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**THE OFFICE OF HEALTH ECONOMICS**  
(A Company Limited by Guarantee)

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

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**THE OFFICE OF HEALTH ECONOMICS**  
**(A Company Limited by Guarantee)**

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

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<b>Trustees</b>	Ms A R Charlesworth, Trustee Dr R D Torbett, Trustee Mr W P Holmes, Trustee Ms M K Kyle, Trustee Mr W B F Brouwer, Trustee Ms S R Rienow, Trustee (resigned 4 October 2023) Mr P Catchpole, Trustee (appointed 4 October 2023) Mr T E Allvin, Trustee (appointed 23 February 2024)
<b>Company registered number</b>	09848965
<b>Charity registered number</b>	1170829
<b>Registered office</b>	2nd Floor Goldings House Hay's Galleria 2 Hay's Lane London SE1 2HB
<b>Company secretary</b>	R Hollingsworth
<b>Chief executive officer</b>	Prof G Cookson
<b>Independent auditors</b>	BDO LLP Statutory Auditor & Chartered Accountants 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA

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**THE OFFICE OF HEALTH ECONOMICS**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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The Trustees, who are also directors for the purposes of company law, present their report together with the audited consolidated financial statements of the group and the company, 'The Office of Health Economics' ("OHE", "the charitable company", "the charity" or "the company") (charity number 1170829) (registered in England and Wales), and its subsidiary undertaking OHE Consulting Limited (registered in England and Wales) (collectively "the group") for year ended 31 December 2023.

The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

As stated in Note 18 to the financial statements the ultimate parent company of OHE is considered to be the Association of the British Pharmaceutical Industry ("the ABPI"). The registered address of the ABPI is 2nd Floor Goldings House, Hay's Galleria, 2 Hay's Lane, London, SE1 2HB. The ABPI provides a research grant to OHE to enable it to independently progress its charitable purpose and objectives as summarised below.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 ("Charities SORP FRS 102").

### **Objectives and activities**

The Office of Health Economics' objectives are to advance the education of the public in general/health care payers/policy makers, particularly patients and healthcare professionals, on the subject of health economics and healthcare policy.

Activities in furtherance of this include, in particular, but not exclusively:

- the promotion of evidence based health care policy, by carrying out research on the economics of health, health care systems and the life sciences industry;
- the promotion of effective and efficient use of health care resources, by advancing the use of economic approaches to support decision making; and
- the facilitation of decision making and awareness of health care policy issues, by encouraging debate and dissemination of relevant health economics research.

The term "health economics" means the application of economic theory, models and empirical techniques to the analysis of decisions making by people, health care providers and governments with respect to health and health care.

In planning the activities of the charity, the Trustees have had regard to the Charity Commission's guidance on public benefit. They consider the information which follows in this annual report, about the company's aims, activities and achievements in the areas of interest that the company supports demonstrates the benefit to its beneficiaries and through them to the public.

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

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**Achievements and performance**

OHE has once again undertaken an ambitious programme of original research, generating findings published in high quality peer reviewed journals, and via its own publication series, on the economics of health technology appraisal, the economics of health care systems and the economics of the life sciences industry. OHE's work has direct relevance to policy, and evidence from our research programme informs health care decision making and health care policy. OHE also contributes directly to the development and promotion of excellence in the field of health economics via our seminars, lectures, leadership roles in professional societies, and other academic activities. OHE's consulting arm has produced authoritative analyses for our clients and a financial surplus from which it contributes to the financial sustainability of OHE as a research charity.

The company and group have continued to perform successfully this year. Internal and external funding has continued to be provided to finance a wide range of research projects and consultancy advice provided to the life sciences industry, public sector organisations and the ABPI.

The key performance indicators are external research funding targets, consultancy income targets and operating expenditure targets. In 2023, research funding was 103% of target and consultancy income was 96% of target. Operating expenditure in 2023 was 99% of the budget target. Overall, the company made a small net operating loss as it made significant investments in charitable work, including the development of Third Edition of The Health Economics Dictionary which required significant staff input and constrained the organisation's capacity to deliver against the full consultancy target for the year.

