

Health Exchange Trustees' Report and Financial Statements For the year ended 31 March 2025

Company Number: 06445689 - Charity Number: 1188838

**HEALTH EXCHANGE TRUSTEES’ REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

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**HEALTH EXCHANGE TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

The Trustees of Health Exchange, who are also Directors for the purposes of company law, present their report and financial statements for the year ended 31 March 2025.

Reference and Administration

Company & Charity name: Health Exchange
A Charity & Private Company Limited by Guarantee

Registered Company Number: 06445689
Charity number: 1188838

Registered and
Correspondence Address: Avoca Court,
27 Moseley Road, Digbeth,
Birmingham
B12 0HJ

Advisors

Auditor: PKF Francis Clark
Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

Banker: Santander UK

Legal advisers: Higgs & Sons Solicitors,
3 Waterfront Business Park Brierley Hill,
West Midlands
DY5 1LX

HEALTH EXCHANGE TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Trustees

The following Trustees, who are also the Directors for the purposes of company law, held office on the Health Exchange Governing Board during the year and to the date of signing these financial statements:

Dr. Jacky Chambers,
Mr. David Melbourne,
Dr. Russell Muirhead (Chair)
Sir David Winkley
Dr Andrew Kemp
Miss Amy Soar (resigned 9 September 2025)
Mr Alex Spyrou
Dr Andrew Papadopoulos
Stacey Taylor (appointed 13 June 2024)

Senior Staff

The senior executive staff of the Charity, and of its commercial subsidiary, Living Well Taking Control – Health Exchange Limited, during the year comprised:

Mr. Alan Weinstock, Chief Executive Officer
Mrs. Olabimpe Odubanjo, Head of Finance
Mrs. Rachel Georgiou, Head of Prevention Services
Mr Stuart Haw – Head of Social Prescribing (Until May 24)
Ms. Parminder Sandhu, Head of Mental Health Service (Until Sept 24)
Ms Sonal Siqueira (Maternity Cover) Head of Mental Health Services (from Sept 24)
Mrs. Claire Christie, HR manager (Until May 24)
Ms. Emily Wright, HR Manager (From June 24)

Narrative Report

This Trustees' Report covers the twelve-month period 1st April 2024 – 31st March 2025.

1. Structure, Governance and Management

Nature of Governing Document

The governing documents of Health Exchange are the Articles of Association, which were approved and registered on 29th October 2019.

Trustee Appointments

Trustees of Health Exchange serve as Governing Board members for a three-year period and may be re-elected for up to three consecutive terms. All trustees go through a comprehensive induction with Governing Board and Executive Team members and are provided with introductory documentation to assist them.

Organisational Structure

The Health Exchange Governing Board governs the charity on behalf of its members. The charity has a subsidiary, Living Well Taking Control – Health Exchange Limited (company no. 14541125) which has its own Board of Directors. The Governing Board determines the strategic direction of the organisation, including its policies, objectives and goals. Health Exchange's Chief Executive Officer (CEO) had overarching responsibility for the management of the organisation and the executive delivery of its plans and activities to implement these strategic goals. He leads the Executive Team which works to deliver the charity's mission.

HEALTH EXCHANGE TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 5th April 2023 was six. The Trustees are members of the charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

2. Objectives and Activities

Legal Objects

The legal objects of the Charity, as defined in its Articles of Association are:

- The advancement of health, including public health and wellbeing.
- To promote social inclusion amongst marginalised and minority groups who are excluded from society, or parts of society, due to their social and economic position by providing education, training, information, and opportunities for social interaction.
- The promotion of urban regeneration in areas of social and economic deprivation (in particular, but not exclusively in, the West Midlands) by all or any of the following means:
 - (a) The relief of poverty.
 - (b) The relief of unemployment.
 - (c) The advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience.
 - (d) The provision of public health facilities:
- The advancement of education, including the provision of training, particularly in relation to matters of health.
- To develop the capacity and skills of members of the public in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society.

Mission of the Charity

Health Exchange's Mission is: 'To shape the design and development of health and wellbeing services that will enable everyone to have the capacity and confidence to choose positive health and wellbeing.' To achieve our mission, we rely on our core values:

- **Investing** in our people by recruiting local people and helping them to develop their skills and knowledge.
- **Being The Best** at providing services that meet the needs of every individual, commissioner, or buyer of our services.
- **Social Value** by spending money in a way that benefits our local communities.
- **Innovation** by creating new ways of working which continue to make our services more efficient and engaging.
- **Empowerment** support patients to develop the knowledge, skill, and confidence to become active participants in achieving their health and wellbeing goals.

