of designated funds

The fixed assets fund represents:

- The net book value of the charity's tangible fixed assets at the year end to recognise the fact that the assets are required for the day-to-day operation of the Trust and are not available for other purposes or as a general reserve.

Grant making software represents:□

- Future costs expected to be incurred in relation to the updating of grant making software and project consultancy on a review of grant programmes.□

Business development represents:□

- Funds set aside for future income generation initiatives that the Trust plans to undertake.□

Network events represents:□

- Future costs expected to be incurred in relation to networking events across the Active Communities programmes.□

Change project represents:

- Future costs expected to be incurred in relation to resource support for the change programme approved in September 2015. This programme is designed to support cross-team working and a review of the Active Communities programme.

Website represents:

- Funds set aside for replacement website.

Fixed Asset Replacement represents:

- Costs expected to be incurred in relation to fixed asset replacements.

18 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property	
	2022	2021
	£	£
Less than one year	90,000	90,000
	<u>90,000</u>	<u>90,000</u>

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

PEOPLE'S HEALTH TRUST

England & Wales - Charity number 1125537

Accounts

People's Health Trust

Trustees' Report and Financial Statements

Financial year ended 30 September 2021

Company Limited by Guarantee
Registration Number 06492606 (England and
Wales)

Charity Registration Numbers
1125537 (England and Wales)
SC039848 (Scotland)

Contents

Reports

Reference and administrative information	2
Trustees' report (incorporating the strategic report)	4
Independent auditor's report	29

Financial statements

Statement of financial activities	33
Balance sheet	34
Statement of cash flows	35
Principal accounting policies	36
Notes to the financial statements	41

Reference and administrative information

Trustees	Paul Ballantyne (Scotland) Leandra Box Professor Elizabeth Dowler Jenny Edwards CBE (Chair) Jacqueline Lodge (Deputy Chair) Thomas McIlravey Barbara Simmonds FCA Duncan Stephenson Shavannah Taj (Wales)
Company Secretary	John Hume
Leadership Team	
Chief Executive	John Hume
Director of Grant Programmes	David Jones
Director of Communications and Public Affairs	Nicola Brian (on maternity leave from 16 March 2022)
Director of Engagement and Influencing	Dr Lisa Doyle (maternity cover from 28 February 2022)
Director of Finance	Elaine Battson
Registered address	2 Bath Place Rivington Street London EC2A 3DR
Company registration number	06492606 (England and Wales)
Charity registration numbers	1125537 (England and Wales) SC039848 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative information

Solicitor	Bates Wells LLP 10 Queen Street Place London EC4R 1BE
Investment Advisor	Arlingclose Ltd 35 Chiswell Street London EC1Y 4SE
Investment Managers	BNY Mellon Investment Management EMEA 160 Queen Victoria Street London EC4V 4LA CCLA Senator House 85 Queen Victoria Street London EC4V 4ET Royal London Asset Management 55 Gracechurch St London EC3V 0RL

Reference and administrative information

Bankers

Nationwide Building Society
The Observatory
Chapel Walks
Manchester
M2 1HL

Lloyds Bank plc
Charity and Social Enterprise SME Banking
1st Floor
39 Threadneedle Street
London
EC2R 8AU

National Westminster Bank plc
Charities and Education Team
Commercial and Corporate Banking
1st Floor
440 Strand
London
WC2R 0QS

Trustees' report (incorporating the strategic report) Year to 30 September 2021

The trustees present their annual statutory report (incorporating the strategic report) together with the financial statements of the People's Health Trust ("the Trust") for the year ended 30 September 2021.

The report has been prepared in accordance with the Companies Act 2006 and Part 8 of the Charities Act 2011 and constitutes the directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 36 to 40 and comply with the charity's Articles of Association, applicable law and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

GOVERNANCE, STRUCTURE AND MANAGEMENT

Constitution

The Trust is a charitable company limited by guarantee (Company No 06492606), incorporated on 4 February 2008 and registered as a charity (Charity No 1125537) with the Charity Commission on 15 August 2008 and with the Office for Scottish Charity Regulator (OSCR) (Charity No SC039848) on 4 September 2008. The charitable company is governed by the Articles of Association which set out its objects, powers and its governance arrangements. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £1 each.

Trustees

The following trustees were in office during the year and at the time this report was approved:

Trustees	Appointed
Jenny Edwards CBE (Chair)	Appointed 26 March 2021 (Chair from 27 April 2021)
Sue Cohen (Chair)	Resigned 27 April 2021
Jacqueline Lodge (Deputy Chair)	
Paul Ballantyne (Scotland)	
Leandra Box	
Dr Eva Elliott (Wales)	Resigned 27 April 2021
Professor Elizabeth Dowler	
Alan Lally-Francis	Resigned 17 March 2021
Sue Hawkett OBE	Resigned 27 October 2020
Thomas McIlravey	
Barbara Simmonds FCA	
Duncan Stephenson	
Shavannah Taj (Wales)	Appointed 12 March 2021
Nigel Turner	Resigned 27 April 2021

Trustees serve a maximum aggregate term of nine years with one third of the Board retiring at each AGM.

Trustees are based in various locations around England, Scotland and Wales.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustees (continued)

All trustees, who are also company directors, are non-executive members of the Board and Committees. There are clear distinctions between the roles of trustees and of the Leadership Team to whom day-to-day management is delegated.

Recruitment to the Board considers the dimensions of equality, diversity and inclusion. Appointment is to positions where specific skills and/or experience is required. It is conducted through an open and competitive process.

Trustees are partnered with an existing Board member to support their induction into the organisation. They will also meet with the Leadership Team to discuss their statutory responsibilities, their role within the Board, the governance framework, the strategic objectives of the Trust and how the Board works. The performance of the Board is periodically assessed through regular meetings, annual appraisals with the Chair and/or the Deputy Chair and annual away days. Through this process, trustee development is regularly reviewed and determines developmental objectives.

Within the year 2020/21, the Board held four meetings plus an away day. Additionally, there were three meetings of the Finance, Audit and Operations Committee. The Evaluation and Learning Committee met once as this committee was dissolved and replaced by the Policy, Research and Advocacy Committee which met twice.

Key management personnel

The key management personnel include the Leadership Team comprising the Chief Executive, three team directors and the Board of trustees (trustees are not remunerated for their role as board members).

The Trust's policy on remuneration is to ensure that pay offered to the Leadership Team is competitive when compared to other charity sector organisations (particularly funding organisations), geography, role and responsibility.

All Leadership Team salaries are approved by the Finance, Audit and Operations Committee (FAOC). Any cost of living pay packages are recommended by the FAOC for Board agreement. The salaries are proposed and recommended based on benchmarking with other grant making charities and other information such as via recruitment agencies specialising in assessing the skills and expertise of a post, whilst also taking account of geography, Consumer Price Index (CPI) and the sector.

The Leadership Team do not receive any performance related pay or benefits-in-kind and have the same pension rights and annual leave as other staff employed in the charity. They may, as with all personnel, receive an annual cost of living pay rise.

Key management personnel are reimbursed expenses incurred in the course of their duties on the same basis as all other employees of the Trust. Details of the total basic salary and pension benefits of the key management personnel are included in staff costs (note 7).

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Board Sub-Committees

Trustees are nominated for the committee by two trustees and voted onto the committee by a simple majority vote by the Board. The chair of the committee is a trustee and is nominated by two members of the board, supported by a candidate statement and is voted into position by a simple majority vote of the Board.

Finance, Audit and Operations Committee (FAOC):

The FAOC reports to and advises the Board on the key areas of audit, risk, finance (including investments), performance, HR, legal and safeguarding. In 2021 the Board revised the Committee's Terms of Reference in order to provide clarity on some areas. The Committee's terms of reference permit it to scrutinise officers' reports, make decisions on investments within agreed parameters set by the Board, meet with the auditors, offer advice to the Leadership Team and make recommendations to the Board. Membership of this Committee within the year comprised four trustees (one of whom is a qualified accountant and one of whom chairs the Committee), and a fifth co-opted external member, Martin Anderson, who brings relevant investment skills and experience to the Committee. The Board acknowledges his considerable expertise and thanks him for his time. The Chair of the Trust may, and does, attend the Committee as an ex-officio member. The Committee met three times within the financial year.

Policy, Research and Advocacy Committee (PRAC):

The PRAC was a new committee within the year. It replaced the Evaluation and Learning Committee (ELC) whose final meeting was October 2020. The ELC dissolution reflected the change in direction for the Trust: the end of the four-year evaluation strategy and move to greater policy and advocacy work. As the ELC ended within year, Dr Matt Egan (external member) stood down after several years. The Board wishes to acknowledge his invaluable support and advice.

The PRAC works on behalf of the Board to provide advice and strategic oversight regarding the Trust's policy, research (including learning and evaluation), networks, advocacy and communications work to the Leadership Team.

The Committee provides a level of support and scrutiny to ensure that the Trust's work in research, policy and advocacy is strategic, progressing and impactful.

Three meetings were held in the year: one by the now-replaced Evaluation, Learning and Research Committee and two by the newly-formed Policy, Research and Advocacy Committee.

Statement of trustees' responsibilities

The trustees (who are also directors of the People's Health Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Trustees' report (incorporating the strategic report) Year to 30 September 2021

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of trustees' responsibilities (continued)

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

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 charity will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with: the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charitable company's constitution. The trustees 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Trust's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the Trust's auditor is unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

This information is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Structure and management reporting

In the previous financial year, the Trust reduced its staffing in response to a decrease in income and an expected drop in grant-making activity. The restructure supported a balanced budget position and was largely successful. Grant activity did not, however, fall as many funded projects delayed or prolonged grants due to nationwide or local restrictions arising from Covid-19. This resulted in higher levels of grants than predicted and pressures within the team. The matter was reviewed at the October 2021 Board meeting.

The Trust operated with an average of 23 (2020: 26) staff across four departments:

- ◆ **Grants Team** which manages the Trust's funding programmes, funded partner relations, including capacity-building, system and procedure development;
- ◆ **Communications and Public Affairs Team** which manages the Trust's internal, external and partner communications, public affairs and network management;
- ◆ **Finance and Operations Team** which manages the Trust's income and expenditure, investments, legal, performance, and back office functions (HR, legal, IT);
- ◆ **CEO Team** which also includes **Policy and Research function and includes** Board and committee support and business development.

Each department is led by a Leadership Team (LT) member and each LT member attends the Board and selected committee meetings.

In addition to the LT, a Management Team is in place and comprises four managers each representing the four departments. The focus of the Management Team is the delivery of the Trust's annual Delivery Plan. It reports to the Director of Grant Programmes.

Relationship with other organisations

The Trust's key relationship is with the 12 Community Interest Companies (CICs) which each run a society lottery under the marketing name of The Health Lottery. The CICs donate money for good causes arising from their lotteries to the Trust.

STRATEGIC REPORT

Activities, specific objectives and relevant policies

Objectives, activities and values

The object of the charitable company is the promotion of health for the public benefit by increasing and supporting sustainable health equality in and for disadvantaged communities and groups across England, Scotland and Wales.

The Trust undertakes this work because of its ambition to see a society without health inequalities: where a person lives should not unfairly reduce the length of that person's life, or the quality of their health.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Activities, specific objectives and relevant policies (continued)

The work of the Trust is underpinned by four key values:

Stay true <ul style="list-style-type: none">• We remain true to our vision• We remember what we are here for• We know that people make change• We help change happen	Stay together <ul style="list-style-type: none">• We believe in strength in unity• We stand with local people• We work to ensure all voices are heard• We support people to create space for their ideas
Stay strong <ul style="list-style-type: none">• We stand up for our beliefs• We work things out together with local people• We engage with our critics and our supporters• We tackle social injustice without fear	Stay inspired <ul style="list-style-type: none">• We are always learning. We are always listening• We challenge ourselves to be different, and do things differently• We support ideas from local residents which will bring about real change locally

We invest our income in local people's ideas to help to create fairer places to grow, live, work and age.

Public benefit

The trustees confirm that they have complied with their duties under section 4 of the Charities Act 2011. They have considered the public benefit guidance published by the Charity Commission and believe that they have followed its guidance in this area. The trustees' report gives a description of the activities undertaken by the Trust during the period to further its charitable purposes, and the trustees are satisfied that such activities provide public benefit.

The Trust worked on the second year of its three-year strategic plan.

Strategic objective: Investing in organisations, skills and spaces to better enable local organisations to act on the social and economic causes of health inequalities.

Over the year, the Trust continued to invest in neighbourhoods and communities of interest across Great Britain which experience the greatest social and economic disadvantage. Through formal and informal learning, it has continued to gather evidence that demonstrates the efficacy of the approach in building collective control as a social determinant of health. During 2020/21 the Trust worked with its funded partners to provide a series of virtual networking spaces for reflection and shared learning, as well as capacity building opportunities to develop the skills and confidence of the community practitioners and organisations it funds.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Grant making policy

The Trust received donations from 12 fundraising CICs during the year and this money (after reasonable administration charges) is restricted for onward donation to local charities and community groups within the defined and published geographical areas across Great Britain. The areas are co-terminous with combined local authority boundaries.

The Trust funds projects addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). Through its funding and support, the Trust encourages resident-focused approaches as a means of addressing the underlying structural causes of health inequalities. The Trust invests its funds in neighbourhoods and communities of interest which experience the greatest disadvantage as identified by targeting its funding on the bottom 30% of the Index of Multiple Deprivation (IMD), Scottish Index of Multiple Deprivation (SIMD) and Welsh Index of Multiple Deprivation (WIMD).

Fundamental to the Trust's grant-making policy is the belief in community power i.e., that when local communities are empowered to take control over the agenda, the design and the delivery of action about things which matter to them, there can be significant health and well-being benefits in the medium and long-term.

The Trust operated two main grant programmes and ended a third programme during 2020/21. More detail can be found under the Grant Programmes section below.

Review of activities

Grant Programmes

During 2020/21 the Trust incurred costs of £3,407,247 (2020 - £3,526,611) across its main funding programmes.

Programme	2020/21 Total £	2019/20 Total £
Active Communities	3,400,784	2,219,106
Local Conversations	450,905	878,906
Local People	(600,613)	384,907
Living Wage	50,000	-
Strategic Funding	(4,685)	28,940
Capacity Building	32,116	6,651
Total value of grant commitments	3,328,507	3,518,511
Research	78,740	8,100
Total	3,407,247	3,526,611

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Grant Programmes (continued)

During the financial year 2020/21, the Trust made 123 (2020 - 158) grants across all of its programmes which benefitted 47,915 local people. Since it started awarding grants in 2011, and up to 30 September 2021, the Trust had made 3,555 (2020 - 3,432) grants which have benefitted over 617,621 local people (2020 - 569,706). Details of the range of projects funded can be found on the website at www.peopleshealthtrust.org.uk.

Active Communities is a funding programme which has been running since October 2012. It is open for applications in different areas of Great Britain at different times of the year. The programme puts local people in control of ideas which will address the social and economic reasons for poor health and early death. The proportion that are focused on working with a community of interest has increased to around 50%, with the remaining 50% working with people in a defined neighbourhood. A wide variety of activities were funded through the Active Communities programme during the year including:

- A project to sustain a Windrush Anniversary Garden created by a group of elderly African-Caribbean residents in Huddersfield to highlight the presence and contribution of the Windrush Generation to British culture.
- A culturally diverse eat-out group for adults with learning disabilities in Croydon, south London allowing them to organise social events, share their knowledge about cultural heritage, food, whilst forming friendship networks and going out to restaurants in the community.
- A self-run group for older people living in Clifton, Nottingham, who have been shielding and do not have their own gardens. They meet monthly, prepare lunch together using ingredients harvested from the community garden, and do gardening activities to enhance its wildlife value and improve their own physical and mental health.

More about the kind of projects funded can be found in the annual review on the website, www.peopleshealthtrust.org.uk.

Under this programme, the Trust provides funding of between £5,000 and £40,000 for up to two years. It started the year with 338 'live' Active Communities grants and closed it with 347 'live' grants. £3,400,784 (2020 - £2,219,106) was committed through this programme during the year. The average grant award was £27,730 (2020 - £26,855). Since 2012, 346,894 (2020 - 325,621) people have or are directly benefitting from the programme. Each Board meeting receives an update on the programme.

84% (2020 - 88%) of the respondents of the Trust's 2021 annual stakeholder survey reported that they found the Trust's application process easy to some or a large extent, 85% (2020 - 86%) felt that the Trust's monitoring requirements were proportionate to some or a large extent, and 96% (2020 - 93%) felt that an appropriate level of support is offered on grant management.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Grant Programmes (continued)

Living Wage funded through Active Communities - the Trust continues its support of the real Living Wage movement, recognising that fair pay for good work is an important determinant of health. It is a Living Wage Employer and continues its work as a founding member of the Living Wage Third Sector Committee (driving up low pay in the third sector). The Trust is a member of the Living Wage Advisory Council. As in previous years, in 2020/21 the Trust continued to meet the costs of increases in the Living Wage to existing grant holders.

In July 2021, the trustees approved a further £50,000 grant for third year extension funding in 2021/22 (previous grants totalled £99,856) to Citizens UK for its Living Wage Places project. In previous years the Trust's grant supported Living Wage action groups in Cardiff, Salford, and Southwark, which collectively uplifted 4,757 workers on low pay. This year it focussed on Birmingham, Islington, and Greater Manchester, and next year (starting in early 2021/22) it will extend its work to Lambeth, Norwich and Sunderland and will also undertake an evaluation of this work and the impact on population health.

Local Conversations funding programme is a long-term (up to nine years) investment in a number of specific places in England, Scotland and Wales. It is designed to enable people to take control over decisions and action to make their neighbourhoods better places to grow, live, work and age, and to improve their health and wellbeing. The programme aims to increase social connections and the amount of control that people have - at an individual and collective level - over their lives and communities. The programme provides the resources and wider support to enable long term and deep engagement to take place across a neighbourhood. The Local Conversation usually takes place over neighbourhoods of between 4,000 and 12,000 people. The funding is awarded to a non-profit organisation in each neighbourhood which supports residents to identify community-wide priorities and exert increasing influence over decisions that have an impact on them and their families' lives.