**Financial review**

**a. Going concern**

After making appropriate enquiries, and getting confirmation of on going support from ABPI (Note 17), the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

The Trustees are aware that the operational and financial implications of the conflict between Ukraine and Russia as well as the Gaza war, have been considered by the Governance Committee of OHE's ultimate parent company the ABPI. The Governance Committee have concluded that the ABPI has sufficient financial reserves, income and expenditure controls to avoid any liquidity issues for at least 12 months from the approval of these financial statements.

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

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**b. Reserves policy**

The Trustees have examined the charitable company's requirement for resources in light of the main risks to the company and have no outstanding commitments or cash demand which are not adequately covered by existing resources.

The group's reserves policy continues to ensure that the company has adequate cash and reserves to meet current and future needs, and this is reviewed annually as part of the budget process. The charity reserves was £1,092,664 (2022 - £1,223,115) as at the year ended 31 December 2023. The Trustees have agreed with the ABPI that the research grant will in principle be a fixed amount each year, to help enable OHE to record an operating profit each year and build its own financial reserves.

The group's reserves target is 6 months of payroll expenditure. For 2024, that would be a target of £1,856,000. the group continue to work towards this by preparing a budget that delivers a 5% surplus to steadily increase the total reserves which the Trustees and Executive Management Team believe is sustainable. This has been possible over the past several years with the exception of 2023. We suggest that generating a surplus which is too significant would not be inline with delivering on our Charitable Objects.

The policy will seek to balance the goal of sustainability with the needs to be efficient as a not-for-profit organisation. Research funding and consultancy contracts are always agreed before making any expenditure commitments.

**Financial review (continued)**

**c. Work programmes and funding**

The company's current work programme is supported by research grants and consultancy revenues from a wide range of UK and international sources including the ABPI and other commercial clients, as well as the Health Foundation, European Commission, and a number of charitable and other organisations.

**d. Results for the year**

OHE Consulting Limited, the company's wholly owned subsidiary, made an operating profit of £676,952 (2022 - £1,108,388) and made a gift aid payment for this amount to its parent company, the OHE.

The company made an operating loss of £807,403 (2022 - £795,165) prior to the gift aid payment received from OHE Consulting Limited, and therefore overall the group realised a loss for 2023 of £130,451 (2022 - profit of £313,223).

**e. Fundraising**

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." Such amounts receivable would be presented in our accounts as "voluntary income" and includes legacies and grants.

**Structure, governance and management**

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

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**Structure, governance and management (continued)**

**a. Constitution and legal structure**

The company is registered as a charitable company limited by guarantee (charity number 1170829) and was set up by a Memorandum of Association on 29 October 2015.

The company has a wholly owned subsidiary, OHE Consulting Limited, a company limited by shares. This company provides health economic consultancy services to the life sciences industry. The legal structure enables the research activities of the charitable company to be kept separate to the commercial consultancy activity. Both companies share the same directors and key management personnel.

**b. Methods of appointment or election of Trustees**

The management of the company is the responsibility of the Trustees who are elected and co opted under the terms of the Memorandum of Association.

The ABPI, as the sole member of the charity, has the sole right to appoint Trustees to the Board of the charity.

**c. Policies adopted for the induction and training of Trustees**

As part of their training, Trustees are provided a comprehensive 'operating' manual, which includes the charitable company's Memorandum of Association and Charity Commission guidance on trustee responsibility. All Trustees are aware of their legal duties and obligations in respect of the management of the charitable company, including in relation to the protection of its assets.

**d. Pay policy for key management personnel**

Two Trustees received fees for services during the period. Details of Trustees' fees, expenses and related party transactions are disclosed in Note 8 to the financial statements.

The company uses benchmark data from other research and consultancy organisations to help set pay and remuneration for key staff. Annual pay reviews are then linked to performance against agreed objectives, inflation rates and market trends.