Public Benefit Statement

Health Exchange's charitable objects are enshrined within its Articles of Association, and as such, the Trustees ensure that the objectives are achieved through our priority areas. Quarterly and annual reviews of our work evaluate our activities against our set aims, targets and outcomes. A structured model of evaluation enables us to identify if we are achieving our outcomes to allow us to tailor our service delivery to match local needs more closely.

In setting plans and priorities for areas of work, the Trustees of Health Exchange have had regard to the guidance from the Charity Commission on the provision of public benefit and Health Exchange meets the definition of a public benefit entity under FRS 102. In particular, the Trustees consider how planned activities contribute to meeting charitable objectives – as set out in the Articles of Association.

HEALTH EXCHANGE TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Fundraising

In the 2024-25 financial year Health Exchange did not engage in public fundraising and did not use professional fundraisers. The Charity, nevertheless, observes and complies with the relevant fundraising regulations and codes where appropriate. During the year there was no non-compliance of these regulations and codes, and we received no complaints relating to our fundraising practice.

Plans and Budgets

Each year Health Exchange's Executive Team develops annual targets for its programmes, and these are operationalised in annual plans and budget approved by the Governing Board. The monitoring and achievement of these targets, plan and budget is the principal means through which the Charity measures and reports on its progress in meeting its Mission.

Strategy and Operations Structure, Governance and Management

During 2024/25, Health Exchange demonstrated robust organisational governance and strategic adaptation across all operational areas.

Health Exchange board strengthened its leadership through the successful recruitment of one trustee, with experience in financial management.

As part of strengthening strategic direction and governance, Health Exchange held a strategic workshop with trustees and the senior management team in November 2024. The session sharpened organisational purpose and ambition, identifying clear priorities for growth and diversification to secure long-term sustainability.

Strategic developments during 2024/25 focused on building a resilient organisation through revenue diversification, stronger partnerships, enhanced service quality, and robust financial and risk management, ensuring Health Exchange continues to deliver vital community health prevention services.

Customer satisfaction with the social prescribing service remains exceptionally high, averaging 4.9 out of 5 across all key measures, with clients praising the supportive staff, clear communication, and positive impact on wellbeing. Similarly, Living Well Taking Control (LWTC) achieved strong outcomes in 2024/25, with wellbeing scores improving for 4,257 participants, an 11% increase on the previous year, reflecting the programme's growing impact in helping people improve their health, confidence, and overall wellbeing.

Operational excellence was demonstrated by achieving Cyber Essentials Plus certification and conducting thorough policy reviews, underscoring our commitment to data security and governance. Health Exchange's strategic investment in in-house marketing enhanced content quality and audience engagement. Despite market challenges, Health Exchange maintained strong financial reserves and upheld strict GDPR compliance.

People Management

Over the past year, we have continued to strengthen our people practices across Health Exchange (HEX) and Living Well Taking Control (LWTC), with a clear focus on supporting staff, developing talent, maintaining compliance, and responding thoughtfully to organisational change.

In 2024/25, we proudly invested in our people, reviewing the structured training programme that achieved compliance with statutory and mandatory requirements. Six team members began their Leadership and Management apprenticeships, five at Level 3 and one at Level 5, marking a fantastic step forward in nurturing talent and growing future leaders across our organisations.

HEALTH EXCHANGE TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

This year also saw significant change within our Mental Health Talking Therapy service. Following financial and operational pressures, a decision was taken to close the service. A formal consultation process was carried out between March and May 2025. As a result, three colleagues were made redundant, with their departures carefully managed over the following months. We are grateful for the contribution these individuals made to our work and ensured appropriate support was provided throughout the process. The self-employed practitioners continued to deliver services until mid-June 2025, when the contract came to an end. We were pleased to support a smooth transition, with practitioners redeployed to other organisations, ensuring continuity of skills, experience, and community impact.

Recruitment activity during the final quarter of the year was intentionally limited, reflecting the reduced headcount within mental health services. Looking ahead, we anticipate new opportunities for growth, particularly through the expansion of our weight management programmes within LWTC.

As of May 2025, Health Exchange employed 51 people under PAYE, with a further 20 employed by LWTC.

Three employees were on maternity leave, two of whom were receiving statutory maternity pay. We are pleased to report that there were no employees on long-term sick leave and no active disciplinary cases during this period, reflecting a positive and supportive working culture.

3. Operations Report

Operational Achievements Overview 2024/25

In 2024/25, Health Exchange and its trading subsidiary Living Well Taking Control (LWTC) delivered strong outcomes and introduced new programmes that strengthened their role in prevention and community-based health.

Social Prescribing maintained high performance across Coventry and Warwickshire and PCN areas, with the contract extended to March 2026. New referral pathways from urgent treatment centres and secondary care expanded reach, supporting thousands of patients with mental health, loneliness, and social isolation as leading referral reasons. Engagement through green prescribing, veterans' initiatives, and family hubs enhanced local impact.