Each of the Local Conversations has a locally determined Community Plan, which reflects residents' aspirations for the neighbourhood, and which is delivered through three or four locally defined priorities. Having funded most of the Local Conversations for around six years, the Trust has, during 2020/21, encouraged each lead organisation to move away from the provision of activities that contribute to meeting the priorities, unless they lead to more diverse or deeper engagement, in favour of taking greater action on influencing the local social determinants of health.

The programme supports the engagement across neighbourhoods and communities of interest which are complex in nature. Typically, the Trust focuses on those neighbourhoods which feature in the 30% most disadvantaged according to indices of multiple deprivation though other measures have been considered as appropriate. Three of the Local Conversations are based in neighbourhoods in Wales, two are in Scotland and eight are in England.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Grant Programmes (continued)

During the year to 30 September 2021, the Trust made grants totalling £683,000 (2020 - £878,906) to support the Local Conversations grant programme in the 13 neighbourhoods. Covid-19 continued to have a significant impact on the work of the Local Conversations projects, and many have significantly underspent within year and have, therefore, not needed the additional funds which were budgeted to be committed within the 2020/21 year. Net grant commitments were £450,905 because of the closure of five Local Conversations in the year, which meant the Trust received repayments of grants or cancelled commitments.

As in previous years, the programme has supported lead organisations by offering tailored support through community development/engagement specialists, networking opportunities and capacity building activities. A significant achievement at the end of the year was the launch of a co-produced Local Conversations Practice Guide. The Practice Guide aims to provide community practitioners, resident led steering groups and lead organisations with the theory, practice examples and resources that underpin a successful Local Conversation.

Local People - this programme closed in 2020/21. It offered a longer-term neighbourhood-based approach to funding and ran for five years. It was designed to support national organisations to use their skills, experience and approach to support residents to work together to address issues that are important to them in their neighbourhood, and as a secondary design feature to influence the national charity partners' way of working to more proactively involve and empower those they work with. The Trust funded four national partners (Scope, TCV, Youth Sport Trust and Royal Voluntary Service) to run Local People in 20 neighbourhoods, of which 17 were in England, two were in Scotland and one was in Wales.

In October 2020 the trustees determined that the Local People programme should close with effect from 31 March 2021. As part of its exit strategy the Trust provided grant funding to 12 of the projects, with a combined value of £480,380, where there was evidence the investment would be controlled by and benefit residents. Once the Trust had received refunds on cancelled grants that had been paid to the lead organisations the net amount released in the year from previously committed grants was £600,613 (2020 - £384,907 paid).

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Grant Programmes (continued)

Strategic Funding programme - this programme allows small grants of up to £30,000 to be allocated in six places per year where it is thought a strategic relationship or pilot project may support the Trust's long-term work. No new grants were awarded through this programme in the year (2020 - £28,940), and a refund of £4,685 was received from a previous grantholder.

The Trust currently has one 'live' Strategic Grant. This grant of £28,940 was awarded to Citizens UK in 2019/20 and uses community organising to ensure that local residents are fully involved in the changes to their neighbourhood that are proposed as part of the large, 20-year, regeneration project around the Old Kent Road in Southwark, southeast London. During this year, CUK, local organisations and residents have been working together to create a manifesto for the regeneration project which was presented at an in-person assembly-style meeting with Southwark Council and a collection of developers in October 2021.

Capacity building programme - during 2020/21 the Trust invested £32,116 (2020 - £6,651) in activities aimed at strengthening the organisations it funds. This included meeting the costs of development of the Local Conversations Practitioners Guide; training on fundraising, youth engagement and community engagement; a project assessing the impact of the pandemic on the mental health of VCS workers; and tailored engagement support for Local Conversation projects.

Research Grants - during 2020/21 the Trust invested £78,740 (2020 - £8,100) into research activity. The Trust initiated a contract with The Poverty Alliance in Scotland in the year as well as an additional follow-on contract with Bevan Foundation in Wales to provide research about Scottish and Welsh policy developments and to identify opportunities.

This has helped the Trust to gain a much stronger working knowledge of key policies, legislation and future plans. This will also be of interest to funded partners engaging in this area.

The impact of Covid-19 on the grant programmes

Covid-19 has continued to have a significant impact on the work of many of the funded projects, across all the programmes. A large number have been unable to continue their activities as originally planned but have successfully adapted what they planned to do. Some have not drawn down funds as anticipated because of delayed expenditure as local restrictions had an impact on delivery. The Trust has extended the end dates of funded projects where it has been appropriate to do so, and in some cases has not needed to award the additional funds which were budgeted to be committed within the 2020/21 year.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Strategic Objective: To develop strong external partnerships and establish ways of working together to act on the real causes of health inequalities.

It has been a significant year for the Trust as it continues to build its narrative around the Social Determinants of Health. The Trust published a practitioners' guide with infographics to support local projects on the ground to talk about health inequalities with a specific focus on the following areas:

- Social connections - strong social connections within and between communities play an important role in supporting good health and living longer lives. Strong social connections can lead to increased confidence, more skills and a strong sense of purpose and hope.
- Community power - people need to have greater power over the decisions and actions that affect their lives in order to improve and maintain their health. Having more power over things that matter to them increases confidence and self-esteem which benefits physical and mental health.
- Jobs and income - having good working conditions, fair contractual conditions and stable employment that pays at least the real Living Wage all have a big impact on health. People who are unemployed or are in low paid jobs are more likely to have physical and mental health issues.
- Local environment - the immediate environment is critical for health and community. Having accessible green spaces, safe and well-lit roads, good public transport, shops, good air quality.
- Local economies - the places where people live have a huge impact on health. A thriving local economy can include locally-owned community buildings and shops with affordable, healthy food, as well as access to quality jobs with opportunities to build skills.
- Housing - the conditions in which people live contribute health. Problems with housing include physical problems such as damp, cold and overcrowding, as well as issues of instability, temporary accommodation, rising rent, and rising fuel costs.
- Education and skills - education, skills and training are critical for people to develop supportive social connections, access good work, develop an interest in life-long learning and problem solving.

Content

The Trust has shifted the tone of its content over the last year from being focused on storytelling about projects on the ground to being led by advocacy and commentary on key issues. The aim is for the Trust to further influence opinion leaders and policy makers at a local and national level on approaches to reducing health inequalities.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Content (continued)

When speaking out on key issues the Trust has still put the voice of local projects at the centre of the commentary where it is appropriate to do so. Some examples of this throughout the year include:

- Uncovering a key issue for community practitioners around how their mental health has been affected through the pandemic and developing a plan on how to respond to that in an integrated way that has real impact.
- Commenting on the Government's new plan for immigration and how for some groups it will worsen health inequalities. Relevant local projects funded by the Trust were also invited to respond to the Government consultation on the topic.
- Contributed to the dialogue on the impact of the Police, Crime, Sentencing Bill on traveller communities and supported funded partners to share their own survey insights on this subject with a wider audience.

Website development

The Trust began work to redevelop its website. This is to reposition the Trust's work to support greater engagement with policy makers, influencers and opinion formers on the social determinants of health.

Networks

The Trust practitioner networks continued to provide a vital space for practitioners to connect and share peer-to-peer learning and, during the pandemic, they have been an increasingly important space for support. They have been provided virtually during the pandemic.

The network sessions have provided a space for practitioners to talk about issues that are increasingly important for them such as mental health, digital inclusion, and income. The intelligence from the networks has also provided insights to help shape the Trust's policy and research work.

The Trust continues to evolve the network space and look at how it can best support the projects and shape the Trust's influencing work.

Research dissemination

The Trust focused its dissemination of research on survey findings highlighting the impact of COVID on Communities experiencing disadvantaged. The findings were published across Trust networks and also formed the basis of key blogs and thought pieces on emerging issues such as mental health of practitioners.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

People's Health Trust 10th Anniversary

The Trust also supported the 10th Anniversary of People's Health Trust through producing and publishing its Annual Review to mark the occasion. The review focused on a decade of learning, a decade of stories of change and empowerment in local communities and a decade of funding from the Health Lottery. The Annual Review has so far been widely viewed on the website.

The Trust also supported a media campaign through Reach media to highlight 10 years of funding from The Health Lottery and what that has achieved on the ground for local projects.

Working with The Health Lottery

The Trust contributed to a national media campaign led by The Health Lottery called 'Caring for our Communities' which focused on ways local projects funded by the Trust are supported by their local communities. This content was featured across national media including the Mirror, The Express, OK Magazine and over 33 regional daily titles. It had considerable impact in terms of raising awareness of The Health Lottery brand through which the Trust's Community Interest Company partners raise good causes funds for onward donation to the Trust.

The Trust also continued to support the regional PR for the Health Lottery related to local good causes.

Policy, Research and Evaluation

Working with evaluation partners such as New Economics Foundation, Leeds Beckett University and Ecorys UK from 2015 - 2021 has been critical to identifying the positive wellbeing outcome experienced by participants in programmes in terms of social connectedness, trust, belonging and agency compared to the averages for similarly disadvantaged neighbourhoods. This work also identified a much greater sense of agency and willingness to get involved in local initiatives.

This robust evidence has been key to persuading people of the benefits of the Trust's approach. This research which looked at nearly 3,000 responses over four years, from residents involved in Local Conversations found:

- They are much more likely to agree that when people in the area get involved in their local community, they can really change the way the area is run (82% compared to 51% in similarly deprived areas and 54% in England as a whole).
- That people in their neighbourhood pull together to improve their neighbourhood (76%) - more than in similarly-deprived areas (47%), and in England as a whole (58%).
- They talk to their neighbours on most days (46%), significantly more than the England average (21%) and the average for similarly disadvantaged neighbourhoods (17%).

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans *(continued)*

Review of activities (continued)

Policy, Research and Evaluation *(continued)*

The findings and data are powerful to draw upon and will leave a hugely valuable legacy for the Trust's on-going policy work. For this reason, in February 2021 the Trust commissioned the research agency Social Life to continue survey work across programmes over two years. This focuses on building further practitioner and resident survey data, with a strengthened focus on comparability and inclusiveness across England, Scotland and Wales from a slight shift in comparator surveys used to benchmark progress against.

Existing evidence around the positive health and wellbeing benefits of the Trust's model of working for those most closely involved has also been complemented by some emerging examples of wider action and some impact on the social determinants of health. Most notably, these have been particularly around housing (some Active Community projects focused on organising approaches to improve the quality and affordability of housing), employment and income and the local environment (including accessibility and transport).

However, strong examples of achieving longer term impacts on social determinants have been relatively rare, particularly from the evaluation programme itself. The Trust has considered this as a critical point from which to build both its policy strategy and to support practice development. The aim is to demonstrate a clear pathway from community-driven approaches to more substantive impact on social determinants of health to demonstrate the concept, gain credibility and increase the potential for influencing on a wider scale.

The Trust's policy and advocacy strategy emerged from this work and synthesised learning from the five years of independent evaluation programmes, alongside broader network and programme learning. It also draws on external research and learning, including learning developed from external partnerships.

Strategic Objective: Ensure the Trust is in good health, capable of supporting its vision and objectives.

The new staff structure planned for in the last financial year was implemented at the start of October 2020. It has been successful in aiming to allow the Trust to continue its work in a challenging environment, but there have been challenges along the way, for example, grant numbers remained high and the majority of staff worked from home for most of the year, in accordance with Government requirements. The Trust re-located offices in July 2021, and when in-person working was permitted, this new office continued to provide a safe environment for staff.

The Trust implemented good employer initiatives in the year, signing up to commit to being a Disability Confident Employer and undertaking a review of its employment practices in the context of the Thriving at Work (Mental Health) Standards. This will continue into 2021/22. The Trust also introduced a learning and development framework in place to support team and individual development, with training being delivered for all staff on a number of areas, including mental health awareness. There has been an even greater emphasis on supporting the mental health of the staff team as Covid-19 continues to impact on every aspect of daily life.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT *(continued)*

Achievements, performance and future plans *(continued)*

Strategic Objective: Ensure the Trust is in good health, capable of supporting its vision and objectives. *(continued)*

All staff, with the exception of the Leadership Team, were awarded a 1.5% cost of living pay increase effective from 1 October 2020. The Leadership Team opted to take no cost of living pay increase.

In the Trustees' Report to 30 September 2020, the Trust reported data for the first time on the diversity of its Board and staff. Last year's data provided a baseline and the Trust will continue to report, monitor and take action guided by the Equality, Diversity and Inclusion (EDI) working group.

Board

The Board has continued its work to address its diversity and has focussed on attracting more people to the board who were:

- Younger (under 55);
- Black, Asian and minoritised ethnic;
- Disabled.

The Board has recruited one trustee with one or more of the specific identified characteristics. The diversity data at September 2021 shows that*:

- The number of respondents under 55 increased from 50% to 56%;
- The number of respondents identifying as Black, Asian or minoritised ethnic decreased from 30% to 22%. This reduction reflects turnover on the Board;
- The number of respondents identifying as disabled has remained static at 11%.

**Response rate: 9/9*

Staff

The staff diversity survey was completed in September 2021. The staff team has remained stable since the survey was first run in January 2021 and so key data has largely stayed the same:

- The Trust has a broad range of ages employed (25-59). Management positions are from 35-59.
- 26.7% identify as disabled (representing 12.5% in the Management Team). This compares with 17.4% in January 2021.
- 68% of those with education post-18 are first generation (representing 62.5% of managers). This compares with 65% in January 2021
- Ethnicity - 69.6% identify as White British (representing 87.5% of managers), Black African represents 13% of the team of which 0% are managers, White Irish/English and White Scottish each represent 4.3% and White English represents 8.7% of the staff. There is no change from January 2021.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Staff (continued)

Gender - all staff identify as either female or male: 69.6% female (representing 62.5% of managers) and 30.4% as male (representing 37.5% of managers). There is no change from January 2021.

Sexual Orientation - 82.6% of the team are heterosexual/straight, 17.4% are from the LGBT+ community; an increase of 4.4% from January 2021 (representing 25% of managers).

Finance and Operations

o Donations

Over the last ten years to September 2021, the Trust has been able to provide a sustainable income stream for groups of local residents experiencing disadvantage through the donation income received from society lotteries. Total donation income received from the society lotteries from 1 October 2011 to 30 September 2021, amounted to £121,561,643 (2020 - £115,950,415). Donation income for the year amounted to £5,611,228 (2020 - £5,725,722).

The decline in donations in the last few years continued in 2020/21. This has been monitored by the Leadership Team and Trustees, and discussions undertaken with the Trust's funders to reverse this trend. In the previous financial year, effective from July 2020, the percentage of lottery ticket sales donated to the Trust increased from 20.34% to 25.50%. However, this did not address the underlying decline. The Trust remains, nevertheless, grateful to the Community Interest Companies and The Health Lottery for their generous donations. In 2019/20 the Trust designated a new fund of £43,290 to support its income diversification strategy, but due to capacity constraints - partly due to the impact of Covid-19 - no significant activity was undertaken in 2020/21 and the fund remained intact at the financial year end.

o Investment policy

The Trust operates its investment activities in line with its current investment policy, which is intended to provide liquidity sufficient for the financing of the Trust's grants whilst maximising investment income. During 2020/21 the Trust updated its investment principles in response to the continued volatility experienced as a direct result of Covid-19, the impact of which has been felt since March 2020. The current principles of the policy are as follows:

- The Trust will not make any investments where the risk of loss of capital is unacceptable to the Board;
- Bank deposits can only be made in a UK-based mainstream banking institution which has a credit rating that the Board regards as acceptable in terms of risk;
- The Trust will usually only invest in bank counterparties with a minimum rating of BBB+/BAA1 or above from the three main credit rating agencies (Fitch, Moody's and Standard & Poor's).
- Investment in other asset classes will be considered where it meets the Trust's investment horizon and market risk appetite. Investment in other asset classes will be accessed through pooled funds (collective investment schemes) rather than direct investment;
- Currently, the Trust will not normally hold bank deposits with a notice period in excess of 35 days;

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Finance and Operations (continued)

- The Trust will not hold investments with a counterparty that represent more than 35% of the Trust's cash investments;
- The Trust will seek to invest in funds which do not hold shares in, or bonds issued by, companies which derive more than 10% of their turnover from the sale of tobacco or armaments, and where the fund's policy is to avoid companies which are involved in the production of land mines or cluster bombs;
- The Trust will invest only in accordance with its diversification policy;
- The Trust will make all investments in sterling;
- Investments and returns on investments must never take priority over or come into conflict with the Trust's charitable object, i.e., the funding and payment of grants or the fulfilment of operating expense obligations.

This Investment Policy enables the Trust to have the opportunity to make investment returns at an acceptable level of risk. In 2019/20 the Board approved up to £3 million for the purposes of widening the scope of investments, of which £2.5 million had been placed in that year. In 2020/21 the remaining £0.5 million was placed into the CCLA multi-asset fund. In 2020/21 the Board also authorised an investment into Royal London Enhanced Cash Plus Fund, and £3.5 million was placed in late September 2021.

Like 2019/20, this has been a year of volatility in the value of investments, however, overall the Trust's investment funds were in excess of the value of the amount initially invested and the revaluation reserve as at 30 September 2021 reflected an unrealised gain of £343,859 (2020 - unrealised loss of £75,421).

Investment income during 2020/21 totalled £141,971 (2020 - £198,951) split between interest received on cash deposits of £42,488 (2020 - £127,844) and income from investments of £99,483 (2020 - £71,107). The total income represented an effective rate over the average balances during the year of 0.87% (2020 - 1.24%) made up of 0.33% cash deposits, and 2.98% investments (2020 - 0.94% and 2.93% respectively). Investment income reduced year-on-year due to the maturity in June 2021 of a fixed term, fixed interest deposit of £5 million placed at a rate that was no longer available given the Trust's approach to investment risk.

○ **Finance and Operations Team**

During the year the Finance and Operations Team consisted of a Director of Finance (who joined the Trust October 2020), supported by an experienced Operations Manager (responsible for HR, IT, legal, performance management, staff training and projects) and an experienced finance team. The interim Director of Finance and Operations handed over to the permanent Director and left the Trust in late 2020. Both the interim and permanent Directors are qualified accountants.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Finance and Operations (continued)

- **Customer Care**

The Trust's complaints procedures reflect good practice, both in handling complaints about the Trust and the organisations that it funds. All staff who may be involved in complaint investigations have been fully trained on the practice and procedures of complaint handling. The Trust received 0 complaints in the year (2020: 6).