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

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**Structure, governance and management (continued)**

**e. Organisational structure and decision-making policies**

The company is governed by the Board of Trustees. The Trustees of the company during the period were as follows:

Ms A Charlesworth, Trustee  
Mr R D Torbett, Trustee  
Mr W P Holmes, Trustee  
Ms K Kyle, Trustee  
Mr W B F Brouwer, Trustee  
Ms S R Rienow, Trustee (resigned 4 October 2023)  
Mr P Catchpole, Trustee (appointed 4 October 2023)  
Mr T E Allvin, Trustee (appointed 23 February 2024)

In addition to the Board of Trustees, the company is managed by the Executive Management Team, and advised by an Editorial Committee, a Research Committee and a Policy Committee. Each Committee is Chaired by a Trustee and provides regular reports to the entire Board.

The Executive Management Team during the period were as follows:

Prof G Cookson (Chief Executive)  
Prof L Steuten (Deputy Chief Executive)  
Prof M Jofre Bonet (Chief Research Officer and Head of Education)

The Executive Management Team is responsible for the day-to-day running of the company. Significant policy and strategy matters are referred to the Board for guidance and decisions as required

The ultimate parent undertaking and controlling party is considered to be the Association of the British Pharmaceutical Industry Limited ("the ABPI"), registered in England and Wales, 09826787, by virtue of it being the sole member of the company. Transactions with other related parties are disclosed in Note 17.

As per the company Articles, the ABPI is entitled to appoint a majority of the Trustees (4/7), one of which is the Chief Executive of the ABPI.

**f. Risk management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to manage the exposure to the major risks.

The principal risks facing the company and group are a reduction in research funding or consultancy income together with the loss of key staff. Funding and income wins and proposals are closely monitored against budget expectations by the Executive Management Team and if necessary cost savings are identified to cover any income shortfall. A competitive remuneration package, development through work experience and succession planning are used to attract and retain high calibre staff.



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

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**Plans for future periods**

OHE will continue to develop its programme of original research, supported by a wide range of research funders in the UK and internationally. OHE will continue to expand the focus of our work beyond the UK, and to focus effort on maximising the impact of our research on improving health care decision making both in the UK and further afield. In its role as a newly established charity, OHE will be developing evidence based policy positions, which it will advocate by engaging with a wide range of stakeholders via events, media commentaries, and publications.

**Statement of Trustees' responsibilities**

The Trustees (who are also directors of OHE for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

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

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

**Disclosure of information to auditors**

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

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

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**Auditors**

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006. BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127). The registered office is 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2016 relating to small companies.

This report was approved by the Trustees, and signed on their behalf by:

**Trustee**

Date:

**Trustee**

Date:

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**THE OFFICE OF HEALTH ECONOMICS**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OFFICE OF HEALTH ECONOMICS**

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**Opinion**

We have audited the financial statements of The Office of Health Economics ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 December 2023 which comprise the consolidated statement of financial activities (incorporating income and expenditure account), the consolidated and company balance sheets, the consolidated 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 Group's and of the Parent Charitable Company's affairs as at 31 December 2023 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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.

**Conclusions relating to going concern**

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

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

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

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**THE OFFICE OF HEALTH ECONOMICS**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OFFICE OF HEALTH ECONOMICS**  
**(CONTINUED)**

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**Other information**

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

**Other Companies Act 2006 reporting**

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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**THE OFFICE OF HEALTH ECONOMICS**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OFFICE OF HEALTH ECONOMICS**  
**(CONTINUED)**

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**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

*Extent to which the audit was capable of detecting irregularities, including fraud*

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

*Non-compliance with laws and regulations*

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be UK Companies Act, Charities Act 2011, and relevant UK tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be employment law, data protection and health and safety legislation..

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**THE OFFICE OF HEALTH ECONOMICS**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OFFICE OF HEALTH ECONOMICS**  
**(CONTINUED)**

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Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

**Fraud**

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the areas most susceptible to fraud to be posting of inappropriate journal entries and management bias in income recognition.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing an additional unpredictable sample of journals throughout the year, outside of the defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant judgements made by management for bias, including management's assessment of the stage of completion related to consultancy and research income.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OFFICE OF HEALTH ECONOMICS**  
**(CONTINUED)**

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**Use of our report**

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an 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.