LWTC saw major service growth. NHS England extended the National Diabetes Prevention Programme (NDPP) framework for two years, and the Long-Term Conditions (LTC) pilot was confirmed for mobilisation in 2025. Waiting times and uptake improved across digital and face-to-face delivery.

Mental health services were safely decommissioned following the end of a contract, allowing the organisation to refocus resources on preventative and early intervention services.

Business development advanced, strengthening the organisation's role in prevention. New partnerships with hospitals, leisure providers, schools and voluntary sector partners expanded reach and created opportunities to integrate wellbeing support into urgent care and community settings. A broader funding pipeline was developed, targeting both grant and statutory funding opportunities to drive long-term sustainability.

These developments demonstrate a year of focused delivery, service innovation, and strategic positioning to expand preventative health programmes and build long-term sustainability.

Social Prescribing Services

Throughout 2024/25, our Social Prescribing service continued to change lives and strengthen communities, navigating funding and commissioning shifts with resilience and focus.

HEALTH EXCHANGE TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The year began with contract renewals across Oldbury, Langley, Rugby and North Arden PCNs and the TUPE transfer of 14 staff. While this caused a short-term dip in referrals, we strengthened our foundations through ICB service reviews, improved data quality, stronger employment and secondary care pathways, and closer links with family hubs.

2,872 people were referred to Social Prescribing across Birmingham and Coventry & Warwickshire — a 36% reduction reflecting national PCN trends. Birmingham remained stable with 1,451 referrals (–6%), while Coventry & Warwickshire recorded 1,421 referrals, maintaining high-quality, personalised support.

Referral insights continue to shape our business development priorities, highlighting key needs around mental health (26%), loneliness (19%), and adult social care (16%). In Birmingham, physical activity, social care, and housing featured strongly. With 1,270 onward referrals made, we're supporting those most affected by health inequalities and the social determinants of health, particularly women, adults aged 30–59, and an increasing number of under-18s.

A major milestone was the extension of the Coventry and Warwickshire contract to March 2026, embedding our role in the Community Integrator model and enabling more proactive, preventative care. Innovation remained core, with new urgent care referral routes, migrant engagement, and initiatives like “Pets as Therapy” and green social prescribing.

Amid shifting priorities, our team-maintained quality, trust, and impact, proving the enduring power of social prescribing to build healthier, more connected communities.

Mental Health and Wellbeing Service.

In the 2024/25 reporting period, the mental health service received a total of 1,774 referrals, an increase of 1% from the previous year's 1756 referrals. The service access rate also rose by 6%, with 1,500 individuals accessing support compared to 1,415 the previous year. Additionally, there was an improvement in recovery outcomes, with 871 individuals achieving recovery, a 15% increase from the previous year's 760 recoveries.

Females continued to make up around 70% of service users, and the largest age group remained 18–35, with a sharp rise among 16–17-year-olds. Ethnicity remained diverse, with White British (32%) as the largest group and strong representation from Asian and Black communities (27%)

Although referral numbers to the mental health service remained stable, the service was ultimately decommissioned following both the loss of a key contract and a series of reviews highlighting the need for change. These reviews identified gaps in governance, communication, and integration with wider organisational functions, which limited the service's ability to adapt and demonstrate impact. Strengthened clinical governance, improved data systems, and more collaborative leadership have been identified as priorities for future development. These lessons will inform the design of more resilient, transparent, and outcome-focused services moving forward.

Living Well Taking Control

In 2024–25, Living Well Taking Control (LWTC) made a real difference to people's lives across the country. More than 82,000 people took their first step towards better health, supported by a programme that continues to grow in reach, impact, and innovation.

HEALTH EXCHANGE TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Through a combination of compassionate coaching and flexible delivery, more people than ever completed their journey. Initial attendance rose by 16% (43,000 people) milestone achievements increased by 26% (17,000 people) and completions grew by 11% (8,400 people).

Digital and remote options expanded dramatically, making support accessible to communities who may have struggled to engage in traditional ways. Behind these numbers are powerful stories of change. Over 18,000 people achieved weight loss, more than 8,000 reduced their waist measurements, and over 4,200 reported feeling better in themselves. These are not just statistics, they are lives transformed, families supported, and communities strengthened.

Commissioner confidence has grown too, with NHS England extending the NDPP contract to 2026 and selecting LWTC to help shape the future of hypertension prevention and weight loss programmes. With rising engagement among younger people and minority ethnic communities, LWTC is reaching further and working harder to ensure no one is left behind.

Together, these achievements reflect a simple truth: when people are given the right support, they can take control of their health and thrive. LWTC is proud to be part of that journey.