- **Safeguarding**

The Trust has in place appropriate safeguarding policies and procedures, in line with regulatory frameworks and guidance, with respect to both grant making and staff. The Trust reviewed and updated its Safeguarding Policy and Procedures within the year and also checks that the organisations it funds have safeguarding policies in place and that these are regularly reviewed. The Trust's Safeguarding Policy is part of a programme where all policies are regularly reviewed, and it is due to be reconsidered next in 2021/22.

The Trust received 0 reports of safeguarding incidents in the year (2020: 0).

- **Information Technology**

The last of actions identified through the IT audit in 2018/19 were completed this year, the main one being a replacement redundancy server, with a smooth changeover taking place early in the year. The key change in this year was a roll out of a new user interface for the Grant Management System (GMS). This presented some minor challenges but through working with the support provider, overall, this has been a positive change.

Staff continued to be fully supported with the technology required to enable effective working from home. The Trust has identified that in the long term it will implement hybrid working, and this will be explored further in 2021/2022. As a result, the latest iteration of the IT strategy has been delayed to fully take account of what hybrid working means in practice for the Trust.

- **GDPR**

The Trust continues to comply with GDPR, with regular reviews and action taken to maintain compliance on an ongoing basis. For example, the Trust has a rolling programme of deleting data from the grant management system, thus ensuring that while statistical and anonymised records of grant giving activity are retained, personal details are not. The Trust also continues to work with grantees to ensure understanding of their legal obligations.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Finance and Operations (continued)

o **Board Development and Focus**

There was considerable planned change within the Board during 2020/21, as four long-standing Board members reached the end of their terms. The Board had agreed a transition phase, so most new trustees were appointed one or more years in advance to support continuity. The Trust appointed a new Chair, Jenny Edwards, in April 2021 and Shavanah Taj (Trustee for Wales) in March 2021. The Board would like to thank all retiring trustees (Sue Cohen, Eva Elliott, Sue Hawkett, Alan Lally-Francis and Nigel Turner) most sincerely for their years of dedicated service.

Over the course of the year, the Board has had three key areas of development:

Equality, diversity and inclusion. In 2019/20, the Board committed to strengthening the diversity of the Board in terms of representation of: people from Black, Asian or minoritised ethnic communities, disabled people and people under 55 years of age. Progress was made in year but the Board recognises that there is further to go. This will remain a focus of the Board in upcoming appointments.

Additional focus by the Board focused on its Equality, Diversity and Inclusion work led to the set up of a Board EDI sub-group to support the Board thinking and to complement the Trust's internal EDI team. The Board's EDI statement was discussed at the Board away day in September 2021 and agreed at the Board meeting in October 2021. Further joint meetings between the Board and staff EDI teams took place in December 2021 to determine its detailed EDI Action Plan. The EDI statement and action plan was published early in 2022.

Pandemic and associated risks. As with many other charities, the work of the Board has focused on the pandemic and its impact on grant-holders (particularly around mental health and financial resilience), the Trust's own income (including investments) and key risks.

Policy, Research and Advocacy. The Trust has, in the latter part of the year, fully developed its policy and advocacy strategy, supported by the Policy, Research and Advocacy Committee (as noted in the section on Policy, Research and Evaluation on pages 17 and 18. This marks a departure for the Trust as it moves with intention into influencing, building on its formal evidence, networks and grass roots organisation feedback. Further details are also provided on page 17.

o **Partnerships**

There has been a slow down on some partnerships for the Trust, primarily due to the pandemic. However, work has still moved ahead in the following areas:

- ◆ Wellbeing and Health Collaborations run by the Health Foundation and comprising 10 other organisations - the work supports the development of a social determinants of health approach by the Health Foundation and encourages collaborations amongst partners. The work moved into detailed strategy within the year.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Finance and Operations (continued)

Partnerships (continued)

- ◆ UCL Institute of Health Equity - the Trust has contributed to the National Syndemic chaired by Professor Sir Michael Marmot. The report was published in October 2021.
- ◆ Royal College of Physicians Inequalities in Health Alliance - over 100 organisations with the following aims:
 - A national strategy for action on the social determinants of health, as recommended by Sir Michael Marmot.
 - Trigger the socio-economic duty, section 1 of the Equality Act 2010, to require public bodies to adopt measures to address inequalities resulting from the social determinants of health.
 - Adopt a child health in all policies approach to decision-making and policy development, given the importance of the early years for life outcomes.
- ◆ NHS England - the Trust has begun fruitful early conversations with NHSE regarding work as a social determinant of health and the impact on BAME communities and disabled people.
- ◆ Midlands Commission on Health Inequalities - the Trust's CEO was appointed a commissioner on this commission looking at ways in which to draw on evidence and practice to positively impact health inequalities in the Midlands. The outcome will be published in 2022.
- ◆ Lozells Health Commission - working with one of its funded partners, the Trust has supported this local commission, which has arisen following high incidences of deaths and illness from COVID-19 in the largely South Asian neighbourhood of Lozells. The results will be published in 2022.
- ◆ Bevan Foundation (Wales) - the Trust has a partnership to support its policy and development work in Wales. A similar relationship has been started in 2020 with Poverty Alliance, Scotland.
- ◆ Living Wage Foundation - the Trust has cemented its work addressing low pay by supporting a very successful place-based approach. It has launched and chaired the Low Pay in the Third Sector Committee and has commissioned research looking at the impact of low pay on health outcomes.
- ◆ Community Power Collaboration: 'We're Right Here' campaign - the Trust has been part of a group of like-minded organisations including Power to Change, Locality and New Local to develop a campaign launched at the end of November 2021 to ask for more power for communities to take control of their neighbourhood.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Future plans and post balance sheet events

The coronavirus pandemic (Covid-19) continued to negatively impact the Trust in 2020/21 and it is anticipated by the trustees that this will continue to some extent for the foreseeable future, with beneficiaries, partners and stakeholders all being affected. Key areas of the charity's operations that have been impacted include:

- ◆ Equality, diversity and Inclusion - the Trust remains committed to addressing the inequalities, discrimination and exclusion experienced by marginalised people in all aspects of the organisation's work. The development of the Board's EDI sub-group and the Trust's wider EDI team will ensure that the work identified in the EDI Action Plan will be delivered during 2021/22 and beyond.
- ◆ Income generation - the Trust will prioritise income diversification in 2021/22, whilst at the same time working with the 12 community interest companies who operate society lotteries under The Health Lottery brand to ensure donation income is maintained at the current level.
- ◆ Strategic planning - the Trust's Board will agree the next three-year strategy in 2022 (2022-25) to ensure the organisation has the ability to respond to any future challenges presented by the external environment, including Covid-19, a change in Government/Government policy, or climate change.
- ◆ Operations of beneficiaries - the Trust will continue to take the necessary actions to ensure that it is supporting funded partners. To date this has included relaxing grant restrictions in order to allow changes which enable funded organisations to respond to Covid-19, as well as ensuring as part of the application process that applicants have a plan to deliver activities safely. Regular contact continues to be maintained with all funded organisations and support is provided through capacity building and networks.
- ◆ Future Grant Programmes - the Board has reviewed the Trust's Active Communities grant programmes within the year to ensure that they continue to be fit for purpose and meet the needs of communities, already disadvantaged by inequalities, as they emerge from the pandemic. In 2021/22 the Trust will be launching a new funding programme and reviewing its Local Conversations programme.
- ◆ Hybrid working - the Trust will be exploring the opportunities that hybrid working presents both for the charity and for staff in 2021/22, ensuring that the staff team is able to come together, to collaborate and work efficiently to deliver on the charity's objectives. It will develop a set of principles to underpin an approach which provide clarity in discussions with individual staff members.
- ◆ The Trust's financial capacity - financial modelling has demonstrated that the requisite reserves are being held to finance shortfalls of income over the next twelve months.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Financial review

Financial position and reserves policy

A summary of the year's results can be found on page 33 of the financial statements.

Total income in the year was £5,753,199 (2020 - £5,924,673) with income from donations totalling £5,611,228 (2020 - £5,725,722). The decrease is largely due to a downturn in lottery ticket sales.

The total expenditure in the year was £4,833,908 (2020 - £5,204,394) all of which related to charitable activities. Included within this figure are support costs of £471,061 (2020 - £607,735). Expenditure on grants amounted to £3,407,247 (2020 - £3,526,611) and direct costs were £939,758 (2020 - £1,070,048). Included within support and direct costs are governance costs of £46,235 (2020 - £50,734). Overall expenditure reduced as it was managed down to reflect reduced income. This was true both in respect to grants awarded and other expenditure. Across all areas of grant-giving, the level of funding committed was below budget as a result of the continuing impact of Covid-19 which resulted in significantly lower level of activity and therefore spend.

At 30 September 2021, the Trust had total funds of £10,195,835 (2020 - £8,932,685). £8,868,467 (2020 - £7,959,999) of this related to restricted funds, of which £450,000 has been allocated to specific programmes at 30 September 2021 (2020 - £228,822). Total unrestricted funds were £1,327,368 (2020 - £972,686), of which £144,456 (2020 - £93,225) were designated funds, and details of the designated funds are included in note 17 on pages 47 and 48.

The reserves policy for the charitable company states that the Trust will aim to maintain general reserves of at least 26 weeks' running costs. As at 30 September 2021, the general reserves of £1,182,912 (2020 - £879,461) equated to 39.7 weeks' running costs (2020 - 31.8 weeks). The trustees consider the level of free reserves to be satisfactory at this point given the particular risk around the impact of Covid-19. The reserves policy is reviewed annually.

Going concern

The trustees consider that there is a reasonable expectation that People's Health Trust has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue operating as a going concern.

In making this decision, the trustees have taken into consideration the risks and uncertainties arising from the Coronavirus pandemic, which are referenced throughout this report where relevant. The pandemic continued to negatively affect the Trust and the communities it serves throughout the year covered by this report, and it is anticipated (as at the date of signing) that a level of uncertainty will continue for all of the following financial year, with a high probability that both the charitable work of the Trust and the way it functions internally will remain impacted by Covid-19 beyond that time horizon.

The full, longer-term impact of the pandemic is unclear. However, based on a track record of strong financial control and effective risk management, the trustees have concluded that the Trust can sustain its operations for a period of at least twelve months from the date of signing these financial statements. Consequently, the financial statements have been prepared on the basis that the charity remains a going concern.

Trustees' report (incorporating the strategic report) Year to 30 September 2021

STRATEGIC REPORT (continued)

Risk management

The Board is responsible for the oversight of the risks faced by the Trust. The Finance, Audit and Operations Committee (FAOC) and the Leadership Team regularly (both separately and together) review the risk register and management issue regular reports on actions taken to manage and mitigate exposure to the risks.

The trustees ensure that controls exist over the key area of grant making, and that financial procedures and systems exist. At each Board meeting, trustees examine the business risks faced by the Trust, and ensure there are established effective plans and systems to manage and implement mitigating controls for those risks. Financial risk is minimised through regular and rigorous review procedures of the Trust's activities by the Leadership Team, FAOC, and also at Board level.

The risk management process assesses risks based on their likelihood of occurrence, the impact of the risks, and any mitigating controls that are in place. Each risk is allocated a pre and post mitigation score. Based on the score, risks are then classified into low, medium, high, and very high risks. The high to very high risks represent the principal risks for the Trust. The process also seeks to identify any actions and resources required to manage these risks further. The current risk management process is due to be reviewed in 2021/22 in order to ensure it continues to support effective decision making.

The trustees have considered the principal risks and two key risks have been identified as follows:

- Income - the Trust's historical reliance on two sources of income (donations from lottery ticket sales and investment income) is a risk. Both investment income and donation income reduced in 2020/21 and this places at risk the Trust's continued ability to address health inequalities and to support existing projects. In 2019/20 the trustees agreed to focus on diversification in this financial year, however, due to the continuing negative impact of covid and other external factors this meant that the capacity within the staff team was not available to take agreed plans forward. The Board has made income diversification a priority for the coming year, alongside working with partners to ensure that donation income does not reduce further. The small fund designated for business development in the last financial year is being carried forward in full to 2021/2022 to support this work.
- Continuing coronavirus (Covid-19) pandemic - similar to last year the Leadership Team and the Board have spent a considerable time considering, discussing, and addressing the challenges that have arisen as a result of the pandemic which has impacted negatively across all areas of the Trust's activities, both internally (how the organisation operates) and externally (e.g. support for grant holders, investment income). Actions taken in relation to Covid-19 are set out in further detail elsewhere in this Trustees' Report.

FUNDRAISING STATEMENT

In the previous financial year, the Trust began to actively solicit donations directly from the public, through online giving, on a small scale. It therefore registered with the Fundraising Regulator and is committed to following the highest fundraising standards. In the year there have been:

- ◆ Nil failures to comply with the standard (2020: none)

Trustees' report (incorporating the strategic report) Year to 30 September 2021

FUNDRAISING STATEMENT (continued)

- ◆ Nil complaints received by the charity about activities by the charity or by a person on behalf of the charity for the purpose of fund-raising (2020: none)

The Trust sets out to protect vulnerable people and other members of the public from unreasonable behaviour related to its fundraising by complying with the standards set by the Institute of Fundraising, managed by the Fundraising Regulator. The Trust is registered with the Information Commissioner's Office and strives to be compliant with GDPR.

This report is approved by the trustees and signed on their behalf by:

A handwritten signature in black ink that reads "Jenny Edwards". The signature is written in a cursive style with a large, sweeping initial 'J'.

Jenny Edwards, Chair of Trustees

Approved on behalf of the trustees on 28 April 2022

Statement of financial activities Year to 30 September 2021 (including income and expenditure account)

Independent auditor's report to the trustees and members of People's Health Trust

Opinion

We have audited the financial statements of People's Health Trust (the 'charitable company') for the year ended 30 September 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 30 September 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

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

Other information

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

Statement of financial activities Year to 30 September 2021
(including income and expenditure account)

Other information (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the trustees' report including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report including the strategic 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 trustees' report including the strategic report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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.

Statement of financial activities Year to 30 September 2021 (including income and expenditure account)

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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Companies Act 2006, the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and those charged with governance and review of minutes of trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Carried out substantive testing of expenditure including the authorisation thereof;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

Statement of financial activities Year to 30 September 2021
(including income and expenditure account)

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We did not identify any irregularities, including fraud.

Use of our report

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



Shachi Blakemore
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 18 May 2022

Statement of financial activities Year to 30 September 2021
(including income and expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	Unrestricted funds £	Restricted funds £	2020 Total funds £
Income from:							
Donations	1	1,279,671	4,331,557	5,611,228	1,528,768	4,196,954	5,725,722
Investments	2	141,971	—	141,971	198,951	—	198,951
Total income		1,421,642	4,331,557	5,753,199	1,727,719	4,196,954	5,924,673
Expenditure on:							
Charitable activities							
. Supporting greater health equity	3	1,123,052	3,407,247	4,530,299	1,329,421	3,526,611	4,856,032
. Awareness and communications	3	287,767	15,842	303,609	348,362	—	348,362
Total expenditure		1,410,819	3,423,089	4,833,908	1,677,783	3,526,611	5,204,394
Net income							
	6	10,823	908,468	919,291	49,936	670,343	720,279
Net gains/(losses) on investments							
	12	343,859	—	343,859	(75,421)	—	(75,421)
Net movement in funds							
		354,682	908,468	1,263,150	(25,485)	670,343	644,858
Fund balances brought forward at 1 October							
		972,686	7,959,999	8,932,685	998,171	7,289,656	8,287,827
Fund balances carried forward at 30 September							
		1,327,368	8,868,467	10,195,835	972,686	7,959,999	8,932,685

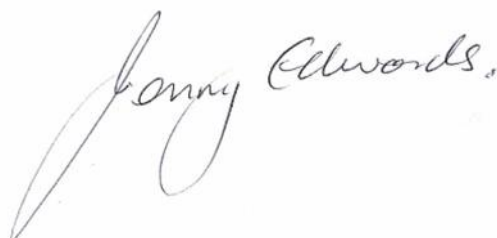
All movements derive from continuing activities during the above two financial periods.

The charity has no other recognised gains and losses and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheet As at 30 September 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	11	9,082		6,360	
Investments	12	6,768,438		2,424,579	
			6,777,520		2,430,939
Current assets					
Debtors	13	234,344		370,574	
Short term deposits		—		5,166,347	
Cash at bank and in hand		9,317,026		8,464,799	
		9,551,370		14,001,720	
Creditors: amounts falling due within one year	14	(5,060,843)		(6,201,298)	
Net current assets			4,490,527		7,800,422
Creditors: amounts falling due over one year	15		(1,072,212)		(1,298,676)
Total net assets			10,195,835		8,932,685
The funds of the charity:					
Unrestricted funds					
. General		1,182,912		879,461	
. Designated	17	144,456		93,225	
			1,327,368		972,686
Restricted funds	18		8,868,467		7,959,999
Total funds and reserves	19		10,195,835		8,932,685

Approved by the trustees of People's Health Trust, Company Registration No. 06492606, and signed on their behalf by:



Jenny Edwards, Chair and Trustee

Date: 28 April 2022

Statement of cash flows Year to 30 September 2021

	Notes	2021 £	2020 £
Cash flows used in operating activities:			
Net cash used in operating activities	A	(428,760)	(1,616,235)
Cash flows (used in) from investing activities:			
Investment income		121,344	140,264
Purchase of investments		(4,000,000)	(2,500,000)
Purchase of tangible fixed assets		(6,705)	(6,630)
Net cash (used in) from investing activities		(3,885,361)	(2,366,096)
Change in cash and cash equivalents in the year	B	(4,314,121)	(3,982,331)
Cash and cash equivalents at 1 October	B	13,631,146	17,613,477
Cash and cash equivalents at 30 September	B	9,317,025	13,631,146

Notes to the statement of cash flows for the year to 30 September

A Reconciliation of net income to net cash flow used in operating activities

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	919,291	720,279
Adjustments for:		
Depreciation charge on tangible fixed assets	3,983	—
Investment income	(141,971)	(198,951)
Decrease in debtors	156,856	91,912
Decrease in creditors	(1,366,919)	(2,229,475)
Net cash used in operating activities	(428,760)	(1,616,235)

B Analysis of changes in net debt

	At 1 October 2020 £	Cash flows £	At 30 September 2021 £
Cash at bank and in hand	8,464,799	852,227	9,317,026
Short term deposits	5,166,347	(5,166,347)	—
	13,631,146	(4,314,120)	9,317,026

The Trust does not have any borrowings or finance lease obligations. Net debt consists therefore of cash and cash equivalents only.