**David Wildey (Statutory Auditor)**

For and on behalf of BDO LLP, Statutory Auditor  
Gatwick, UK

Date:

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

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

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>				
Donations - research grant		211,216	211,216	300,000
Charitable activities		697,957	697,957	551,285
Other trading activities		3,545,831	3,545,831	3,533,347
Interest receivable		9,405	9,405	1,453
<b>Total income</b>		<b>4,464,409</b>	<b>4,464,409</b>	<b>4,386,085</b>
<b>Expenditure on:</b>				
Costs of other trading activities		2,876,291	2,876,291	2,426,000
Charitable activities	3,4	1,718,569	1,718,569	1,646,862
<b>Total expenditure</b>		<b>4,594,860</b>	<b>4,594,860</b>	<b>4,072,862</b>
<b>Net movement in funds</b>		<b>(130,451)</b>	<b>(130,451)</b>	<b>313,223</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		1,223,115	1,223,115	909,892
Net movement in funds		(130,451)	(130,451)	313,223
<b>Total funds carried forward</b>		<b>1,092,664</b>	<b>1,092,664</b>	<b>1,223,115</b>

The notes on pages 18 to 31 form part of these financial statements.



**THE OFFICE OF HEALTH ECONOMICS**  
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**REGISTERED NUMBER: 09848965**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	9	33,115	31,790
		<u>33,115</u>	<u>31,790</u>
<b>Current assets</b>			
Debtors	10	1,879,379	1,545,005
Cash at bank and in hand	14	659,393	1,037,647
		<u>2,538,772</u>	<u>2,582,652</u>
Creditors: amounts falling due within one year	11	(1,479,223)	(1,391,327)
<b>Net current assets</b>		<u>1,059,549</u>	<u>1,191,325</u>
<b>Total assets less current liabilities</b>		<u><u>1,092,664</u></u>	<u><u>1,223,115</u></u>
<b>Charity funds</b>			
Unrestricted funds		<u>1,092,664</u>	<u>1,223,115</u>
<b>Total funds</b>		<u><u>1,092,664</u></u>	<u><u>1,223,115</u></u>

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

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

**Trustee**

**Trustee**

Date:

Date:

The notes on pages 18 to 31 form part of these financial statements.

**THE OFFICE OF HEALTH ECONOMICS**  
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**REGISTERED NUMBER: 09848965**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	9	33,115	31,790
Investments		1	1
		<u>33,116</u>	<u>31,791</u>
<b>Current assets</b>			
Debtors	10	1,715,883	1,830,250
Cash at bank and in hand		130,616	255,772
		<u>1,846,499</u>	<u>2,086,022</u>
Creditors: amounts falling due within one year	11	(786,951)	(894,698)
<b>Net current assets</b>		<u>1,059,548</u>	<u>1,191,324</u>
<b>Total net assets less current liabilities</b>		<u><u>1,092,664</u></u>	<u><u>1,223,115</u></u>
<b>Charity funds</b>			
Unrestricted funds		<u>1,092,664</u>	<u>1,223,115</u>
<b>Total funds</b>		<u><u>1,092,664</u></u>	<u><u>1,223,115</u></u>

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**THE OFFICE OF HEALTH ECONOMICS**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 09848965**

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**COMPANY BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2023**

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

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The loss after tax after gift aid of the parent Company for the year was £130,451 (2022 - *profit after tax after gift aid* £313,223).

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

**Trustee**

**Trustee**

Date:

Date:

The notes on pages 18 to 31 form part of these financial statements.