4. Financial Review

Income

Health Exchange's income comes from contracts for health services it is commissioned to provide by the National Health Service (NHS), both nationally – through NHS England's National Diabetes Prevention Programme (NDPP) – and locally, from Integrated Care Boards, Primary Care Networks and Clinical Commissioning Groups in Birmingham and the Midlands. The charity's income streams for the year can be divided into three categories:

- Fixed-income contracts;
- Payment-by-results contracts;
- Grants & Awards.

The first two categories are classified as unrestricted/designated to deliver on the service; and the last category is restricted as it is subject to specific restrictions imposed by the terms of the grant.

Total group income received from charitable activities in 2024/25 increased by 6% to £8,046,144 (2023/24: £7,608,767).

Donations and legacies

Health Exchange received no donation income or legacies in 2024/25.

Investments

Interest earned on funds on account generated income of £7,103 (2023/24: £3,160).

Expenditure

Charitable expenditure of £7,214,839 was made in 2024/25 (2023/24: £6,755,839).

As in previous years, 24% of Health Exchange's expenditures are on staffing cost to deliver services within the target communities; with 17% spent on management and support functions required for governance, oversight, compliance and to implement appropriate controls.

HEALTH EXCHANGE TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Remuneration and Pay Policy for Staff

Health Exchange is dedicated to fair and competitive pay that attracts and retains the skilled staff essential for maximising its impact and achieving charitable goals. The organisation strives to offer salaries that are both competitive within the health promotion sector and proportionate to each role's complexity, ensuring alignment with its overarching mission.

Reserves Policy

The aim of the charity's Reserves Policy is to accumulate sufficient funds to enable us to achieve our long-term strategic aims; and then to allocate these funds to projects of organisation-wide impact over single- or multi-year projects as required. The Governing Board has established a Reserves Policy setting a minimum of £300,000 to be retained for the charity's strategic reserves, with reserves above this level being used for activities that support Health Exchange's needs.

It is also the policy of the Trustees to have a contingency plan for maintaining Health Exchange's basic functions for three months in the event of the loss of core income. The resources necessary to enact the contingency plan are reviewed on an annual basis.

Reserves at the end of 2024/25 were £2,705,486 (2023/24 - £1,867,078). Free reserves (unrestricted funds minus fixed assets) were £2,337,382 (2023-24 – £1,491,478).

Future Plans

Key initiatives for 2024-25 will include expanding Social Prescribing Services by enhancing support for children, young people, and secondary care, guided by recent pilot successes. We plan to develop mental health and chronic disease programmes, strengthen partnerships, and invest in Link Worker training, proactively addressing contract risks from PCN shifts. Living Well Taking Control will target 50% referral uptake, broaden diabetes prevention across 13 areas, and join a Long-Term Conditions pilot with NHS England to amplify health impact.

Social Prescribing Services

2024/25 was a year of resilience, innovation, and renewed purpose for our Social Prescribing service. In line with the NHS Long Term Plan, we are proud to be part of the national shift from hospital to community, and from sickness to prevention, helping people live well, stay well, and connect to what matters most.

Despite a challenging year of contract transitions and funding pressures, our teams continued to deliver high-quality, person-centred support that transforms lives. Social prescribing remains a vital bridge between clinical care and community life, tackling social isolation, supporting mental health, and empowering people to take control of their wellbeing.

Looking ahead, we are building on this strong foundation. Over the next five years, we will expand our reach across Primary Care Networks, embed social prescribing in secondary and urgent care settings, and grow structured education and support programmes that empower people to manage their health earlier and more effectively. By integrating social prescribing with wellbeing, we will create seamless, preventative models of care that bridge hospital and community, strengthen resilience, and reduce pressure on the wider health system.

HEALTH EXCHANGE TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Our vision is a connected community infrastructure where health and wellbeing thrive beyond clinical settings. Together with our partners and communities, we are proving that prevention works — and connection changes lives.

Mental Health and Wellbeing Services

As we reset following the decommissioning of our talking therapy service, we are seizing the opportunity to build a stronger, more integrated model of care.

Through innovation and partnership, we will develop an Integrated Mental Health & Social Prescribing Proposal that connects clinical support with community wellbeing, ensuring earlier intervention, better outcomes, and lasting impact.

Living Well Taking Control

Living Well Taking Control is proud to stand at the forefront of national prevention strategies. Building on our strong foundation in diabetes prevention, we are ready to deliver the full suite of Healthier You interventions; four integrated programmes commissioned through single contracts per ICS. LWTC already delivers two of the four directly: NHS Diabetes Prevention, Behavioural Support for Obesity Prescribing (BSOP), with pilots planned for the Long-Term Condition Prevention (LTC) and the fourth, NHS Type 2 Path to Remission, via our digital partner, Liva. Together, these interventions create a unified, person-centred model supporting people to live healthier lives.