Principal accounting policies Year to 30 September 2021

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation and accounting policies

These financial statements have been prepared for the year to 30 September 2021 and are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the allocation of support costs across expenditure categories;
- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern.

In addition to the above, the full impact following the emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's beneficiaries, funding, suppliers and the wider economy.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements. In making this decision, the trustees have taken into consideration the risks and uncertainties arising from the ongoing Coronavirus pandemic (as highlighted on page 27).

Principal accounting policies Year to 30 September 2021

Assessment of going concern (continued)

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount can be measured reliably and it is probable that the income will be received.

Income is the amount derived from ordinary activities and comprises donations from local society lotteries and interest receivable.

Income from each of the CICs is recognised on the day the individual society lottery draw takes place.

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

Investment income is recognised as unrestricted once notification has been received on the amount due.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer or economic benefits will be received in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT as the Trust is not registered for VAT.

The costs of charitable activities comprise grants made, direct costs and an apportionment of support costs based on time estimated on each activity. Support and direct costs include governance costs which comprise of all costs involving public accountability of the Trust and its compliance with regulation and good practice.

Supporting greater health equity costs include:

- ◆ Grants payable which are included in the statement of financial activities when approved by the trustees and when the intended recipient has been informed of the decision to make the grants and has satisfied all relevant and due terms and conditions.
- ◆ Evaluation costs of the grant programmes.
- ◆ Support costs which are allocated to charitable activities according to the amount of time staff spend within each charitable activity.

Principal accounting policies Year to 30 September 2021

Expenditure (continued)

Awareness and communication costs include mainly staff costs and various communications costs relating to raising the awareness of the Trust's brand, funded projects and the Health Inequality agenda.

Tangible fixed assets

All assets costing more than £3,000 and with an expected useful economic life exceeding one year are capitalised.

Tangible fixed assets are not depreciated until they are brought into use. They are capitalised and depreciated at the following rates in order to write them off over their estimated useful lives:

- ◆ IT & Office Equipment 33% per annum based on cost.

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Short-term deposits

Short-term deposits comprise monies held in high earning fixed term deposits, and notice accounts with banks and building societies registered in the United Kingdom.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Principal accounting policies Year to 30 September 2021

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Unrestricted general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's objects. Within the total unrestricted funds of the charity, the trustees have designated amounts for specific purposes.

Restricted funds comprise monies raised for, or where their use is restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

Pension costs

The Trust operates a defined contribution group personal pension scheme for employees. Annual contributions by the Trust in respect of the group personal pension scheme available to staff members are charged to the statement of financial activities in the period in which they are payable. Employer pension contributions of 6% are made for all employees in the pension scheme.

Related party transactions

All transactions with related parties are disclosed in the notes to the financial statements. The Trust's policy is for trustees, executives and advisers to declare their interests and exempt themselves from all relevant discussions and decisions which may involve a transaction with a related party or in which they may have a conflict of interest.

Financial Instruments

The Trust only holds basic financial instruments as defined by FRS102. The financial assets and liabilities of the Trust are as follows:

Financial assets - donations due and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Accrued income and prepayments are not financial instruments.

Cash at bank and short term deposits are classified as basic financial instruments and measured at face value.

Principal accounting policies Year to 30 September 2021

Financial Instruments (continued)

Financial liabilities - trade creditors, grants payable, accruals and other creditors are financial instruments and are measured at amortised cost. Social security and other taxes are not included in the financial instruments disclosure definition.

Notes to the financial statements Year to 30 September 2021

1 Donations

	Unrestricted funds £	Restricted funds £	2021 Total funds £
Donations from Society Lotteries	1,278,524	4,331,557	5,610,081
Other donations	1,147	–	1,147
2021 Total funds	1,279,671	4,331,557	5,611,228
	Unrestricted funds £	Restricted funds £	2020 Total funds £
Donations from Society Lotteries	1,518,504	4,146,954	5,665,458
Other donations	10,264	50,000	60,264
2020 Total funds	1,528,768	4,196,954	5,725,722

Other donations included £60,000 received from Health CICs Company Limited, of which £10,000 was unrestricted and £50,000 was restricted.

2 Investments

	2021 Total funds Unrestricted funds £	2020 Total funds Unrestricted Funds £
Income from investments	99,483	71,107
Interest from deposits	42,488	127,844
	141,971	198,951

3 Charitable activities

	Unrestricted funds		Restricted funds	2021 Total funds £
	Direct costs (note 4) £	Support costs (note 5) £	Evaluation & Grant funding £	
Supporting greater health equity	722,650	400,402	3,407,247	4,530,299
Awareness and communications	217,108	70,659	15,842	303,609
2021 Total funds	939,758	471,061	3,423,089	4,833,908
	Unrestricted funds		Restricted funds	2020 Total funds £
	Direct costs (note 4) £	Support costs (note 5) £	Evaluation & Grant funding £	
Supporting greater health equity	812,846	516,575	3,526,611	4,856,032
Awareness and communications	257,202	91,160	–	348,362
2020 Total funds	1,070,048	607,735	3,526,611	5,204,394

Notes to the financial statements Year to 30 September 2021

3 Charitable activities (continued)

Included within direct and support costs are governance costs. Governance costs are charged to supporting greater health equity and are as follows:

	2021 £	2020 £
Auditor's remuneration (note 6)		
Current Year	15,540	14,820
Overprovision from previous years	210	(464)
Trustees' meetings and expenses	623	3,740
Legal and professional fees	6,309	2,251
Direct costs (note 4)	22,682	20,347
Support costs (note 5)	23,553	30,387
2021 Total funds	46,235	50,734

4 Direct costs

	Supporting greater health equity		Awareness and communic- ation (note 3) £	2021 Total funds £
	Other costs (note 3) £	Governance (note 3) £		
Staff costs	656,577	–	185,188	841,765
Consultancy	6,695	–	–	6,695
Travel and accommodation costs	–	623	–	623
Office costs	36,749	15,750	103	52,602
Other costs	53	–	31,817	31,764
Professional fees	–	6,309	–	6,309
	699,968	22,682	217,108	939,758

	Supporting greater health equity		Awareness and communic- ation (note 3) £	2020 Total funds £
	Other costs (note 3) £	Governance (note 3) £		
Staff costs	744,845	–	210,084	954,929
Consultancy	7,257	–	–	7,257
Travel and accommodation costs	4,811	3,740	499	9,050
Office costs	33,638	14,356	74	48,068
Other costs	1,948	–	46,545	48,493
Professional fees	–	2,251	–	2,251
	792,499	20,347	257,202	1,070,048

Notes to the financial statements Year to 30 September 2021

5 Support costs

	Supporting greater health equity		Awareness and communication (note 3) £	2021 Total funds £
	Other costs (note 3) £	Governance (note 3) £		
Staff costs	212,657	13,291	39,873	265,821
Premises, technology and other costs	164,192	10,262	30,786	205,240
	376,849	23,553	70,659	471,061

	Supporting greater health equity		Awareness and communication (note 3) £	2020 Total funds £
	Other costs (note 3) £	Governance (note 3) £		
Staff costs	241,245	15,078	45,233	301,556
Premises, technology and other costs	244,943	15,309	45,927	306,179
	486,188	30,387	91,160	607,735

Support costs where not directly attributed are allocated against expenditure categories based on an estimate of time spent by staff on relevant activities.

6 Net expenditure

This is stated after charging:

	2021 Total funds £	2020 Total funds £
Operating lease charges	114,000	202,614
Auditor's remuneration		
◆ Audit - current year	15,540	14,820
◆ Audit - prior year under/(over)provision	210	(464)
◆ Other fees payable to Buzzacott Financial Services Limited and Buzzacott Computer Services Limited, subsidiaries of Buzzacott LLP (the charity's auditors for the period)	36,749	46,037

Notes to the financial statements Year to 30 September 2021

7 Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	937,250	976,605
Social security costs	101,748	106,491
Pension costs	60,676	64,604
	1,099,674	1,147,700
Temporary staff and contractor costs	7,912	108,785
	1,107,586	1,256,485

The average number of employees during the year, excluding temporary staff and contractors, analysed by function, was as follows:

	2021 No.	2020 No.
Charitable activities	20	22
Support services	4	4
Total number of employees	24	26

The number of employees who earned £60,000 or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2021 No.	2020 No.
£60,000 - £70,000	1	–
£70,000 - £80,000	1	2
£100,000 - £110,000	1	1

All except one employee are members of the Trust's pension scheme. During the year ended 30 September 2021, pension contributions for those staff amounted to £60,676 (2020 - £64,604). The higher paid employees were not entitled to any taxable benefits during the year.

The key management personnel include the Leadership Team which comprises the chief executive and three directors and board members. Trustees are not remunerated for their role as trustees. The key management personnel's total remuneration including pensions and social security for the year is outlined as follows:

	2021 £	2020 £
Total remuneration	353,960	371,270

The key management personnel costs include costs for one contractor (2020 - one contractor) who was a member of the Leadership Team for part of the current and all the previous year.

Notes to the financial statements Year to 30 September 2021

8 Trustees' remuneration, expenses and insurance

None of the trustees received any remuneration in respect of services provided during the year (2020 - none).

Seven trustees (2020 - four) were directly reimbursed a total of £477 (2020 - £565) for travel, accommodation and subsistence expenses incurred during the course of their duties on behalf of the charity. The Trust has one trustee each in Scotland and Wales.

Trustees are encouraged to visit grant funded programmes, with the costs of such trips being met by the charity.

The charity also purchased insurance to protect it from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £6,588 (2020 - £5,116) and provides cover of up to a maximum of £5 million.

9 Other related party transactions

Other than those disclosed in note 8, there were no related party transactions in the year or in the previous year.

10 Taxation

The People's Health Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Tangible fixed assets

	IT & office equipment £
<hr/>	
Cost	
At 1 October 2020	66,245
Additions	6,705
At 30 September 2021	<u>72,950</u>
Depreciation	
At 1 October 2020	59,885
Charge for year	3,983
At 30 September 2021	<u>63,868</u>
Net book values	
At 30 September 2021	<u>9,082</u>
At 30 September 2020	<u>6,360</u>

Notes to the financial statements Year to 30 September 2021

12 Fixed Asset Investments

	2021 £	2020 £
Listed investments		
Market value at 1 October	2,424,579	–
Additions at cost	4,000,000	2,500,000
Net unrealised gains/(losses)	343,859	(75,421)
Market value at 30 September	<u>6,768,438</u>	<u>2,424,579</u>
Cash held by investment managers for re-investment	–	–
	<u>6,768,438</u>	<u>2,424,579</u>
Historic cost of listed investments at 30 September	<u>6,500,000</u>	<u>2,500,000</u>

Listed investments held at 30 September comprised the following:

	2021 £	2020 £
Property fund	745,008	681,359
Mixed asset funds	6,023,430	1,743,220
	<u>6,768,438</u>	<u>2,424,579</u>

All listed investments were dealt in on a recognised stock exchange.

At 30 September, listed investments included the following individual holdings deemed to have a material value:

	Value of holding £	Percentage of the market value %
COIF Charities Property Fund Income Units	748,008	11.0
COIF Charities Ethical Investment Fund Units	1,678,008	24.8
Newton SRI Fund for Charities Income Units	848,530	12.5
Royal London Enhanced Cash Plus Fund Units	3,496,892	51.7

13 Debtors

	2021 Total funds £	2020 Total funds £
Donations from society lotteries	130,996	250,420
Other debtors and accrued income	103,348	120,154
	<u>234,344</u>	<u>370,574</u>

Notes to the financial statements Year to 30 September 2021

14 Creditors: amounts falling due within one year

	2021 Total funds £	2020 Total funds £
Trade creditors	10,850	15,563
Grants payable (note16)	4,959,460	6,045,061
Accruals and other creditors	53,005	103,841
Social security and other taxes	37,528	36,833
	5,060,843	6,201,298

15 Creditors: amounts falling due after one year

	2021 Total Funds £	2020 Total funds £
Grants payable (note 16)	1,072,212	1,298,676

16 Grants payable reconciliation

	2021 £	2020 £
Grants payable at 1 October	7,343,737	9,554,493
Committed grants made in the year	3,407,247	3,526,611
Grants paid in the year	(4,719,312)	(5,737,367)
Grants payable at 30 September	6,031,672	7,343,737
Shown within		
Creditors due within one year (note14)	4,959,460	6,045,061
Creditors due after one year (note15)	1,072,212	1,298,676
	6,031,672	7,343,737

17 Designated funds

	At 1 October 2020 £	New designation £	(Utilised)/ released £	At 30 September 2021 £
Tangible fixed assets (note 11)	6,360	6,705	(3,983)	9,082
Grant making software	2,495	–	–	2,495
Business development	43,290	–	–	43,290
Network events	22,709	–	–	22,709
IT equipment	8,140	–	(8,140)	–
Change project	10,231	–	(2,087)	8,144
Chair Recruitment	–	14,895	(14,895)	–
Website	–	50,000	(6,708)	43,292
Fixed Asset Replacement	–	15,444	–	15,444
	93,225	87,044	(35,813)	144,456

Notes to the financial statements Year to 30 September 2021

17 Designated funds (continued)

	At 1 October 2019 £	New Designation £	(Utilised)/ released £	At 30 September 2020 £
<i>Tangible fixed assets</i>	–	6,360	–	6,360
<i>Grant making software</i>	30,000	–	(27,505)	2,495
<i>Business development</i>	–	43,290	–	43,290
<i>Network events</i>	22,704	–	5	22,709
<i>IT equipment</i>	–	14,500	(6,360)	8,140
<i>Change project</i>	10,262	–	(31)	10,231
	<u>62,966</u>	<u>64,150</u>	<u>(33,891)</u>	<u>93,225</u>

The tangible fixed assets fund represents:

- ◆ The net book value of the charity's tangible fixed assets at the year end to recognise the fact that the assets are required for the day-to-day operation of the Trust and are not available for other purposes or as a general reserve.

Grant making software represents:

- ◆ Future costs expected to be incurred in relation to the updating of grant making software and project consultancy on a review of grant programmes.

Business development represents:

- ◆ Funds set aside for future income generation initiatives that the Trust plans to undertake.

Network events represents:

- ◆ Future costs expected to be incurred in relation to networking events across the Active Communities programmes.

IT Equipment represents:

- ◆ Costs incurred in relation to implementation of the Trust's IT Strategy.

Change project represents:

- ◆ Future costs expected to be incurred in relation to resource support for the change programme approved in September 2015. This programme is designed to support cross-team working and a review of the Active Communities programme.

Chair Recruitment represents:

- ◆ Funds set aside for cost of recruiting the Chair of Trustees.

Website represents:

- ◆ Funds set aside for replacement website.

Fixed Asset Replacement represents:

- ◆ Costs expected to be incurred in relation to fixed asset replacements.

Notes to the financial statements Year to 30 September 2021

18 Restricted funds

	At 1 October 2020 £	Income £	Expenditure £	At 30 September 2021 £
Geographical area funds	7,909,999	4,331,557	(3,407,247)	8,834,309
Health CICs	50,000	–	(15,842)	34,158
	7,959,999	4,331,557	(3,423,089)	8,868,467

	At 1 October 2019 £	Income £	Expenditure £	At 30 September 2020 £
Geographical area funds	7,289,656	4,146,954	(3,526,611)	7,909,999
Health CICs	–	50,000	–	50,000
	7,289,656	4,196,954	(3,526,611)	7,959,999

Geographical area funds

Funds arise from donations by 12 separate community interest companies (2020 - 12), each of which donates good causes monies raised through individual society lotteries. Each CIC focuses upon a specific community of geographical interest and each fund is restricted for use (after reasonable administration charges) for onward donation to charities and community groups within that CICs area for the purpose of supporting greater health equality.

No restricted fund was in deficit (2020: none). Of the geographical area funds balance of £8,834,309 at 30 September 2021 (2020 - £7,909,999), the following amounts were allocated for specific grant programmes as follows:

- ◆ £50,000 to Living Wage;
- ◆ £200,000 allocated for research work;
- ◆ £200,000 allocated for capacity development work.

Health CICs

The Trust received £50,000 in 2020 to support its work with networks. The balance of £34,158 represents the unspent amount as at 30 September 2021.

19 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Fund balances at 30 September 2021 are represented by:				
Tangible fixed assets	–	9,082	–	9,082
Fixed Asset Investments	–	–	6,768,438	6,768,438
Net current assets	1,182,912	135,374	3,172,241	4,490,527
Creditors due more than one year	–	–	(1,072,212)	(1,072,212)
Total net assets	1,182,912	144,456	8,868,467	10,195,835

Notes to the financial statements Year to 30 September 2021

19 Analysis of net funds between assets (continued)

	<i>General fund £</i>	<i>Designated funds £</i>	<i>Restricted funds £</i>	<i>Total £</i>
<i>Fund balances at 30 September 2020 are represented by:</i>				
<i>Tangible fixed assets</i>	–	6,360	–	6,360
<i>Fixed Asset Investments</i>	–	–	2,424,579	2,424,579
<i>Net current assets</i>	879,461	86,865	6,834,096	7,800,422
<i>Creditors due more than one year</i>	–	–	(1,298,676)	(1,298,676)
<i>Total net assets</i>	879,461	93,225	7,959,999	8,932,685

20 Operating lease commitments

At 30 September 2021, the charity had total commitments under non-cancellable operating leases payable as follows:

	<u>Land and Buildings</u>	
	2021 Total funds £	2020 Total funds £
Within 1 year	100,000	100,000

The operating leases relate to the rental of office premises.