**THE OFFICE OF HEALTH ECONOMICS**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b> £	<b>2022</b> £
<b>Cash flows (used in)/from operating activities</b>		
Net cash (used in)/generated from operating activities	<b>(371,764)</b>	<b>505,545</b>
<b>Cash flows (used in)/from investing activities</b>		
Purchase of tangible fixed assets	<b>(15,895)</b>	<b>-</b>
<b>Net cash (used in)/provided by investing activities</b>	<b>(15,895)</b>	<b>-</b>
<b>Cash flows (used in)/from financing activities</b>		
Interest received	<b>9,405</b>	<b>-</b>
<b>Net cash provided by financing activities</b>	<b>9,405</b>	<b>-</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(378,254)</b>	<b>505,545</b>
Cash and cash equivalents at the beginning of the year	<b>1,037,647</b>	<b>532,102</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>659,393</b>	<b>1,037,647</b>

The notes on pages 18 to 31 form part of these financial statements

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**THE OFFICE OF HEALTH ECONOMICS**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

The Office of Health Economics ("the company") meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The net income and expenditure for the period dealt with in the accounts of the parent company was a net expenditure of £130,451 (2022 - *net income of £313,223*).

In considering whether it continues to be appropriate to prepare financial statements on a going concern basis the Trustees have considered the ongoing support from the ABPI, the evaluation of the war in Ukraine, inflation and interest rate rises, and concludes that the ABPI has sufficient financial reserves, income and expenditure controls to avoid any liquidity issues for at least 12 months from the approval of these financial statements.

There is no indication that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. We have come to this conclusion following a review of the liabilities and cash flow over the next 12-18 months.

**1.2 Company Status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 4. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

**1.3 Fund accounting**

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

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**THE OFFICE OF HEALTH ECONOMICS**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.4 Income**

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

Consultancy project income is included to the extent that it has been earned in the period by reference to appropriate project milestones or project completion. Payments received in advance for consultancy projects are included in Creditors (Deferred Income) to the extent that these have not been earned in the period.

**1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

**1.6 Tangible fixed assets and depreciation**

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

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

IT Software	-	33% straight line
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**THE OFFICE OF HEALTH ECONOMICS**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.7 Debtors**

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

**1.8 Cash and Cash Equivalents**

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

**1.9 Liabilities and provisions**

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

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

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

**1.10 Financial instruments**

The company 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.11 Foreign currencies**

The company's and group's functional and presentational currency is Pounds Sterling.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities incorporating the income and expenditure account.

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**THE OFFICE OF HEALTH ECONOMICS**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.12 Pensions**

Another group entity operates a defined contribution pension scheme and the pension charge represents the amounts which have been recharged by another group entity in respect of the staff pensions payable to the funds in respect of the year.

**2. Critical accounting estimates and areas of judgment**

Estimates and judgments 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.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

*(a) Impairment of trade and other debtors*

The company makes a judgement of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the credit rating of the debtor, ageing profile of the debtors and historical experience. See Note 10 for the net carrying amount of debtors.

*(b) Accrued and deferred income*

The group reviews the amount of any income generated but not invoiced to customers at the year end, or vice versa, based on the extent of services provided and what is expected to be invoiced after the period end, or already been invoiced before the period end.



**THE OFFICE OF HEALTH ECONOMICS**  
(A Company Limited by Guarantee)

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

**3. Analysis of expenditure by activities**

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Unrestricted			
Direct charitable expenditure	1,612,284	-	1,612,284
Support costs - governance	-	31,110	31,110
Support costs - general	-	75,175	75,175
<b>Total 2023</b>	<b>1,612,284</b>	<b>106,285</b>	<b>1,718,569</b>

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Unrestricted			
Direct charitable expenditure	1,517,025	-	1,517,025
Support costs - governance	-	25,572	25,572
Support costs - general	-	104,265	104,265
<b>Total 2022</b>	<b>1,517,025</b>	<b>129,837</b>	<b>1,646,862</b>

Included within Direct charitable expenditure are staff costs totalling £961,939 (2022 - £898,305). A further £2,226,206 (2022 - £1,843,881) of staff costs are included within OHE Consulting Limited trading activities within Note 4. An analysis of total staff costs of £3,188,145 (2022 - £2,742,186), is provided in Note 6.