We aim to expand our reach across communities, and drive equity by ensuring that every individual has access to high-quality, tailored behavioural support. By working in partnership, harnessing innovation, and delivering at scale, we aim to shape a healthier future for thousands more people across England.

Principal Risks and Uncertainties

The senior management and information governance group regularly reviews key risks for Health Exchange, considering input from across the organisation. These are documented in a risk register, approved by trustees annually.

The risk register focuses on the following Risk Areas: external, financial, governance, management / business systems, and programme / operational risks. Each risk is assessed for impact and likelihood, with actions to mitigate risk.

Amid economic uncertainty and a Cost-of-Living crisis, some risks, like income reduction, are heightened. Health Exchange isn't immune but can plan actions carefully thanks to reserves. Current principal risks include:

Financial

- A substantial reduction in dependable revenue stream due to contracts coming to an end.

Governance

- The absence of direction, strategy, and proactive planning

Operational

- Damage to reputation and trust due to possible contravention of GDPR and regulatory requirements, as well as exposure to legal claims.
- Insufficient new business development and/or ability to retain current and attract new health and wellbeing opportunities.

HEALTH EXCHANGE TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The plans and strategies for managing these risks are:

- Demonstrating impact through external reviews and reports evidencing the benefits and improvement areas of Social Prescribing in Coventry and Warwickshire.
- Maintaining active dialogue with commissioners to advocate for service continuation and explore alignment with new funding streams such as Community Integrators.
- Embedding proactive strategic planning through regular reviews, ensuring responsiveness to emerging risks and fostering a culture of continuous improvement.
- Strengthening financial resilience through proactive monitoring, dynamic cash flow forecasting, strategic reserves, and robust monthly management reporting.
- Driving growth through the early identification of opportunities and timely submission of grant and tender applications.
- Enhancing visibility and stakeholder confidence by unifying LWTC and HEx branding, launching a new website, and delivering a targeted marketing strategy to build strong client relationships and support service innovation.

Provision of information to the auditor

Each Trustees has taken steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Statement of Responsibilities of the Trustees

The Trustees (who are also directors of Health Exchange for the purposes of company law) are responsible for preparing the Trustees' Annual Report and 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 group and of the incoming resources and application of resources, including the income and expenditure, of the 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 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 group 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**HEALTH EXCHANGE TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

Auditor

PKF Francis Clark were appointed and approved by the members as its auditor.

The Trustees have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved and signed on behalf of the Trustees by

DocuSigned by:

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4 December 2025
Date:

Dr Russell Muirhead, Trustee and Chair

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF HEALTH EXCHANGE FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of Health Exchange (the 'charitable company') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement 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 (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 charity's affairs as at 31 March 2025 and of its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (GAAP)
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors 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 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.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF HEALTH EXCHANGE FOR THE YEAR ENDED 31 MARCH 2025

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, (which includes the Strategic Report and 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 Strategic Report and Directors' Report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our audit planning, we obtained an understanding of the legal and regulatory framework that is applicable to the Charity. We gained an understanding of the Charity and the industry in which the Charity operates as part of this assessment to identify the key laws and regulations affecting the Charity. As part of this, we reviewed the Charity's website for indication of any regulations and certification in place and discussed these with the relevant individuals responsible for compliance.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF HEALTH EXCHANGE
FOR THE YEAR ENDED 31 MARCH 2025**

The key regulations we identified were Charity Legislation, health and safety regulations and The General Data Protection Regulation ("GDPR"). We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We discussed with management and Trustees how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the Charity complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the Charity's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.
- Reviewed filings with the Charity Commission and whether there were any serious incident reports made during the year, of which there were none.
- Discussed with the Health and Safety Officer if any incidents have been reported during the year under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR").
- Review of the group's GDPR policy and enquiries to the Data Protection Officer as to the occurrence and outcome of any reportable breaches.
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.
- Reviewed Board minutes.

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none. We evaluated the risk of fraud through management override. The key risks we identified were management bias in accounting judgements and estimates.