PEOPLE'S HEALTH TRUST

England & Wales - Charity number 1125537

Accounts

People's Health Trust

Trustees' Report and Financial Statements

Financial year ended 30 September 2020

Company Limited by Guarantee
Registration Number 06492606 (England and
Wales)

Charity Registration Numbers
1125537 (England and Wales)
SC039848 (Scotland)

Contents

Reports

Reference and administrative information 2

Trustees' report (incorporating the strategic report) 4

Independent auditor's report 29

Financial statements

Statement of financial activities 32

Balance sheet 33

Statement of cash flows 34

Principal accounting policies 35

Notes to the financial statements 40

Reference and administrative information

Trustees	Paul Ballantyne (Scotland) Leandra Box Sue Cohen (Chair) Professor Elizabeth Dowler Dr Eva Elliott (Wales) Jacqueline Lodge (Deputy Chair) Thomas McIlravey Barbara Simmonds FCA Duncan Stephenson Shavanah Taj (Wales) Nigel Turner
Company Secretary	John Hume
Leadership Team	
Chief Executive	John Hume
Director of Grant Programmes	David Jones
Director of Communications and Public Affairs	Nicola Brian
Interim Director of Finance & Operations	Michael Kyriakides (to 6 November 2020)
Director of Finance	Elaine Battson (from 14 October 2020)
Registered address	1st Floor 64 Great Eastern Street London EC2A 3QR
Company registration number	06492606 (England and Wales)
Charity registration numbers	1125537 (England and Wales) SC039848 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative information

Solicitor Bates Wells LLP
10 Queen Street Place
London
EC4R 1BE

Investment Advisor Arlingclose Ltd
35 Chiswell Street
London
EC1Y 4SE

Investment Managers BNY Mellon Investment Management EMEA
160 Queen Victoria Street
London
EC4V 4LA

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Reference and administrative information

Bankers	<p>The Co-operative Bank plc 4th Floor 9 Prescott Street London E1 8AZ</p> <p>Nationwide Building Society The Observatory Chapel Walks Manchester M2 1HL</p> <p>Close Brothers Group plc 10 Crown Place London EC2A 4FT</p> <p>Lloyds Bank plc Charity and Social Enterprise SME Banking 1st Floor 39 Threadneedle Street London EC2R 8AU</p> <p>National Westminster Bank plc Charities and Education Team Commercial and Corporate Banking 1st Floor 440 Strand London WC2R 0QS</p> <p>CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ</p>
----------------	--

Trustees' report (incorporating the strategic report) Year to 30 September 2020

The trustees present their annual statutory report (incorporating the strategic report) together with the financial statements of the People's Health Trust ("the Trust") for the year ended 30 September 2020.

The report has been prepared in accordance with the Companies Act 2006 and Part 8 of the Charities Act 2011 and constitutes the directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 35 to 39 and comply with the charity's Articles of Association, applicable law and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

GOVERNANCE, STRUCTURE AND MANAGEMENT

Constitution

The Trust is a charitable company limited by guarantee (Company No 06492606), incorporated on 4 February 2008 and registered as a charity (Charity No 1125537) with the Charity Commission on 15 August 2008 and with the Office for Scottish Charity Regulator (OSCR) (Charity No SC039848) on 4 September 2008. The charitable company is governed by the Articles of Association which set out its objects, powers and its governance arrangements. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £1 each.

Trustees

The following trustees were in office during the year and at the time this report was approved:

Trustees	Appointed
Paul Ballantyne (Scotland)	
Leandra Box	Appointed 19 June 2020
Sue Cohen (Chair)	
Professor Elizabeth Dowler	
Dr Eva Elliott (Wales)	
Alan Lally-Francis	Resigned 17 March 2021
Sue Hawkett OBE	Resigned 27 October 2020
Jacqueline Lodge (Deputy Chair)	Deputy Chair from 28 July 2020
Thomas McIlravey	Appointed 17 October 2019
Barbara Simmonds FCA	
Duncan Stephenson	
Shavanah Taj (Wales)	Appointed 12 March 2021
Nigel Turner	Deputy Chair to 28 July 2020

Trustees serve a maximum aggregate term of nine years with one third of the Board retiring at each AGM.

Trustees are based in various locations around England, Scotland and Wales.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustees (continued)

Trustees are non-executive members of the Board and Committees. There are clear distinctions between the roles of trustees and of the Leadership Team to whom day-to-day management is delegated. Matters such as policy and strategic plans are prepared by the Leadership Team for consideration and approval by the Board. The Trust recruits new trustees through open and external processes including using search agencies according to the skills and diversity needed within the Board. All applicants undergo an application and interview process carried out by existing trustees (agreed by the Board) and involving the Chief Executive.

Trustees are partnered with an existing Board member to support their induction into the organisation. They will also meet with the Leadership Team to discuss their statutory responsibilities, their role within the Board, the governance framework, the strategic objectives of the Trust and how the Board works. The performance of the Board is periodically assessed by having regular meetings and annual appraisals with the Chair and/or the Deputy Chair. Through this process, trustee development is regularly reviewed and determines the areas that trustees would like to focus on individually and collectively.

The Board formally met three times during the year*. The Finance, Audit and Operations Committee (FAOC) met five times within the year and Evaluation and Learning Committee (ELC) met three times within the year. From March 2020 onwards, meetings were all held online in accordance with Government Covid-19 restrictions.

*Three rather than four meetings were held because the September Board meeting was permanently moved to October. The year 2020/21 will therefore report on five board meetings within the year.

Key management personnel

The key management personnel include the Leadership Team comprising the Chief Executive, three team directors and the Board of trustees (trustees are not remunerated for their role as board members).

The Trust's policy on remuneration is to ensure that pay offered to the Leadership Team is competitive when compared to other charity sector organisations (particularly funding organisations), geography, role and responsibility.

All Leadership Team salaries are approved by the FAOC. Any cost of living pay packages are recommended by the FAOC for Board agreement. The salaries are proposed and recommended based on benchmarking with other grant making charities and other information such as via recruitment agencies specialising in assessing the skills and expertise of a post, whilst also taking account of geography, Consumer Price Index (CPI) and the sector.

The Leadership Team do not receive any performance related pay or benefits-in-kind, and have the same pension rights and annual leave as other staff employed in the charity. They may, as with all personnel, receive an annual cost of living rise.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Key management personnel (continued)

Key management personnel are reimbursed expenses incurred in the course of their duties on the same basis as all other employees of the Trust. Details of the total basic salary and pension benefits of the key management personnel are included in staff costs (note 7).

Finance, Audit and Operations Committee (FAOC): formerly Audit, Risk and Human Resources Committee (ARHRC)

The FAOC reports to and advises the Board on the key areas of audit, risk, finance (including investments), HR, safeguarding, and legal. At its meeting in April 2020 the Board agreed new Terms of Reference and a change in name for this Committee (from ARHRC to FAOC) to better reflect the function it undertakes and align with the staffing structure. The Committee's terms of reference permit it to scrutinise officers' reports, make decisions on investments within agreed parameters set by the Board, meet with the auditors, offer advice to the Leadership Team and make recommendations to the Board. Membership of this Committee within the year comprised four trustees (one of whom is a qualified accountant and one of whom chairs the Committee), and a fifth co-opted external member, Martin Anderson (appointed 24 April 2020) who brings relevant investment skills and experience to the Committee. The Chair of the Trust may attend the Committee as an ex-officio member. The Committee met five times within the financial year: two of these meetings were extraordinary meetings, falling outside of the usual timetable due to additional Covid-related matters.

Evaluation and Learning Committee (ELC)

The ELC has strategic oversight of the Trust's evaluation and learning activities on behalf of the Board of Trustees.

The Committee's terms of reference permit it to scrutinise Leadership Team decisions and recommendations and to discuss the extent to which the Trust was evaluating and learning from its work to drive improvement and meet its charitable objects. It supports the appointment of external evaluators and makes recommendations to the Board but undertakes limited decision-making (offering guidance and agreeing operational decisions which require input). Membership comprised three trustees (one of whom chaired the Committee) and a fourth co-opted external member, Dr Matt Egan from London School of Hygiene and Tropical Medicine. The Chair of the Trust is an ex-officio member of the ELC. The ELC met three times within the financial year.

In September 2020, the trustees agreed to constitute a new committee, the Policy, Research and Advocacy Committee (PRAC) to replace the ELC. This reflected the change in strategic direction of the Trust and the end of the Trust's major evaluation programmes in 2020/21. Terms of reference for the new committee were agreed by trustees at a Board meeting in October 2020 and the ELC had its final committee meeting in December 2020.

Statement of trustees' responsibilities

The trustees (who are also directors of the People's Health Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Trustees' report (incorporating the strategic report) Year to 30 September 2020

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of trustees' responsibilities (continued)

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

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 charity will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with: the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charitable company's constitution. The trustees 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Trust's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the Trust's auditor is unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

This information is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Structure and management reporting

The Trust began a restructure in September 2019 to support greater efficiencies and enable a reduction in its overall administration costs. The restructure was undertaken in two phases: phase one in autumn 2019, and phase two in summer 2020 (the latter being delayed by Covid-19).

The necessity for a restructure was heightened by a drop in income in the early part of the pandemic in 2020. Although this was somewhat mitigated by an increase in the percentage of lottery ticket sales the Trust receives from 20.34% to 25.5%, it remained imperative that the Trust reduced its future overheads so that all the additional income could be distributed as grants to funded partners across Great Britain.

All teams and all levels of the organisation contributed to a reduction in headcount and/or full-time equivalent hours resulting in savings on staff costs. Additionally, the Trust reduced its non-staff costs, including relocating to a smaller office (taking account of future potential working practices). As a result, the Trust achieved an overall reduction in administration costs of 20% in the budget for 2020/21.

The Trust operated with an average of 23 (2019: 24) staff across four departments:

- ◆ **Grant Programmes** which manages the Trust's funding programmes, partner relations, system and procedure development and capacity building;
- ◆ **Communications and Public Affairs** which manages the Trust's internal, external and partner communications, network management and learning;
- ◆ **Finance and Operations** which manages the Trust's income and expenditure, investments, projects and back office functions (HR, legal, IT);
- ◆ **CEO department** including Board and committee support, external relationships and since October 2020, has incorporated income generation, policy and research.

Each department is led by a Leadership Team (LT) member and each LT member attends the Board and selected committee meetings.

In addition to the LT, a Management Team is in place and comprises four managers each representing the four departments. The focus of the Management Team is the delivery of the Trust's annual delivery plan. It reports to the Director of Grant Programmes and they manage the wider staff team.

During the financial year, as income fell, the Trust was forced to furlough some staff under the Government's Coronavirus Job Retention Scheme (CJRS). Although far from ideal, given the volume of work the Trust had during the pandemic, reductions in income made this necessary. Five team members were furloughed from 10 June to 30 September 2020 and funding totalling £31,155 was received in respect of these staff. Staff were paid their full salary, i.e., the Trust funded the balancing 20% of pay not covered by CJRS. Of the five, three members of staff returned to the Trust in October 2020; one left as their fixed term contract had expired, and one whose role was made redundant.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Relationship with other organisations

The Trust's key relationship is with the 12 Community Interest Companies (CICs) which each run society lotteries under the marketing name of The Health Lottery. The CICs donate money for good causes arising from their lotteries to the Trust.

Within the year 2019/20 the Trust also had a relationship with the external lottery manager and attended the Steering Committee, which comprises the external lottery manager, the 12 CICs and the Trust.

STRATEGIC REPORT

Activities, specific objectives and relevant policies

Objectives, activities and values

The object of the charitable company is the promotion of health for the public benefit by increasing and supporting sustainable health equality in and for disadvantaged communities and groups across England, Scotland and Wales.

The Trust undertakes this work because of its ambition to see a society without health inequalities. We believe that where a person lives should not unfairly reduce the length of that person's life, or the quality of their health.

Our work is underpinned by four key values:

Our values

Stay true

- We remain true to our vision
- We remember what we are here for
- We know that people make change
- We help change happen

Stay strong

- We stand up for our beliefs
- We work things out together with local people
- We engage with our critics and our supporters
- We tackle social injustice without fear

Stay together

- We believe in strength in unity
- We stand with local people
- We work to ensure all voices are heard
- We support people to create space for their ideas

Stay inspired

- We are always learning. We are always listening
- We challenge ourselves to be different, and do things differently
- We support ideas from local residents which will bring about real change locally

We invest our income in local people's ideas to help to create fairer places to grow, live, work and age.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Activities, specific objectives and relevant policies (continued)

Public benefit

The trustees confirm that they have complied with their duties under section 4 of the Charities Act 2011. They have considered the public benefit guidance published by the Charity Commission and believe that they have followed its guidance in this area. The trustees' report gives a description of the activities undertaken by the Trust during the period to further its charitable purposes, and the trustees are satisfied that such activities provide public benefit.

The Trust launched its new three-year strategic plan in 2019. During the financial year 2019-20 a number of factors, principally the impact of Covid-19 and the staff restructure, resulted in the Leadership Team reviewing the plan, and a simplified, more flexible version of the strategic plan was agreed by the Board at the end of the 2019/20 financial year. The new plan was implemented from 1 October 2020.

The following continues to report against the original plan and strategic objectives as they were effective in 2019/20.

Strategic objective: To take action on health inequalities: supporting local people to take action on health inequality.

Over the year, the Trust continued to invest in neighbourhoods which experience significant disadvantage. Through formal evaluation and informal learning, it has gathered further evidence that demonstrates the efficacy of the approach in addressing local control, as both a social determinant and an action. During 2019/20 the Trust worked with its funded partners to provide a series of physical and (since March 2020) virtual networking opportunities and spaces for reflection and shared learning.

Grant making policy

The Trust received donations from 12 fundraising CICs during the year and this money (after reasonable administration charges) is restricted for onward donation to local charities and community groups within the defined and published geographical areas across Great Britain. The areas are coterminous with combined local authority boundaries.

The Trust funds projects addressing the circumstances that affect our life expectancy and quality of our health (the social and economic determinants of health). Through its funding and support, the Trust encourages resident-focused approaches as a means of addressing the underlying structural causes of health inequalities.

Fundamental to the Trust's grant-making policy is the belief that when local communities are empowered to take control over the agenda, the design and the delivery of action about things which matter to them, there can be significant health and well-being benefits in the medium and long-term. The Trust supports local people to take collective action to address the things that matter to them locally, and that they identify as rewarding and/or enjoyable. The Trust invests its funds in neighbourhoods and communities of interest which experience the greatest disadvantage as identified by the Index of Multiple Deprivation (IMD), Scottish Index of Multiple Deprivation (SIMD) and Welsh Index of Multiple Deprivation (WIMD).

The Trust operated three main grant programmes during 2019/20. It also funded a strategic grants programme through which one grant was made. More detail can be found under the Grant Programmes section below.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities

Grant Programmes

During 2019/2020 the Trust incurred costs of £3,526,611 (2019 - £5,614,399) across its main funding programmes.

Programme	2019/20 Total	2018/19 Total
Active Communities	£2,221,806	£3,517,476
Local Conversations	£881,491	£1,385,218
Local People	£386,274	£683,405
Strategic Funding Programme	£28,940	£28,300
Total value of grant commitments	£3,518,511	£5,614,399
Research	£8,100	—
Total	£3,526,611	£5,614,399

Review of activities

During the financial year 2019/20, the Trust made 158 (2019 - 179) grants across all of its programmes which benefitted 46,527 local people. Since it started awarding grants in 2011, and up to 30 September 2020, the Trust had made 3,432 (2019 - 3,274) grants which have benefitted over 569,706 local people (2019 - 523,179). Details of the range of projects funded can be found on the website at www.peopleshealthtrust.org.uk.

Active Communities has been running since October 2012. It is open for applications in different areas of Great Britain at different times of the year. The programme supports participants to come up with their own locally-determined ideas, in order to strengthen social links and ties, and foster greater collective control. While the number of grants funded through Active Communities has decreased over the past year, the proportion that are focused on working with a community of interest has increased to around 50%, with the remaining 50% working with people in a defined neighbourhood. A wide variety of activities are funded through Active Communities, from improving community spaces (buildings and land) to bringing communities of interest together so that they can collectively influence local decision makers who are overlooking their assets and needs. More about the kind of projects funded can be found in our annual review on the website, www.peopleshealthtrust.org.uk.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Grant Programmes (continued)

The Trust provides funding of between £5,000 and £40,000 to support actions and activities that are important to, and have been designed by, local people. £2,221,806 (2019 - £3,517,476) was committed through this programme during the year. The average grant award was £26,855. Since 2012, over 325,621 (2019 - 231,000) people have directly benefited from the programme. The Board receives a formal review of the progress of the programme in meeting the Trust's vision at least once a year, which has had deeper scrutiny at the Evaluation and Learning Committee. 88% of the respondents of the Trust's annual stakeholder survey reported that they found the Trust's application process easy to some or a large extent, 86% felt that the Trust's monitoring requirements were proportionate to some or a large extent, and 93% felt that an appropriate level of support is offered on grant management.

Living Wage funded through Active Communities - the Trust continues its support of the real Living Wage movement, recognising that fair pay for good work is an important determinant of health. It is a Living Wage Employer and continues its work as a founding member of the Living Wage Friendly Funders (driving up low pay in the third sector). The Trust is a member of the Living Wage Advisory Council. As in previous years, in 2019/20 the Trust continued to meet the costs of increases in the Living Wage to existing grant holders.

The Trust has also granted £99,856 over two years to Citizens UK in 2018 and 2019 to create an accreditation scheme for Living Wage Places (towns, cities, boroughs, regions or zones) by working with key local employers (e.g. local authorities, universities, football clubs) to accredit as Living Wage Employers and to commit to action plans to encourage other employers in the area to become accredited. This project will end in 2021 but by the end of 2019/20 had exceeded its agreed pay rise target for the year, uplifting over 4,700 people's rates of pay in Southwark (London), Cardiff and Salford.

Local Conversations programme is designed to enable people to take control over decisions and action to make their neighbourhoods better places to grow, live, work and age, and to improve their health and wellbeing. The programme aims to increase social connections and the amount of control that people have - at an individual and collective level - over their lives and communities, both as an end in itself and as a means of improving health and the wider determinants of health locally. The programme's Theory of Change is based on emerging evidence that collective control within neighbourhoods and communities is linked to better health outcomes. Different Local Conversations started at different times. The Board has committed to fund Local Conversations neighbourhoods for up to eight/nine years, subject to receipt of sufficient funds and satisfactory progress being made. The programme provides the resources and wider support to enable long term and deep engagement to take place across a neighbourhood. The Local Conversation usually takes place over neighbourhoods of between 4,000 and 12,000 people. The funding is awarded to a non-profit organisation in each neighbourhood which supports residents to identify community-wide priorities and exert increasing influence over decisions that have an impact on them and their families' lives.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Grant Programmes (continued)

The funding is used to meet the costs of actions and activities that will address the local priorities. The priorities (and underpinning actions and activity) are reviewed regularly through deep engagement with the local community, including those individuals and groups of people whose voices are seldom heard. Residents agree three or four priorities in each neighbourhood and these vary depending on the local context, but typically include improving the local environment, including accessible clean green spaces, and addressing social isolation through community activities.