**THE OFFICE OF HEALTH ECONOMICS**  
(A Company Limited by Guarantee)

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

**3. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Governance 2023 £</b>	<b>General 2023 £</b>	<b>Total funds 2023 £</b>
Legal and professional related costs	7,619	-	7,619
Accountancy related costs	23,491	-	23,491
Human resources related costs	-	21,184	21,184
Facilities related costs	-	3,003	3,003
IT related costs	-	16,765	16,765
Other office support related costs	-	34,223	34,223
	<u>31,110</u>	<u>75,175</u>	<u>106,285</u>

	<i>Governance 2022 £</i>	<i>General 2022 £</i>	<i>Total funds 2022 £</i>
Legal and professional related costs	4,947	-	4,947
Accountancy related costs	20,625	-	20,625
Human resources related costs	-	18,303	18,303
Facilities related costs	-	4,516	4,516
IT related costs	-	24,691	24,691
Other office support related costs	-	56,755	56,755
	<u>25,572</u>	<u>104,265</u>	<u>129,837</u>

**THE OFFICE OF HEALTH ECONOMICS**  
(A Company Limited by Guarantee)

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

**4. Analysis of expenditure by expenditure type**

	<b>Other costs 2023</b>	<i>Other costs 2022</i>
	£	£
<b>OHE Consulting trading activities</b>	<b>2,876,291</b>	2,426,000
Direct charitable expenditure	<b>1,612,284</b>	1,517,025
General support costs	<b>75,175</b>	104,265
<b>Charitable activities</b>	<b>1,687,459</b>	1,621,290
 <b>Expenditure on governance</b>	 <b>31,110</b>	 25,572
	<u><b>1,718,569</b></u>	<u>1,646,862</u>
 <b>Total Expenditure</b>	 <u><u><b>4,594,860</b></u></u>	 <u><u>4,072,862</u></u>

**5. Auditors' remuneration**

	<b>2023</b>	<i>2022</i>
	£	£
Fees payable to the company's auditor and its associates in respect of:		
Audit-related assurance services	<u><b>9,000</b></u>	<u>9,000</u>

**6. Staff costs**

Staff costs, including key management personnel (see Note 7), were as follows:

	<b>Group 2023</b>	<i>Group 2022</i>	<b>Company 2023</b>	<i>Company 2022</i>
	£	£	£	£
Wages and salaries	<b>2,693,492</b>	2,303,442	<b>811,280</b>	782,780
Social security costs	<b>317,736</b>	274,813	<b>93,346</b>	70,853
Contribution to defined contribution pension schemes (Note 16)	<b>176,917</b>	163,931	<b>57,313</b>	44,672
	<u><b>3,188,145</b></u>	<u>2,742,186</u>	<u><b>961,939</b></u>	<u>898,305</u>

**THE OFFICE OF HEALTH ECONOMICS**  
(A Company Limited by Guarantee)

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

**6. Staff costs (continued)**

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

	<b>Group 2023 No.</b>	<i>Group 2022 No.</i>	<b>Company 2023 No.</b>	<i>Company 2022 No.</i>
Key management personnel	3	3	3	3
Administrative staff	33	28	33	28
	<b>36</b>	<i>31</i>	<b>36</b>	<i>31</i>

The number of higher paid employees was:

	<b>Group 2023 No.</b>	<i>Group 2022 No.</i>
In the band £60,001 - £70,000	5	7
In the band £70,001 - £80,000	6	3
In the band £80,001 - £90,000	2	-
In the band £90,001 - £100,000	1	2
In the bank £100,001 - £110,000	2	-
In the band £110,001 - £120,000	-	1
In the band £140,001 - £150,000	1	1
In the band £200,001 - £210,000	-	1
In the band £220,001 - £230,000	1	-
In the band £330,001 - £340,000	-	1
In the band £350,001 - £360,000	1	-

**7. Key management personnel**

	<b>2023 £</b>	<i>2022 £</i>
Wages and salaries	719,995	678,889
Social security costs	93,199	92,223
Cost of defined contribution scheme (Note 16)	25,270	23,539
	<b>838,464</b>	<i>794,651</i>

In addition to the Board of Trustees, there were 3 (2022 - 3) key management personnel, 2 (2022 - 2) of which accrued benefits under another group entity's defined contribution pension scheme during the period.