The programme supports the engagement across neighbourhoods and communities of interest which are complex in nature. Typically, the Trust focuses on those neighbourhoods which feature in the 30% most disadvantaged according to indices of multiple deprivation though other measures have been considered as appropriate.

During the year to 30 September 2020, the Trust made grants totalling £881,491 (2019 - £1,385,218) to support the Local Conversations grant programme in 18 neighbourhoods (2019 - 18 neighbourhoods) which experience significant disadvantage, comprising eleven neighbourhoods in England, three neighbourhoods in Scotland and four neighbourhoods in Wales. Covid-19 has had a significant impact on the work of the Local Conversations project, and many have significantly underspent within year and have, therefore, not needed the additional funds which were budgeted to be committed within the 2019/20 year.

Throughout the year, the programme has focused on supporting lead organisations by offering tailored support through community development/engagement specialists.

The Board receives a review of the progress of the programme in meeting the Trust's vision at least once a year.

Local People - offers a longer-term neighbourhood-based approach to funding and has been running for five years. The programme is designed to support national organisations to use their skills, experience and approach to support residents to work together to address issues that are important to them in their neighbourhood, and as a secondary design feature to influence the national charity partners' way of working to more proactively involve and empower those they work with. The Trust decided to work with four national partners from a previous funding programme because it believed they were more likely to meet the programme's objectives, through a genuinely bottom-up process of community engagement and collective decision making. These charities are Scope, TCV, Youth Sport Trust and Royal Voluntary Service. At the end of the year the Trust was funding the programme in 20 neighbourhoods, of which 17 were in England, two were in Scotland and one was in Wales. Through this programme, groups of neighbours and communities with shared interests organise local actions and activities that help them address local issues of importance to them. This programme's funding is used to enable residents to take greater control over the design, development, and delivery of local initiatives, through collectively agreeing local priorities and supporting actions and activities.

In October 2020 the trustees determined that the Local People programme should close with effect from 31 March 2021.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Grant Programmes (continued)

Over time, the projects have supported local people to exert wider influence over decisions that affect their lives, ranging from campaigning around public transport cuts, to improving access to beaches for disabled people. Usually, residents agree three or four priorities in each neighbourhood and these vary depending on the local context and the life experiences of people participating in the project.

£386,274 was committed through this programme during the year (2019 - £683,405), which provided extension funding to the Local People projects. Covid-19 has had a significant impact on the work of the Local People project and many have significantly underspent within year and have, therefore, not needed the additional funds which were budgeted to be committed within the 2019/20 year.

The Board receives a review of the progress of the programme in meeting the Trust's vision at least once a year. At its October 2020 meeting the Board received a review of the programme and agreed to close it by 31 March 2021 as it had reached a ceiling beyond which it will not progress further at a programme level. A number of successful local projects were subsequently funded for a further year by the Trust through the Active Communities programme.

Strategic Funding programme - this programme allows small grants of up to £30,000 to be allocated in six places per year where it is thought a strategic relationship or pilot project may support the Trust's long-term work. One 12-month grant was awarded through this programme in the year for £28,940 (2019 - £28,300). The funded project is using community organising techniques to ensure that local residents are fully involved in the changes to their neighbourhood that are proposed as part of the large regeneration project around the Old Kent Road in south east London. To date £63,940 has been committed to this programme (2019 - £35,000).

Capacity building programme - during 2019/20 the Trust invested in activities aimed at strengthening the organisations it funds. This included meeting the costs of:

- ◆ Locality membership to 27 Active Communities and eight Local Conversation grant-holders in England, and £100 capacity building grant increases to five Active Communities grant-holders in Scotland and Wales.
- ◆ Community leadership skills development for all Local Conversations lead organisations that will be delivered in 2020/21.

Research

The Trust contracted the Bevan Foundation to provide monthly reporting about Welsh policy developments and support the Trust's overall policy development work in Wales. A similar contract has been agreed for Scotland, post year-end.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Grant Programmes (continued)

The impact of Covid-19 on the grant programmes - the Trust has remained in active dialogue with its funded partners since the outbreak of the pandemic, through its website, guidance emails, and one-to-one support and advice from Team members. It has also provided peer support through 13 online facilitated network meetings and its programme specific social media channels.

All of the Local Conversations and Local People projects continued to operate during the year and worked with residents to adapt their activities in response to the impact of Covid-19 and related restrictions on community life. Many have provided emergency provision (such as food and household essentials) and moved some activities online or (when they can) provided socially distanced activities outdoors.

138 Active Communities grant-holders suspended their activities at some point during the year, and 77 remained suspended at 30 September 2020. Many were able to restart activities, at least temporarily but some of these had to suspend once more to comply with Covid-19 related regulations.

Strategic Objective: Communicating evidence and learning clearly: Developing and communicating evidence and learning about wider social determinants of health.

The Trust developed an Evaluation and Learning strategy, a Communications strategy and a Network strategy which placed social determinants of health at the core to support the shifting of the Trust narrative and work specifically towards an emphasis on social determinants of health as part of the Trust's new three-year strategy.

Key social and economic determinants of health areas identified as the most significant in terms of reducing health inequalities through the type of work that the Trust funds were social connections, collective control, jobs and income, local economy and our surroundings.

Social connections

Strong social connections within and between communities is one factor in achieving good health and living longer lives. Social connections are also a very important foundation for other important changes to health and wellbeing.

Individual and collective control

When people have control over their lives, and power and the decisions that affect them they are able to maintain their health. Collective control is the power exercised by groups of people and this group power also affects health.

Jobs and income

The conditions in which people work and the level of income they have has a huge impact on their health. Having good working conditions, fair contractual conditions and stable employment that pays at least the real Living Wage all have a big impact on health.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Local economy

The places in which people live have a huge impact on their health. This includes how money flows locally to ensure what is reinvested recirculates in the local economy and contributes to local wealth building. A thriving local economy can include locally owned assets and shops with affordable healthy food, access to quality jobs that pay at least the real living wage with opportunities to build skills and the distribution of wealth more equitably within local communities.

Our surroundings

Local surroundings have an impact on our health by enabling clean safe and useful surroundings. Having accessibly green space, community space, shops, safe spaces to walk and good air quality enables people to build social connections, access local services and be physically active.

The social determinants of health areas were prioritised based on learning from the Trust's programmes.

Research and Learning activity

The Trust has been gathering evidence from formal programme evaluations conducted by independent research organisations Ecorys (Active Communities) and New Economics Foundation (NEF) and Leeds Beckett University (Local People and Local Conversations). The Trust has also been gathering learning more informally from practitioner networks, progress reports, grant officers and more recently through action and learning meetings. This learning has been synthesised in strategic programme learning reviews and used to help shape the strategic direction of the Trust's work.

The individual programme evaluations that have been carried out over the last four years were completed in 2019/2020 with the exception of Local Conversations which is due to finish in April 2021.

Evidence

The Trust has published four evaluation reports over the last year covering Local Conversations, Local People and Active Communities programmes. All of the programmes have demonstrated success at achieving the short-term outcomes as outlined in the Trust's Theory of Change. These include building social connections or links and ties, building skill, knowledge confidence and aspiration as well as individual and collective control.

The Trust has also produced two synopsis documents - one on social connections and one specifically focused on collective control which will be used to support the Trust's work in the next financial year.

Key findings which have emerged through the evaluations are:

- **Local Conversations**
Across the longer-term Local Conversations programme social connections are broadening and engagement is deepening. NEF's evaluation shows that 47% of Local Conversation participants report talking to their neighbours most days against an average of 21% in other similarly disadvantaged neighbourhoods in England, per the Community Life Survey.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Evidence (continued)

81% of Local Conversation project members expressed a feeling of belonging in their neighbourhood compared to 55% national average.

Across the Local Conversations programme residents closely involved in making decisions and delivering the projects have increased in confidence, knowledge, understanding, skills and aspiration. They feel more able to make changes in their neighbourhood and they feel more in control.

◆ Active Communities

Ecorys evaluation of the Active Communities programme showed that 94% of people felt they were making new friends through the network of people at the project they accessed. And more than 90% of project leads said the development of social networks and communities was the key outcome they had achieved.

92% of Active Community projects believed their project was contributing to making their neighbourhood a better place to live. And 84% of participants felt they could have a say in how activities were designed developed and run.

◆ Local People

The NEF evaluation highlighted that social connections were broadening as engagement deepened for those involved in the Local People programme. Like Local Conversations, those closely involved in the Local People programme have increased knowledge, confidence, understanding and skills. 72% of Local People participants tend to agree that when people get involved in their local community they can change the way their area is run.

To read the programme evaluations go to www.peopleshealthtrust.org.uk/impact

Looking forward

The evidence suggests that if the Trust wants to work towards achieving its longer-term outcomes outlined in the Theory of Change, it needs to focus on:

- ◆ trying to influence people in positions of power;
- ◆ increasing resident skills, capacity and wellbeing; and
- ◆ increasing the diversity of those involved (specifically in relation to Local Conversations).

The Trust has been responding to these suggestions through the strengthening of its practitioner networks, the development of a framework tool to help support practitioners and the creation of a strong narrative on the social determinants of health as outlined in this document.

It has been an important year for the Trust and it has now published a significant evidence base relating to its work over the last four years. This evidence base is being used to help shape the programme development, policy, influencing and campaigning work of the Trust going forward.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Looking forward (continued)

In addition to the evaluation publications the Trust also published a fifth report relating to the impact of COVID-19 on projects and local communities it serves. Seeing communities respond to the COVID pandemic this year has shown the true importance of resident-led projects in neighbourhoods. They have been a key source of guidance for local people during the pandemic. Our research in June 2020 showed that over 75% of projects moved online successfully and over 57% of projects supported by the Trust had been providing food and collecting medicines for people.

Networks

The Trust practitioner networks have proved an important way of providing support for local projects helping them stay connected during the pandemic and sharing and discussing issues of significance to them during this period including digital inclusion, mental health and wellbeing.

We have facilitated regular meet up spaces for Local Conversation practitioners, Local People practitioners and more recently the development of the Active Community practitioner space. Practitioners have been able to share content on their Facebook space or come together in a meet up session on Zoom.

During the pandemic practitioners have been able to come together to discuss issues that are of concern to them currently such as digital inclusion, mental health, and access to fairer finance for disadvantaged neighbourhoods.

Practitioners have also met up through the network event spaces to discuss strategic objectives with the programme such as moving to influencing.

The networks add value to the work of the Trust because they are a direct connection with the local neighbourhoods we support. Moving forward we are working with them to utilise their voice to shape movements and campaigns around issues that matter to them and link to the social determinants of health.

We will continue to evolve the practitioner spaces throughout this strategic period.

Communications activity

Key social determinants of health areas identified as the most impactful to resident and community groups centre around social connections between neighbours, control over what happens locally, improved access to jobs and income, a thriving local economy and surroundings which are conducive to living a decent life.

The Trust published its new Social Determinants of Health narrative through its Annual Review 'an extraordinary year' and on its website, www.peopleshealthtrust.org.uk. The new narrative was also shared with staff and practitioners through workshops during the year. The purpose of this narrative is to support projects and practitioners to be able to clearly explain the link between the social and economic factors and their health. This should, in turn, support them to influence other local stakeholders with an interest in these areas.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Looking forward (continued)

Communications activity (continued)

The Trust was invited to contribute to 'Health Equity in England: The Marmot Review 10 years on', which showed how health inequalities are widening: www.instituteofhealthequity.org/resources-reports/marmot-10-years-on. The Trust submitted examples of local projects working on the ground to improve things in specific neighbourhoods across the UK which linked to socio-economic factors determining their health. It also presented its work at a national event attended by stakeholders from Government public health and other charities and academics working in this area. The Trust joined media discussions around this topic engaging with new stakeholders including national media.

The Covid-19 pandemic hit the UK in March 2020 and this brought into sharp focus the issue of health inequalities. The Trust contributed to this dialogue with its own published report highlighting issues local disadvantaged neighbourhoods were facing and how they were responding: www.peopleshealthtrust.org.uk/impact

The Trust is a founding member of the Other Front Line - an international movement seeking to amplify the voices of those most affected by Covid-19. It is contributing to a more international conversation and sharing global stories on the impact of Covid-19: www.otherfrontline.org

The Trust contributed to the Living Wage Week which had a specific focus on jobs and income and specifically encouraging key workers including those in the third sector to be paid the real Living Wage and in response to the Covid-19 pandemic.

The Trust also contributed to the external dialogue by providing extensive stories for local and regional media through the Health Lottery highlighting how local communities were adapting delivery of their programmes online building social connections as well as providing emergency delivery for some neighbourhoods.

Strategic Objective: Being an outstanding funder and employer - Improving what we do and how we do it

During the year, the Trust undertook the second phase of a restructure, effective from 1 October 2020, as noted in the section on 'Structure and management reporting' above. This was partially driven by the impact of the pandemic and aimed to protect the organisation's sustainability in a challenging environment.

The Trust recognises the impact Covid-19 is having on the staff team and during the year introduced a number of initiatives to support staff in addition to the practical steps of providing laptops and other technology for home workspaces as staff moved to working from home as a result of the national lockdown in March 2020. Also in the same month, an Employee Assistance Programme was implemented, as well as the introduction of a more flexible approach to working arrangements.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Strategic Objective: Being an outstanding funder and employer - Improving what we do and how we do it (continued)

All staff were awarded a 2% cost of living pay increase effective from 1 October 2019.

The Trust has also focused on its Equality, Diversity and Inclusion (EDI) agenda in 2019/20, both in terms of its governance and also within the staff team.

Board

In 2019, the Board made the decision to address its diversity and focused on attracting more people to the board who were:

- ◆ younger (under 55)
- ◆ Black, Asian and minoritised Ethnic
- ◆ Disabled

The Board achieved a great deal within the year towards meeting these objectives, including recruiting three new trustees with one or more of the specific identified characteristics. The diversity data at January 2021 shows the Board to have improved in the following areas *:

- ◆ The number of respondents under 55 increased from 22% to 50%
- ◆ The number of respondents identifying as Black, Asian or minoritised ethnic increased from 22% to 30%
- ◆ The number of respondents identifying as disabled increased from 0% to 10%

*Response rate: 10/11

Staff

The full staff diversity survey was completed in January 2021 and reported here for the first time. Key areas to note were:

The Trust has a broad range of ages employed (25-59). Management positions are from 35-59

17.4% identify as disabled (representing 12.5% of managers).

65% of those with education post-18 are first generation (representing 62.5% of managers).

Ethnicity - 69.6% identify as White British (representing 87.5% of managers), Black African represents 13% of the team of which 0% are managers, White Irish/English and White Scottish each represents 4.3% and White English represents 8.7% of the staff.

Gender - 69.6% of staff identify as female (representing 62.5% of managers) and 30.4% as male (representing 37.5% of managers).

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Staff (continued)

Sexual Orientation - 82.6% of the team is heterosexual/straight, 13% is from the LGBT (representing 25% of managers).

The Board is considering the further work that needs to take place in order to ensure our Board/staff teams have both the requisite skills and experience and reflect the background of those we support and to ensure that our funding programmes are taking an anti-oppression and anti-racism position. The internal Equalities, Diversity and Inclusion staff group began meeting in January 2021 and will be reporting into the FAOC. The Equality Diversity and Inclusion Working Group involving the CEO, the Chair and experienced Board members are working more broadly across the organisation.

Finance and Operations

○ **Donations**

Over the last eight years to September 2020, the Trust has been able to provide a sustainable income stream for groups of local residents experiencing disadvantage through the donation income received from society lotteries. Total donation income received from the society lotteries from 1 October 2011 to 30 September 2020, amounted to £115,950,415 (2019 - £110,224,693). Donation income for the year amounted to £5,725,722 (2019 - £7,360,625).

The decrease in donations experienced in 2018/19 continued into 2019/20. This was of concern to the Leadership Team and trustees, and discussions continued with the Trust's funders to support an increase in donations. From July 2020 the percentage of lottery ticket sales donated to the Trust increased from 20.34% to 25.50%. This partially offset the trend in reduced income, but did not address the steady decline, in part due to the impact of the ongoing pandemic. Ticket sales continued to remain depressed throughout the remainder of the financial year 2019/20. The Trust has further developed its income generation strategy and in the financial year 2019/20 designated a new fund of £43,290 to support its activities in this area.

○ **Investment policy**

The Trust operates its investment activities in line with its current investment policy, which is intended to provide liquidity sufficient for the financing of the Trust's grants whilst maximising investment income. During 2019/20 the Trust further reviewed its investment policy in response to volatility experienced as a direct result of Covid-19, the impact of which was immediately felt on investments from March 2020. The current principles of the policy are as follows:

- The Trust will not make any investments where the risk of loss of capital is unacceptable to the Board.
- Bank deposits can only be made in a UK-based mainstream banking institution which has a credit rating that the Board regards as acceptable in terms of risk.
- The Trust will usually only invest in bank counterparties with a minimum rating of BBB+/BAA1 or above from the three main credit rating agencies (Fitch, Moody's and Standard & Poor's).
- Investments in other asset classes will be considered where it meets the Trust's investment horizon and market risk appetite. Investment in other asset classes will be accessed through pooled funds (collective investment schemes) rather than direct investment.
- Currently, the Trust will not hold bank deposits with a notice period in excess of 35 days.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Finance and Operations (continued)

○ Investment policy (continued)

- The Trust will not hold investments with a counterparty that represent more than 35% of the Trust's cash investments.
- The Trust will seek to invest in funds which do not hold shares in, or bonds issued by, companies which derive more than 10% of their turnover from the sale of tobacco or armaments, and where the fund's policy is to avoid companies which are involved in the production of land mines or cluster bombs.
- The Trust will invest only in accordance with its diversification policy.
- The Trust will make all investments in sterling.
- Investments and returns on investments must never take priority over or come into conflict with the Trust's charitable object, i.e. the funding and payment of grants or the fulfilment of operating expense obligations.

This Investment Policy enables the Trust to have the opportunity to make higher investment returns, given an acceptable level of risk. In the previous financial year the Board approved up to £3 million for the purposes of widening the scope of investments, of which £2.5 million had been placed by the year end into investment funds managed by BNY Mellon (£0.75 million multi-asset) and CCLA (£1.75 million split over two funds: £1 million multi asset, £0.75 million property). The remaining £0.5 million was placed in November and December 2020.

Overall the Trust's investment funds were negatively impacted by the onset of the pandemic and the revaluation reserve as at 30 September 2020 reflected an unrealised loss of £75,421.

Investment income during 2019/20 totalled £198,951 (2019 - £188,852) split between interest received on cash deposits of £127,844 (2019 - £188,852) and income from investments of £71,107 (2019 - £nil). The total income represented an effective rate over the average balances during the year of 1.24% (2019 - 0.99%) made up of 0.94% cash deposits, and 2.93% investments (2019 - 0.99% and N/A respectively). Investment income experienced a modest increase year-on-year due to the Trust diversifying its investments. However, the increase is lower than originally anticipated primarily due to the negative impact of Covid-19 from March 2020.

○ Finance and Operations Team

During the year the Finance and Operations Team consisted of an interim Director of Finance and Operations, supported by an experienced Operations Manager (responsible for HR, IT, legal, performance management, staff training and projects) and experienced finance team. The interim Director of Finance and Operations was a qualified accountant, as is the permanent Director.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Finance and Operations (continued)

- **Customer Care**

The Trust's complaints procedures reflect good practice, both in handling complaints about the Trust and the organisations that it funds. All staff who may be involved in complaint investigations have been fully trained on the practice and procedure of complaint handling. The Trust received six complaints in the year (2019: 4).

- **Safeguarding**

The Trust has in place appropriate safeguarding policies and procedures, in line with regulatory frameworks and guidance, with respect to both grant making and staff. The Trust has a rolling programme of training that prioritises staff dealing directly with grant-holders, as well as working with grantees to ensure they are aware of their safeguarding obligations through the application and regular reporting procedures. The Safeguarding Policy is part of a programme where all policies are regularly reviewed and will be reconsidered in 2020/21.

- **Information Technology**

An audit of the Trust's IT infrastructure was undertaken in the previous financial year and the focus of this year was to implement the recommendations arising out of that audit. Principal amongst these were the migration to a cloud-based Grant Management System (GMS) in December 2019, and a new server, which was delayed to after the year end, in late 2020 due to Covid-19. A small number of actions remained outstanding at the end of this financial year, to be completed in 2020/21. These represent the end of the work linked to the current IT Strategy, and a new strategy will be developed in 2020/21 that looks to further enhance the Trust's IT infrastructure.

- Additionally, in the year the impact of the pandemic on the ways of working, with staff mostly working from home since March 2020, meant that further action was necessary to properly support the staff team. Laptops have been procured for all staff, and further work to underpin the remote office environment is ongoing.

- **GDPR**

The Trust continues to comply with GDPR, with regular reviews and action taken to maintain compliance on an ongoing basis. For example, in 2020/21, to support the move to home working enforced by the pandemic, all records and documents have been digitalised. As part of this process paper records were audited and were retained if within the scope of the project or deleted as per the requirements under GDPR. The Trust also continues to work with grantees to ensure understanding of their legal obligations.

- **Board Development and Focus**

The Board undertook trustee appraisals in the first quarter of 2019/20, with feedback to board in January 2020.

Five Trustees attended finance training provided by the Trust's auditors, Buzzacott LLP, for charity trustees in September 2020.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Finance and Operations (continued)

- **Board Development and Focus (continued)**

A key area for Board discussion and focus was equality, diversity and inclusion. This complemented the Board's previous commitment to ensure the trustees reflect the people they serve in communities and is integral to an effective succession plan, as a number of long-standing trustees, including the Chair, reach the end of their terms in 2020/21.

The board increased its diversity within the year (see section under 'Strategic Objective: Being an outstanding funder and employer - Improving what we do and how we do it' for further details).

Much of the Board's focus within the year has been on the fall-out from Covid-19. This has meant ensuring that the Trust is fit-for-purpose in light of falling income, supporting existing funded partners to stay engaged and safe, and ensuring the staff team's wellbeing.

Additional meetings and engagement of trustees have been necessary within what has been an extraordinary year and particularly for those who are members of the Finance, Audit and Operations Committee as they oversaw finance, risk and HR.

The Board recognised that its new 2019-22 strategy was unlikely to be as effective during a pandemic/post-pandemic period. It also noted that the pandemic period and its aftermath was highly likely to disproportionately affect the communities with which the Trust works and that a different approach was required. The Board agreed with the Leadership that 2019-22 strategy should be reduced and provide more flexibility, particularly in light of reduced administration costs and reduced staff over the next two years.

- The refreshed strategy 2019-22 was agreed by Board in September 2020 and became active in October 2020. The strategy can be found on the website, <https://www.peopleshealthtrust.org.uk/about-us/strategic-priorities>.

Strategic Objective: Partnering nationally and locally - building national and local support to place empowerment models for the benefit of local people

The Trust has continued to place great emphasis on working in partnership, recognising the benefits of working with other organisation, avoiding duplication of effort and coalescing around key points. Within the year, the Trust has developed or further developed key relationships with a number of partners where there is a focus on addressing one or more of the social determinants of health. These include:

- ◆ Wellbeing and Health Collaborations run by the Health Foundation and comprising 10 other organisations. The work supports the development of a social determinants of health approach by the Health Foundation and encourages collaborations amongst partners. The work moved into detailed strategy within the year.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Achievements, performance and future plans (continued)

Review of activities (continued)

Finance and Operations (continued)

- ◆ UCL Institute of Health Equity - the Trust has developed a positive relationship with the IHE, contributing over ten detailed case studies to the 'Health Equity in England: The Marmot Review 10 years on' and providing insight into the way in which communities perceive and respond to health inequalities locally.
- ◆ Royal College of Physicians Inequalities in Health Alliance - over 100 organisations with the following aims:
 - A national strategy for action on the social determinants of health, as recommended by Sir Michael Marmot.
 - Trigger the socio-economic duty, section 1 of the Equality Act 2010, to require public bodies to adopt measures to address inequalities resulting from the social determinants of health.
 - Adopt a child health in all policies approach to decision-making and policy development, given the importance of the early years for life outcomes.
- ◆ Community Wealth Fund Alliance - the alliance comprises over 300 organisations (third and public sectors) seeking a £4bn settlement from the dormant assets to support a long-term investment in 'left behind' neighbourhoods.
- ◆ Bevan Foundation (Wales) - the Trust has a partnership to support its policy and development work in Wales. A similar relationship has been started in 2020 with Poverty Alliance, Scotland.
- ◆ Living Wage Foundation - we continue to run a place-based programme with LWF, seeking to further embed living wage. The Trust will also lead the newly developed committee in tackling low pay in the charity sector. This issue is of particular relevance to people from BAME backgrounds, part-time workers, women and young people. The intersection of these elements is critical. Third sector employees are still the lowest paid of any sector in the UK.
- ◆ Other Front Line - we are a founding member of this Covid-19 initiative from Professor Jennie Popay and Lancaster University. The initiative seeks to give voice to people who were already experiencing significant disadvantage pre-Covid, so that their testimonies on the impact can be heard.

Future plans and post balance sheet event

The worldwide outbreak of the coronavirus pandemic (Covid-19) has caused extensive disruptions to organisations globally with major implications for operations as well finances. Trustees acknowledge and recognise the potential impact of the Covid-19 pandemic on the future operations of the Trust, its beneficiaries, partners and stakeholders and on the wider society. Key areas of the charity's operations that have been impacted include:

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Future plans and post balance sheet event (continued)

- ◆ Operations of our beneficiaries - we have taken action which enables the Trust to continue to support its grant beneficiaries, including relaxing grant restrictions in order to allow changes which enable funded organisations to respond to Covid-19. We have maintained regular contact with all funded organisations and have built up existing and supported new networks.
- ◆ Future Grant Programmes - we are reviewing our future grant programmes to ensure that they are fit for purpose during times of extreme restriction during the pandemic. We will ensure that they are likely to meet the needs of communities, already disadvantaged by inequalities, as they emerge from the pandemic. As part of this review programme, in October 2020 the trustees determined that the Local People programme should close. Further details are set out in note 21 to the financial statements.
- ◆ Following the advice issued by the UK Government in March 2020 (and subsequently) regarding employees working from home and other social distancing measures, we have enacted procedures to facilitate this and have taken detailed action that enables effective operation to continue whilst employees are not physically present in the charity's office.
- ◆ Income generation - the Trust's income is impacted by Covid-19. Its major source of income is society lotteries which, in part, are based in retail outlets, where footfall fell sharply in the spring of 2020. The Trust has remained in constant contact with our 12 community interest companies who operate society lotteries under The Health Lottery brand and is seeking to diversify its funding base.
- ◆ The Trust's financial capacity - our financial modelling has demonstrated that we have the requisite amount of reserves to finance shortfalls of income over the next twelve months.
- ◆ Strategic planning - the Trust's Board reviewed and refreshed years two and three of its three year strategy (2019-22) to ensure there was adequate flexibility to respond to the changing and unknown environment during and post-Covid.

Financial review

Financial position and reserves policy

A summary of the year's results can be found on page 32 of the financial statements.

Total income in the year was £5,924,673 (2019 - £7,549,477) with income from donations totalling £5,725,722 (2019 - £7,360,625). The decrease is largely due to a downturn in lottery ticket sales, despite the increase in the percentage of lottery ticket sales the Trust receives from The Health Lottery, from 20.34% to 25.5%. A further explanation of this downturn is noted on page 21.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Financial review (continued)

Financial position and reserves policy (continued)

The total expenditure in the year was £5,204,394 (2019 - £7,424,140) all of which related to charitable activities. Included within this figure are support costs of £607,735 (2019 - £654,049). Expenditure on grants amounted to £3,526,611 (2019 - £5,614,399) and direct costs were £1,070,048 (2019 - £1,155,692). Included within support and direct costs are governance costs of £50,734 (2019 - £72,110). Overall expenditure reduced as it was managed down to reflect reduced income. This was true both in respect to grants awarded and other expenditure. Furthermore, with respect to both Local Conversations and Local People the level of funding committed was below budget as a result of the impact of Covid-19 which resulted in significantly lower level of activity and therefore spend.

At 30 September 2020, the Trust had total funds of £8,932,685 (2019 - £8,287,827). £7,959,999 (2019 - £7,289,656) of this related to restricted funds, of which £228,822 has been allocated to specific programmes at 30 September 2020 (2019 - £425,000). Total unrestricted funds were £972,686 (2019 - £998,171), of which £93,225 (2019 - £62,966) were designated funds, and details of the designated funds are included in note 17 on page 46.

The reserves policy for the charitable company states that the Trust will aim to maintain free reserves of at least 26 weeks' running costs. As at 30 September 2020, the free reserves of £879,461 (2019 - £935,205) equated to 31.8 weeks' running costs (2019 - 27.4 weeks). The number of weeks has increased as a result of expenditure reductions in the 2020/21 budget. The trustees consider the level of free reserves to be satisfactory at this point given the particular risk around the impact of Covid-19. The reserves policy is reviewed annually.

Going concern

The trustees consider that there is a reasonable expectation that People's Health Trust has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue operating as a going concern. In making this decision, the trustees have taken into consideration the risks and uncertainties arising from the Coronavirus pandemic, which are referenced throughout this report where relevant. The pandemic continues to negatively affect the Trust and the communities it serves well into 2020/21 and at the date of signing the full longer term impact of the pandemic are unclear. However, based on a track record of strong financial and effective risk management, the trustees have concluded that the Trust can sustain its operations for a period of at least twelve months from the date of signing these financial statements. Consequently, the financial statements have been prepared on the basis that the charity remains a going concern.

Risk management

The Board is responsible for the oversight of the risks faced by the Trust. The Finance, Audit and Operations Committee (FAOC) and the Leadership Team regularly (both separately and together) review the risk register and management issue regular reports on actions taken to manage and mitigate exposure to the risks.

The trustees ensure that controls exist over key areas of grant making, and that financial procedures and systems exist. At Board meetings, they examine the business risks faced by the Trust, and ensure there are established effective plans and systems to manage and implement mitigating controls for those risks. Financial risk is minimised through regular and rigorous review procedures of the Trust's activities by the Leadership Team, FAOC, and also at Board level.

Trustees' report (incorporating the strategic report) Year to 30 September 2020

STRATEGIC REPORT (continued)

Risk management (continued)

Risk management process assesses risks based on their likelihood of occurrence, the impact of the risks, any mitigating controls that are in place and each risk is allocated a pre and post mitigation score. Based on the score, risks are then classified into low, medium and high risks. The medium to high risks represent the principal risks for the Trust. The process also seeks to identify any actions and resources required to manage these risks further.

The trustees have considered the principal risks and two key risk has been identified as follows:

- Income -the Trust's historical reliance on two sources of income (donations form lottery ticket sales and investment income) is a risk. Whilst investment income increased slightly in 2019/20, donation income reduced and this places at risk the Trust's continued ability to address health inequalities and to support existing projects. The trustees agreed to focus on diversification in the coming year, as well receiving an increase in donations through an improved percentage of ticket sales part way through the year (July 2020). The Trust designated a fund for business development in the financial year.
- Coronavirus (Covid-19) pandemic - the Leadership Team and the Board have spent a considerable time considering, discussing, and addressing the difficulties that have arisen as a result of the pandemic in 2019/20. It has focussed on four key factors: staffing, projects, premises and income. Plans have been implemented across all four areas and included a staffing restructure, support for grant holders, office relocation, and income diversification (see point re income directly above). All of these are set out in further detail elsewhere in this Trustees' Report.

FUNDRAISING STATEMENT

As part of the drive to diversify income, in this financial year the Trust began to actively solicit donations directly from the public, through online giving, on a small scale. It therefore registered with the Fundraising Regulator and is committed to following the highest fundraising standards. In the year there have been:

- ◆ no failures to comply with the standard (2019: N/A)
- ◆ no complaints received by the charity about activities by the charity or by a person on behalf of the charity for the purpose of fund-raising (2019: none)

The Trust sets out to protect vulnerable people and other members of the public from unreasonable behaviour related to its fundraising by complying with the standards set by the Institute of Fundraising, managed by the Fundraising Regulator. The Trust is registered with the Information Commissioner's Office and strives to be compliant with GDPR.

This report is approved by the trustees and signed on their behalf by:



Chair of Trustees

Approved on behalf of the trustees on 27 April 2021

Independent auditor's report Year to 30 September 2020

Independent auditor's report to the trustees and members of People's Health Trust

Opinion

We have audited the financial statements of People's Health Trust (the 'charitable company') for the year ended 30 September 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 30 September 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent auditor's report Year to 30 September 2020

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the trustees' report including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report including the strategic 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 trustees' report including the strategic report.

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

- ◆ proper and adequate accounting records have not been kept; 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.

Independent auditor's report Year to 30 September 2020

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our 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 and to the charity'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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Shachi Blakemore
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Dated: 25 June 2021

Statement of financial activities Year to 30 September 2020
(including income and expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	Unrestricted funds £	Restricted funds £	2019 Total funds £
Income from:							
Donations	1	1,528,768	4,196,954	5,725,722	1,518,504	5,842,121	7,360,625
Investments	2	198,951	–	198,951	188,852	–	188,852
Total income		1,727,719	4,196,954	5,924,673	1,707,356	5,842,121	7,549,477
Expenditure on:							
Charitable activities							
. Supporting greater health equity	3	1,329,421	3,526,611	4,856,032	1,421,091	5,614,399	7,035,490
. Awareness and communications	3	348,362	–	348,362	388,650	–	388,650
Total expenditure		1,677,783	3,526,611	5,204,394	1,809,741	5,614,399	7,424,140
Net income (expenditure)	6	49,936	670,343	720,279	(102,385)	227,722	125,337
Net losses on investments	12	(75,421)	–	(75,421)	–	–	–
Net movement in funds		(25,485)	670,343	644,858	(102,385)	227,722	125,337
Fund balances brought forward at 1 October		998,171	7,289,656	8,287,827	1,100,556	7,061,934	8,162,490
Fund balances carried forward at 30 September		972,686	7,959,999	8,932,685	998,171	7,289,656	8,287,827

All movements derive from continuing activities during the above two financial periods.

The charity has no other recognised gains and losses and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheet As at 30 September 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	11	6,360		–	
Investments	12	<u>2,424,579</u>		–	
			2,430,939		–
Current assets					
Debtors	13	370,574		403,799	
Short term deposits		5,166,347		12,450,228	
Cash at bank and in hand		<u>8,464,799</u>		<u>5,163,249</u>	
		14,001,720		18,017,276	
Creditors: amounts falling due within one year	14	<u>(6,201,298)</u>		<u>(8,196,097)</u>	
Net current assets			7,800,422		9,821,179
Creditors: amounts falling due over one year	15		<u>(1,298,676)</u>		<u>(1,533,352)</u>
Total net assets			<u>8,932,685</u>		<u>8,287,827</u>
The funds of the charity:					
Unrestricted funds					
. General		879,461		935,205	
. Designated	17	<u>93,225</u>		<u>62,966</u>	
			972,686		998,171
Restricted funds	18		<u>7,959,999</u>		<u>7,289,656</u>
Total funds and reserves	19		<u>8,932,685</u>		<u>8,287,827</u>

Approved by the trustees of People's Health Trust, Company Registration No. 06492606, and signed on their behalf by:



Chair and Trustee

Date: 27 April 2021

Statement of cash flows Year to 30 September 2020

	Notes	2020 £	2019 £
Cash flows used in operating activities:			
Net cash used in operating activities	A	(1,616,235)	(3,303,241)
Cash flows (used in) from investing activities:			
Investment income		140,264	176,872
Purchase of investments		(2,500,000)	–
Purchase of tangible fixed assets		(6,630)	–
Net cash (used in) from investing activities		(2,366,096)	176,872
Change in cash and cash equivalents in the year	B	(3,982,331)	(3,126,369)
Cash and cash equivalents at 1 October	B	17,613,477	20,739,846
Cash and cash equivalents at 30 September	B	13,631,146	17,613,477

Notes to the statement of cash flows for the year to 30 September

A Reconciliation of net income (expenditure) to net cash flow used in operating activities

	2020 £	2019 £
Net movement in funds (as per the statement of financial activities)	720,279	125,337
Adjustments for:		
Depreciation charge on tangible fixed assets	–	1,419
Investment income	(198,951)	(176,872)
Decrease in debtors	91,912	364,698
Decrease in creditors	(2,229,475)	(3,617,823)
Net cash used in operating activities	(1,616,235)	(3,303,241)

B Analysis of changes in net debt

	At 1 October 2019 £	Cash flows £	At 30 September 2020 £
Cash at bank and in hand	5,163,249	3,301,550	8,464,799
Short term deposits	12,450,228	(7,283,881)	5,166,347
	17,613,477	(3,982,331)	13,631,146

The Trust does not have any borrowings or finance lease obligations. Net debt consists therefore of cash and cash equivalents only.