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**THE OFFICE OF HEALTH ECONOMICS**  
**(A Company Limited by Guarantee)**

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

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**8. Trustees' fees**

	<b>2023</b> £	<i>2022</i> £
Fees for services provided (see below)	<b>26,555</b>	30,260
Reimbursed travel expenses paid to 1 trustee	-	1,256
	<u><b>26,555</b></u>	<u>31,516</u>

The highest paid Trustee received remuneration of £NIL (2022 - £NIL).

A Charlesworth, Trustee, received fees for services provided during the period of £14,065 (2022 - £12,890).

M Kyle, Trustee, received fees for services provided during the period of £12,490 (2022 - £14,550).

M Drummond, Trustee, received fees for services provided during the period of £Nil (2022 - £2,820).

The fees paid to the two Trustees noted above during the period related to the provision of consultancy and advisory services in respect of direct charitable activities. This directly contributed to the company achieving its' objectives.

The services provided by the Trustees relates to advice in respect of specialist areas within health economics and healthcare policy and hence it would have proven difficult to obtain these services from a third party.

No Trustees received fees for being Trustees and no other remuneration or expenses were paid to the Trustees during the period.

The above payments were made in line with the authority contained within the Charity's memorandum and articles of association.

**THE OFFICE OF HEALTH ECONOMICS**  
(A Company Limited by Guarantee)

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

**9. Tangible fixed assets**

**Group and Company**

	IT software £
<b>Cost or valuation</b>	
At 1 January 2023	31,790
Additions	15,895
At 31 December 2023	<u>47,685</u>
<b>Depreciation</b>	
At 1 January 2023	-
Charge for the year	14,570
At 31 December 2023	<u>14,570</u>
<b>Net book value</b>	
At 31 December 2023	<u>33,115</u>
At 31 December 2022	<u>31,790</u>

**10. Debtors**

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
<b>Due within one year</b>				
Trade debtors	1,220,246	957,014	60,386	83,098
Amounts owed by group undertakings	-	294,955	1,315,578	1,638,537
Prepayments and accrued income	659,133	293,036	339,919	108,615
	<u>1,879,379</u>	<u>1,545,005</u>	<u>1,715,883</u>	<u>1,830,250</u>

**THE OFFICE OF HEALTH ECONOMICS**  
(A Company Limited by Guarantee)

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

**11. Creditors: Amounts falling due within one year**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Trade creditors	32,821	54,791	30,393	42,619
Amounts owed to group undertakings	591,930	465,683	577,359	465,683
Other creditors	-	606	-	-
Accruals and deferred income	854,472	870,247	179,199	386,396
	<b>1,479,223</b>	<b>1,391,327</b>	<b>786,951</b>	<b>894,698</b>
	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Deferred income at the beginning of the year	594,710	844,300	244,756	190,756
Resources deferred during the year	581,655	594,710	57,369	244,756
Amounts released from previous periods	(594,710)	(844,300)	(244,756)	(190,756)
<b>Deferred income at the end of the year</b>	<b>581,655</b>	<b>594,710</b>	<b>57,369</b>	<b>244,756</b>

**12. Financial instruments**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>Financial assets</b>				
Financial assets measured at fair value through income and expenditure	659,393	1,037,647	130,616	255,772
Financial assets measured at amortised cost	1,820,128	1,495,807	1,656,632	1,781,052
	<b>2,479,521</b>	<b>2,533,454</b>	<b>1,787,248</b>	<b>2,036,824</b>
	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>Financial liabilities</b>				
Financial liabilities measured at cost less impairment	897,568	796,617	729,582	649,962

**THE OFFICE OF HEALTH ECONOMICS**  
(A Company Limited by Guarantee)

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

**12. Financial instruments (continued)**

Financial assets measured at fair value through income and expenditure comprise of cash and cash equivalents.