Principal accounting policies Year to 30 September 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation and accounting policies

These financial statements have been prepared for the year to 30 September 2020 and are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the allocation of support costs across expenditure categories;
- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ estimating future income and expenditure flows for the purpose of assessing going concern.

In addition to the above, the full impact following the emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's beneficiaries, funding, suppliers and the wider economy.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements. In making this decision, the trustees have taken into consideration the risks and uncertainties arising from the Coronavirus pandemic (as highlighted on page 28).

Principal accounting policies Year to 30 September 2020

Assessment of going concern (continued)

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount can be measured reliably and it is probable that the income will be received.

Income is the amount derived from ordinary activities and comprises donations from local society lotteries and interest receivable.

Income from each of the CICs is recognised on the day the individual society lottery draw takes place.

Income covering administration costs incurred by the charity is included as unrestricted income.

Interest on funds held on deposit is included as unrestricted income when receivable and the amount can be measured reliably; this is normally upon notification of the interest paid or payable by the bank.

Investment income is recognised as unrestricted income once notification has been received on the amount due.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer or economic benefits will be received in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT as the Trust is not registered for VAT.

The costs of charitable activities comprise grants made, direct costs and an apportionment of support costs based on time estimated on each activity. Support and direct costs include governance costs which comprise of all costs involving public accountability of the Trust and its compliance with regulation and good practice.

Supporting greater health equity costs include:

- ◆ Grants payable which are included in the statement of financial activities when approved by the trustees and when the intended recipient has been informed of the decision to make the grants and has satisfied all relevant and due terms and conditions.
- ◆ Evaluation costs of our grant programmes.

Principal accounting policies Year to 30 September 2020

Expenditure (continued)

- ◆ Support costs which are allocated to charitable activities according to the amount of time staff spend within each charitable activity.

Awareness and communication costs include mainly staff costs and various communications costs relating to raising the awareness of the Trust's brand, funded projects and the Health Inequality agenda.

Tangible fixed assets

All assets costing more than £3,000 and with an expected useful economic life exceeding one year are capitalised.

Tangible fixed assets are not depreciated until they are brought into use. They are capitalised and depreciated at the following rates in order to write them off over their estimated useful lives:

- ◆ IT & Office Equipment 33% per annum based on cost.

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise to unrestricted funds.

Short-term deposits

Short-term deposits comprise monies held in high earning fixed term deposits, and notice accounts with banks and building societies registered in the United Kingdom.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Principal accounting policies Year to 30 September 2020

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Unrestricted general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's objects. Within the total unrestricted funds of the charity, the trustees have designated amounts for specific purposes.

Restricted funds comprise monies raised for, or where their use is restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

Pension costs

The Trust operates a defined contribution group personal pension scheme for employees. Annual contributions by the Trust in respect of the group personal pension scheme available to staff members are charged to the statement of financial activities in the period in which they are payable. Employer pension contributions of 6% are made for all employees in the pension scheme.

Related party transactions

All transactions with related parties are disclosed in the notes to the financial statements. The Trust's policy is for trustees, executives and advisers to declare their interest and exempt themselves from all relevant discussions and decisions which may involve a transaction with a related party or in which they may have a conflict of interest.

Financial Instruments

The Trust only holds basic financial instruments as defined by FRS102. The financial assets and liabilities of the Trust are as follows:

Financial assets - donations due and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Accrued income and prepayments are not financial instruments.

Cash at bank and short term deposits are classified as basic financial instruments and measured at face value.

Principal accounting policies Year to 30 September 2020

Financial Instruments (continued)

Financial liabilities - trade creditors, grants payable, accruals and other creditors are financial instruments and are measured at amortised cost. Social security and other taxes are not included in the financial instruments disclosure definition.

Notes to the financial statements Year to 30 September 2020

1 Donations

	Unrestricted funds £	Restricted funds £	2020 Total funds £
Donations from Society Lotteries	1,518,504	4,146,954	5,665,458
Other donations	10,264	50,000	60,264
2020 Total funds	1,528,768	4,196,954	5,725,722

Other donations included £60,000 received from Health CICs Company Limited, of which £10,000 was unrestricted and £50,000 was restricted.

	Unrestricted funds £	Restricted funds £	2019 Total funds £
Donations from Society Lotteries	1,518,504	5,842,121	7,360,625
2019 Total funds	1,518,504	5,842,121	7,360,625

2 Investments

	2020 Total funds Unrestricted funds £	2019 Total funds Unrestricted Funds £
Income from investments	71,107	–
Interest from deposits	127,844	188,852
	198,951	188,852

3 Charitable activities

	Unrestricted funds		Restricted funds	2020 Total funds £
	Direct costs (note 4) £	Support costs (note 5) £	Evaluation & Grant funding £	
Supporting greater health equity	812,846	516,575	3,526,611	4,856,032
Awareness and communications	257,202	91,160	–	348,362
2020 Total funds	1,070,048	607,735	3,526,611	5,204,394

	Unrestricted funds		Restricted funds	2019 Total funds £
	Direct costs (note 4) £	Support costs (note 5) £	Evaluation & Grant funding £	
Supporting greater health equity	865,149	555,942	5,614,399	7,035,490
Awareness and communications	290,543	98,107	–	388,650
2019 Total funds	1,155,692	654,049	5,614,399	7,424,140

Notes to the financial statements Year to 30 September 2020

3 Charitable activities (continued)

Included within direct and support costs are governance costs. Governance costs are charged to supporting greater health equity and are as follows:

	2020 £	2019 £
Auditor's remuneration (note 6)		
Current Year	14,820	14,820
Overprovision from previous years	(464)	(360)
Trustees' meetings and expenses	3,740	9,275
Legal and professional fees	2,251	15,673
Direct costs (note 4)	20,347	39,408
Support costs (note 5)	30,387	32,702
2020 Total funds	50,734	72,110

4 Direct costs

	Supporting greater health equity		Awareness and communic- ation (note 3) £	2020 Total funds £
	Other costs (note 3) £	Governance (note 3) £		
Staff costs	744,845	–	210,084	954,929
Consultancy	7,257	–	–	7,257
Travel and accommodation costs	4,811	3,740	499	9,050
Office costs	33,638	14,356	74	48,068
Other costs	1,948	–	46,545	48,493
Professional fees	–	2,251	–	2,251
	792,499	20,347	257,202	1,070,048

	Supporting greater health equity		Awareness and communic- ation (note 3) £	2019 Total funds £
	Other costs (note 3) £	Governance (note 3) £		
Staff costs	757,008	–	213,515	970,523
Consultancy	14,287	–	–	14,287
Travel and accommodation costs	17,591	9,275	3,377	30,243
Office costs	32,892	14,460	374	47,726
Other costs	3,963	–	73,277	77,240
Professional fees	–	15,673	–	15,673
	825,741	39,408	290,543	1,155,692

Notes to the financial statements Year to 30 September 2020

5 Support costs

	Supporting greater health equity		Awareness and communication (note 3) £	2020 Total funds £
	Other costs (note 3) £	Governance (note 3) £		
Staff costs	241,245	15,078	45,233	301,556
Premises, technology and other costs	244,943	15,309	45,927	306,179
	486,188	30,387	91,160	607,735

	Supporting greater health equity		Awareness and communication (note 3) £	2019 Total funds £
	Other costs (note 3) £	Governance (note 3) £		
Staff costs	245,185	15,324	45,972	306,481
Premises, technology and other costs	278,055	17,378	52,135	347,568
	523,240	32,702	98,107	654,049

Support costs where not directly attributed are allocated against expenditure categories based on an estimate of time spent by staff on relevant activities.

6 Net expenditure

This is stated after charging:

	2020 Total funds £	2019 Total funds £
Operating lease charges	202,614	224,414
Auditor's remuneration		
• Audit - current year	14,820	14,820
• Audit - prior year overprovision	(464)	(360)
• Other fees payable to Buzzacott Financial Services Limited and Buzzacott Computer Services Limited, subsidiaries of Buzzacott LLP (the charity's auditors for the period)	46,037	32,526

Notes to the financial statements Year to 30 September 2020

7 Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	976,605	1,007,454
Social security costs	106,491	105,918
Pension costs	64,604	64,867
	<u>1,147,700</u>	<u>1,178,239</u>
Temporary staff and contractor costs	108,785	98,766
	<u>1,256,485</u>	<u>1,277,005</u>

The average number of employees during the year, excluding temporary staff and contractors, analysed by function, was as follows:

	2020 No.	2019 No.
Charitable activities	19	20
Support services	4	4
Total number of employees	<u>23</u>	<u>24</u>

The number of employees who earned £60,000 or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2020 No.	2019 No.
£70,000 - £80,000	2	2
£100,000 - £110,000	1	1

All employees are members of the Trust's pension scheme. During the year ended 30 September 2020, pension contributions for those staff amounted to £64,604 (2019 - £64,867). The higher paid employees were not entitled to any taxable benefits during the year.

The key management personnel include the Leadership Team which comprises the chief executive and three directors and board members. Trustees are not remunerated for their role as trustees. The key management personnel's total remuneration including pensions and social security for the year is outlined as follows:

	2020 £	2019 £
Total remuneration	<u>371,270</u>	<u>363,930</u>

The key management personnel costs include costs for one contractor (2019 - one contractor) who was working in capacity as a member of the Leadership Team in both the current and the previous year.

Notes to the financial statements Year to 30 September 2020

8 Trustees' remuneration, expenses and insurance

None of the trustees received any remuneration in respect of services provided during the year (2019 - none).

Four trustees (2019 - three) were directly reimbursed a total of £565 (2019 - £2,117) for travel, accommodation and subsistence expenses incurred during the course of their duties on behalf of the charity. The Trust has one trustee each in Scotland and Wales.

Trustees are encouraged to visit grant funded programmes, with the costs of such trips being met by the charity.

The charity also purchased insurance to protect it from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £5,116 (2019 - £4,893) and provides cover of up to a maximum of £5 million.

9 Other related party transactions

There were no related party transactions in the year or in the previous year.

10 Taxation

The People's Health Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Tangible fixed assets

	IT & office equipment £
<hr/>	
Cost	
At 1 October 2019	59,885
Additions	6,360
At 30 September 2020	<u>66,245</u>
Depreciation	
At 1 October 2019	59,885
Charge for year	—
At 30 September 2020	<u>59,885</u>
Net book values	
At 30 September 2020	<u>6,360</u>
At 30 September 2019	<u>—</u>

Notes to the financial statements Year to 30 September 2020

12 Fixed Asset Investments

	2020 £
Listed investments	
Market value at 1 October 2019	–
Additions at cost	2,500,000
Net unrealised losses	(75,421)
Market value at 30 September 2020	<u>2,424,579</u>
Cash held by investment managers for re-investment	–
	<u>2,424,579</u>
Historic cost of listed investments at 30 September	<u>2,500,000</u>

Listed investments held at 30 September comprised the following:

	2020 £
Property fund	681,359
Mixed asset funds	1,743,220
	<u>2,424,579</u>

All listed investments were dealt in on a recognised stock exchange.

At 30 September, listed investments included the following individual holdings deemed to have a material value:

	Value of holding £	Percentage of the market value %
COIF Charities Property Fund Income Units	681,359	28.1
COIF Charities Ethical Investment Fund Units	1,020,654	42.1
Newton SRI Fund for Charities Income Units	722,566	29.8

13 Debtors

	2020 Total funds £	2019 Total funds £
Donations from society lotteries	250,420	235,994
Other debtors and accrued income	120,154	167,805
	<u>370,574</u>	<u>403,799</u>

Notes to the financial statements Year to 30 September 2020

14 Creditors: amounts falling due within one year

	2020 Total funds £	2019 Total funds £
Trade creditors	15,563	39,160
Grants payable (note16)	6,045,061	8,021,141
Accruals and other creditors	103,841	96,537
Social security and other taxes	36,833	39,259
	6,201,298	8,196,097

15 Creditors: amounts falling due after one year

	2020 Total Funds £	2019 Total funds £
Grants payable (note 16)	1,298,676	1,533,352

16 Grants payable reconciliation

	2020 £	2019 £
Grants payable at 1 October	9,554,493	13,206,734
Committed grants made in the year	3,526,611	5,614,399
Grants paid in the year	(5,737,367)	(9,266,640)
Grants payable at 30 September	7,343,737	9,554,493
Shown within		
Creditors due within one year (note14)	6,045,061	8,021,141
Creditors due after one year (note15)	1,298,676	1,533,352
	7,343,737	9,554,493

17 Designated funds

	At 1 October 2019 £	New designation £	(Utilised)/ released £	At 30 September 2020 £
Tangible fixed assets (note11)	–	6,360	–	6,360
Grant making software	30,000	–	(27,505)	2,495
Business development	–	43,290	–	43,290
Network events	22,704	–	5	22,709
IT equipment	–	14,500	(6,360)	8,140
Change project	10,262	–	(31)	10,231
	62,966	64,150	(33,891)	93,225

	At 1 October 2018 £	New Designation £	(Utilised)/ released £	At 30 September 2019 £
Tangible fixed assets	1,419	–	(1,419)	–
Grant making software	30,000	–	–	30,000
Network events	25,259	–	(2,555)	22,704
IT Project manager	709	–	(709)	–
Change project	9,184	–	1,078	10,262
Learning & Development	766	–	(766)	–
	67,337	–	(4,371)	62,966

Notes to the financial statements Year to 30 September 2020

17 Designated funds (continued)

The tangible fixed assets fund represents:

- ◆ The net book value of the charity's tangible fixed assets at the year end to recognise the fact that the assets are required for the day-to-day operation of the Trust and are not available for other purposes or as a general reserve.

Grant making software represents:

- ◆ Future costs expected to be incurred in relation to the updating of grant making software and project consultancy on a review of grant programmes.

Business development represents:

- ◆ Represents funds set aside for future income generation initiatives that the Trust plans to undertake.

Network events represents:

- ◆ Future costs expected to be incurred in relation to networking events across the Active Communities programmes.

IT Equipment represents:

- ◆ Future costs expected to be incurred in relation to implementation of the Trust's IT Strategy.

Change project represents:

- ◆ Future costs expected to be incurred in relation to resource support for the change programme approved in September 2015. This programme is designed to support cross-team working and a review of the Active Communities programme.

18 Restricted funds

	At 1 October 2019 £	Income £	Expenditure £	At 30 September 2020 £
Geographical area funds	7,289,656	4,146,954	(3,526,611)	7,909,999
Health CICs	—	50,000	—	50,000
	<u>7,289,656</u>	<u>4,196,954</u>	<u>(3,526,611)</u>	<u>7,959,999</u>
	At 1 October 2018 £	Income £	Expenditure £	At 30 September 2019 £
Geographical area funds	7,061,934	5,842,121	(5,614,399)	7,289,656
	<u>7,061,934</u>	<u>5,842,121</u>	<u>(5,614,399)</u>	<u>7,289,656</u>

Notes to the financial statements Year to 30 September 2020

18 Restricted funds (continued)

Geographical area funds

Funds arise from donations by 12 separate community interest companies (2019 - 12), each of which donates good causes monies raised through individual society lotteries. Each CIC focuses upon a specific community of geographical interest and each fund is restricted for use (after reasonable administration charges) for onward donation to charities and community groups within that CICs area for the purpose of supporting greater health equality.

No restricted fund was in deficit (2019: none). Of the geographical area funds balance of £7,909,999 at 30 September 2020 (2019 - £7,289,656), the following amounts were allocated for specific grant programmes as follows:

- ◆ £12,500 to Living Wage;
- ◆ £150,000 allocated for evaluation work;
- ◆ £66,322 allocated for capacity development work.

Health CICs

The Trust received £50,000 in 2020 to support its work with networks.

19 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Fund balances at 30 September 2020 are represented by:				
Tangible fixed assets	–	6,360	–	6,360
Fixed Asset Investments	–	–	2,424,579	2,424,579
Net current assets	879,461	86,865	6,834,096	7,800,422
Creditors due more than one year	–	–	(1,298,676)	(1,298,676)
Total net assets	879,461	93,225	7,959,999	8,932,685
	<i>General fund £</i>	<i>Designated funds £</i>	<i>Restricted funds £</i>	<i>Total £</i>
<i>Fund balances at 30 September 2019 are represented by:</i>				
<i>Tangible fixed assets</i>				
<i>Net current assets</i>	935,205	62,966	8,823,008	9,821,179
<i>Creditors due more than one year</i>	–	–	(1,533,352)	(1,533,352)
Total net assets	935,205	62,966	7,289,656	8,287,827

Notes to the financial statements Year to 30 September 2020

20 Operating lease commitments

At 30 September 2020, the charity had total commitments under non-cancellable operating leases payable as follows:

	Land and Buildings	
	2020 Total funds £	2019 Total funds £
Within 1 year	100,000	196,650

The operating leases relate to the rental of office premises.

21 Post Balance Sheet events

At the Board meeting in October 2020 the trustees determined that the Local People programme should be closed. The programme formally closed from 31 March 2021. Funds disclosed as committed in 2019/20, totalling £600,613, for this programme have been cancelled in 2020/21. It is considered that the impact of the programme closure is not material because of plans put in place to provide further small grants under the Active Communities programme to some of the projects, under the pre-existing terms of that programme.