Financial assets measured at amortised cost comprise of debtors falling due within one year, excluding prepayments.

Financial liabilities measured at cost less impairment comprise of creditors falling due within one year, excluding deferred income.

**13. Reconciliation of net movement in funds to net cash flow (used in)/from operating activities**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>
Net (deficit)/surplus for the year (as per Statement of Financial Activities)	<b>(130,451)</b>	313,223
<b>Adjustments for:</b>		
Depreciation charges	<b>14,570</b>	923
Loss on the disposal of fixed assets	-	1,393
(Increase)/decrease in debtors	<b>(334,374)</b>	271,534
(Decrease)/increase creditors	<b>87,896</b>	(49,738)
Acquisition of IT software	-	(31,790)
Interest received	<b>(9,405)</b>	-
<b>Net cash (used in)/provided by operating activities</b>	<b>(371,764)</b>	505,545

**14. Cash and cash equivalents**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>
Cash at bank and in hand	<b>659,393</b>	1,037,647
<b>Total cash and cash equivalents</b>	<b>659,393</b>	1,037,647



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**THE OFFICE OF HEALTH ECONOMICS**  
**(A Company Limited by Guarantee)**

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

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**15. Analysis of changes in net debt (Group)**

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	1,037,647	(378,254)	659,393
	<u>1,037,647</u>	<u>(378,254)</u>	<u>659,393</u>

**16. Pension commitments**

The ultimate parent entity operates a defined benefit contribution pension scheme. The pensions cost charge represents contributions which were payable to the fund, and were recharged by another group entity for staff undertaking work on behalf of the OHE Group, and amounted to £176,917 (2022 - £163,931) for the group and £57,313 (2022 - £44,672) for the company.

**17. Related party transactions**

During the period two Trustees received fees for services totalling £26,555 (2022 - £30,260) (refer to Note 8 for details). At the balance sheet date, no amount (2022 - £Nil) of this was outstanding.

During the period the company received research grants totalling £200,000 (2022 - £300,000) from the ABPI (refer to Note 18 below).

During the period, the group and company incurred support costs totalling £368,280 and £106,285 respectively (2022 - £405,360 and £129,837), which were recharged by the ABPI (refer to Note 18 below).

During the current and comparative period, the company received a transfer of profits from OHE Consulting Limited, which were transferred via Gift Aid (refer to Note 19 below).

**18. Ultimate parent undertaking and controlling party**

The ultimate parent undertaking and controlling party is considered to be the Association of the British Pharmaceutical Industry Limited ("the ABPI"), registered in England and Wales, 09826787, by virtue of it being the sole member of the company. The Association represents innovative research based biopharmaceutical companies, large, medium and small, leading an exciting era of bioscience in the UK. This company prepares consolidated financial statements. These are available to the public and may be obtained from 2nd Floor Goldings House, Hay's Galleria, 2 Hay's Lane, London, SE1 2HB.

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**THE OFFICE OF HEALTH ECONOMICS**  
**(A Company Limited by Guarantee)**

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

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**19. Principal subsidiaries**

The following was a subsidiary undertaking of the company:

<b>Name</b>	<b>Country of Incorporation</b>	<b>Principal activity</b>	<b>Holding</b>
OHE Consulting Limited	United Kingdom	Provision of policy and strategic expertise on healthcare and related matters.	<b>100%</b>

During the period, OHE Consulting Limited, registered company number 09853113, generated income totalling £3,545,831 (2022 - £3,533,347), and incurred expenditure totalling £2,876,291 (2022 - £2,426,000), plus interest received of £7,412 (2022 - £1,041), generating profits for the period of £676,952 (2022 - £1,108,388). OHE Consulting Limited elected to transfer its profits, by Gift Aid, to the company leaving aggregated assets in OHE Consulting Limited of £1 at the period end.

**20. Post balance sheet events**

There have been no significant events affecting the group since the year-end.