In response to the identified risk, as part of our audit work we:

- Audited the risk of management override of controls, including through testing journal entries and other adjustments or appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business of which there were none.
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

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. 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 omissions, collusion, forgery, misrepresentations, or the override of internal controls. We are also less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the 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.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF HEALTH EXCHANGE
FOR THE YEAR ENDED 31 MARCH 2025**

Use of our Report

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

999771DCB5C24BA...
Neil Hitchings (Senior Statutory Auditor)

For and on behalf of
PKF FRANCIS CLARK, Chartered Accountants & Statutory Auditor
Centenary House,
Peninsula Park
Rydon Lane,
Exeter, EX2 7XE

Date: 10 December 2025

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2025

		Unrestricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
	Note			
Income from:				
Charitable activities	4	8,046,144	8,046,144	7,608,767
Investments	5	7,103	7,103	3,160
Total income		<u>8,053,247</u>	<u>8,053,247</u>	<u>7,611,927</u>
Expenditure on:				
Charitable activities	6	7,214,839	7,214,839	6,755,839
Total expenditure		<u>7,214,839</u>	<u>7,214,839</u>	<u>6,755,839</u>
Net income/(expenditure)		<u>838,408</u>	<u>838,408</u>	<u>856,088</u>
 Taxation		 -	 -	 36,200
Net movement in funds		<u><u>838,408</u></u>	<u><u>838,408</u></u>	<u><u>819,888</u></u>
 Reconciliation of funds:				
Total funds brought forward		1,867,078	1,867,078	1,047,190
Net movement in funds		838,408	838,408	819,888
Total funds carried forward		<u><u>2,705,486</u></u>	<u><u>2,705,486</u></u>	<u><u>1,867,078</u></u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 20 to 33 form part of these financial statements.

HEALTH EXCHANGE CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2025

REGISTERED NUMBER: 06445689

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	10	<u>368,104</u>	<u>375,600</u>
		368,104	375,600
Current assets			
Debtors	12	1,741,014	1,751,882
Cash at bank and in hand		<u>1,651,526</u>	<u>1,016,701</u>
		3,392,540	2,768,583
Creditors: amounts falling due within one year	13	<u>(1,055,158)</u>	<u>(1,255,034)</u>
Net current assets		<u>2,337,382</u>	<u>1,513,549</u>
Total assets less current liabilities		<u>2,705,486</u>	<u>1,889,149</u>
Creditors: amounts falling due over one year	14	-	(22,071)
Net assets		<u><u>2,705,486</u></u>	<u><u>1,867,078</u></u>
Charity funds			
Unrestricted funds			
Designated funds	15	368,104	344,604
General funds	15	2,337,382	1,522,474
Total funds		<u><u>2,705,486</u></u>	<u><u>1,867,078</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised on 4 December 2025 for issue by the Trustees and signed on their behalf by:

DocuSigned by:

 2597641FE208494...
Dr Russell Muirhead
 Chair

Signed by:

 A1A89C8750ED4BC...
David Melbourne
 Trustee

The notes on pages 20 to 33 form part of these financial statements.

HEALTH EXCHANGE CHARITY BALANCE SHEET
AT 31 MARCH 2025

REGISTERED NUMBER: 06445689

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	10	352,486	357,607
Investments	11	<u>1</u>	<u>1</u>
		352,487	357,608
Current assets			
Debtors	12	836,819	742,348
Cash at bank and in hand		<u>749,698</u>	<u>568,941</u>
		1,586,517	1,311,289
Creditors: amounts falling due within one year	13	<u>(160,473)</u>	<u>(190,103)</u>
Net current assets		<u>1,426,044</u>	<u>1,121,186</u>
Total assets less current liabilities		<u>1,778,531</u>	<u>1,478,794</u>
Net assets		<u>1,778,531</u>	<u>1,478,794</u>
Charity funds			
Unrestricted funds			
Designated funds		352,486	344,604
General funds		1,778,531	1,134,190
Total funds		<u>1,778,531</u>	<u>1,478,794</u>

The charity has taken advantage of the exemption contained within S.408 of the Companies Act not to present its own Income and Expenditure Account. The net income for the parent charity for the year ended 31 March 2025 was £299,737.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised on 4 December 2025 for issue by the Trustees and signed on their behalf by:

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 2597641FF208494...
Dr Russell Muirhead
 Chair

Signed by:

 A1A89C8750ED4BC...
David Melbourne
 Trustee

The notes on pages 20 to 33 form part of these financial statements.

**HEALTH EXCHANGE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash generated by operating activities	16	<u>652,679</u>	<u>496,633</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		7,103	2,655
Purchase of tangible fixed assets		<u>(789)</u>	<u>(1,021)</u>
Net cash used in investing activities		<u>6,314</u>	<u>1,634</u>
Cash flows from financing activities			
Repayment of borrowings		<u>(24,168)</u>	<u>(7,685)</u>
Net cash used in financing activities		<u>(24,168)</u>	<u>(7,685)</u>
Change in cash and cash equivalents in the year		634,825	490,582
Cash and cash equivalents at the beginning of the year		1,016,701	526,119
Cash and cash equivalents at the end of the year	17	<u>1,651,526</u>	<u>1,016,701</u>

The notes on pages 20 to 33 form part of these financial statements.

HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. General information

Health Exchange is a registered company limited by guarantee with registered charitable status, in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements.

The company number is 06445689 and charity number is 1188838. The registered office is Avoca Court, 27 Moseley Road, Digbeth, Birmingham, B12 0HJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Health Exchange 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 Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statement of the Charity and its subsidiary Living Well Taking Control – Health exchange. The results of the subsidiaries are consolidated on a line by line basis.

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

2.2 Going concern

The Trustees of Health Exchange have a reasonable expectation that Health Exchange possesses sufficient resources to continue operating and fulfilling its mission of 'helping people make healthier choices' due to the financial outlook for the Charity in the annual accounts, supported by a comprehensive review considering the strategic plan and principal financial risks.

Careful resource management and service expansion, notably through the trading subsidiary's growth, Living Well Taking Control – Health Exchange Limited, contribute to the Charity's financial stability. This collective approach positions Health Exchange with the necessary stability and resources to fulfil its mission, demonstrating resilience, adaptability, and confidence in navigating challenges for a healthier future.

Therefore, the Trustees believe that Health Exchange is well placed to continue and expand its work in future. The charity has a strong cash position and the majority of its funds are unrestricted funds.

On this basis the trustees are confident at present that the society has adequate resources to continue in operation and, accordingly, there are no material uncertainties regarding the adoption of the going concern basis in preparing the financial statements.

HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2.3 Income

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

No amount is included in the financial statements for volunteer time in line with the Charities SORP (FRS 102).

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 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.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

2.5 Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

The analysis of these costs is included in note 6.

2.6 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 institution with whom the funds are deposited.

HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2.7 Tangible fixed assets and depreciation

Tangible fixed assets, except for leasehold property, 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.

Leasehold property are stated at their revalued amounts. The revalued amounts equate to fair value at the date of revaluation, less any depreciation or impairment losses subsequently accumulated. Revaluations are carried out regularly so that the carrying amounts do not materially differ from the fair value at the balance sheet date.

Revaluation surpluses and losses are transferred to the revaluation reserve. Depreciation of the revalued amount is charged to the revaluation reserve.

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.

Depreciation is provided on the following basis:

Long-term leasehold property	- 0.83% Over 120 years
Motor vehicles	- 25.00% straight line
Fixtures and fittings	- 25.00% straight line
Office equipment	- 33.33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2.10 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 Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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

HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2.13 Pensions

The Charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Charity pays fixed contributions into a separate entity. Once the contributions have been paid, the Charity has no further obligations.

The contributions are recognised as an expense in the Statement of Financial Activities when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Charity in independently administered funds.

Certain past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

2.14 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

The Charity 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.

Depreciation and residual value:

The trustees have reviewed the asset lives and associated residual values of all tangible fixed assets classes, and have concluded that asset lives and residual values are appropriate.

**HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

4. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Mental Health & Wellbeing	508,450	508,450	516,684
Triage for EWH	88,544	88,544	86,634
Primary Care Network	639,718	639,718	1,032,992
Face to Face Milestones	4,453,578	4,453,578	4,163,264
Tailored Remote Milestones	21,171	21,171	8,425
Digital Milestones	2,258,938	2,258,938	1,767,320
Other Income	75,745	75,745	33,448
Total 2025	<u>8,046,144</u>	<u>8,046,144</u>	<u>7,608,767</u>
Total 2024	<u>7,608,767</u>	<u>7,608,767</u>	

5. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Bank interest	7,103	7,103	3,160
TOTAL 2025	<u>7,103</u>	<u>7,103</u>	<u>3,160</u>
TOTAL 2024	<u>3,160</u>	<u>3,160</u>	

**HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

6. Expenditure on charitable activities

	Mental Health & Wellbeing £	Community Health & Wellbeing £	Living Well Taking Control £	Head Office £	Total 2025 £	Total 2024 £
Direct Costs						
Staff costs	281,031	513,673	-	-	794,704	1,078,641
Coach Fees	-	-	2,724,078	-	2,724,078	2,839,993
Digital delivery	-	-	2,251,534	-	2,251,534	1,729,474
Supporters	132,383	-	-	-	132,383	122,210
Telephone, internet and SMS	3,057	6,582	-	-	9,639	9,577
Travel and subsistence	575	600	-	-	1,175	3,246
Advertising, promotions and marketing	10	774	1,781	-	2,565	6,300
Other direct costs	9,308	353	25,702	-	35,363	77,575
Total direct costs 2025	426,364	521,982	5,003,095	-	5,951,441	5,867,016
Total direct costs 2024	341,387	882,091	4,637,719	5,819	5,867,016	

**HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

6. Expenditure on charitable activities (continued)

	Mental Health & Wellbeing	Community Health & Wellbeing	Living Well Taking Control	Head Office	Total 2025	Total 2024
	£	£	£	£	£	£
Support Costs						
Staff costs	-	-	774,399	166,114	940,513	580,718
Rent, rates and storage	-	-	2,308	12,056	14,364	8,725
Heat, light and power	-	-	2,242	2,241	4,483	4,805
Travel and subsistence	-	-	1,801	2,127	3,928	5,672
Telephone, internet and SMS	-	-	21,005	7,552	28,557	30,247
Office expenses	174	1,099	67,259	1,646	70,178	65,806
Legal and professional	1,275	-	29,116	31,945	62,336	57,101
Computer software and maintenance	-	-	55,976	2,288	58,264	41,368
Equipment and licenses	5,147	11,468	-	7,140	23,755	25,757
Premises expenses	-	-	1,396	6,864	8,260	3,434
Bank charges and interest	-	-	378	234	612	2,526
Depreciation	847	2,404	2,376	2,658	8,285	14,814
Subscriptions and donations	-	-	420	689	1,109	1,171
Insurance	-	-	6,775	12,559	19,334	14,813
Repairs and renewals	-	-	-	-	-	59
Other costs	-	(438)	3,924	527	4,013	5,359
IT consultancy core	-	-	-	15,407	15,407	26,448
Head office recharges	111,444	144,320	-	(255,764)	-	-
Total support costs 2025	118,887	158,853	969,375	16,283	1,263,398	888,823
Total support costs 2024	119,874	186,834	586,064	(3,949)	888,823	

**HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

7. Auditors remuneration

	Group 2025 £	Group 2024 £
Fees payable to the company's Auditor for the audit of the group's annual accounts	15,000	10,000
Fees payable to the charity's Auditor in respect of all non-audit services not included above	14,000	-
	29,000	10,000

8. Staff costs

	Group 2025 £	Group 2024 £
Wages and salaries	1,525,358	1,460,399
Social security costs	139,988	128,787
Contribution to defined contribution pension schemes	70,028	65,025
	1,735,374	1,654,211

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

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Administration	9	2	2	2
Frontline	24	39	24	39
Operational	12	5	3	5
Management	10	5	7	5
	55	51	36	51

The number of employees whose employee benefits (excluding employer pension costs and social security) exceeded £60,000 was:

	Group 2025 £	Group 2024 £
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	1

The trustees consider its key management personnel to comprise the CEO, Head of Finance, Head of Health Prevention, Head of Social Prescribing, Head of Mental Health & Wellbeing Services and Head of Human Resources. The total employment benefits including employer's national insurance and employer pension contributions of the key management personnel was £320,927 (2024: £341,776).

**HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

9. Trustees' remuneration and expenses

During the year ended 31 March 2025, no Trustees were paid remuneration (2024 - £nil).

During the year ended 31 March 2025, two (2024 – none) Trustees had reimbursed travel expenditure totaling £115 (2024 - £nil).

10. Tangible fixed assets

Group	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 April 2024	354,205	36,913	153,383	544,501
Additions	-	-	789	789
At 31 March 2025	<u>354,205</u>	<u>36,913</u>	<u>154,172</u>	<u>545,290</u>
Depreciation				
At 1 April 2024	11,325	29,147	128,429	168,901
Charge for the year	2,102	251	5,932	8,285
At 31 March 2025	<u>13,427</u>	<u>29,398</u>	<u>134,361</u>	<u>177,186</u>
Net book value				
At 31 March 2025	<u>340,778</u>	<u>7,515</u>	<u>19,811</u>	<u>368,104</u>
At 31 March 2024	<u>342,880</u>	<u>7,766</u>	<u>24,954</u>	<u>375,600</u>

The interest in the long-term leasehold property was revalued on 1 February 2023 at £350,000. The valuation was provided by a qualified valuer who was a Registered valuer as defined under the RICS Valuation Registration Scheme.

The directors consider this valuation to still be accurate at the date of signing these accounts, and therefore feel it is appropriate to carry this at the revalued amount subject to depreciation.

Had this class of assets been measured on a historic cost basis, the carrying amount would have been £177,900.

**HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

10. Tangible fixed assets(continued)

Charity	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 April 2024	354,205	36,913	133,013	524,131
Additions	-	-	789	789
At 31 March 2025	<u>354,205</u>	<u>36,913</u>	<u>133,802</u>	<u>524,920</u>
Depreciation				
At 1 April 2024	11,325	29,145	126,054	166,524
Charge for the year	2,102	253	3,555	5,910
At 31 March 2025	<u>13,427</u>	<u>29,398</u>	<u>129,609</u>	<u>172,434</u>
Net book value				
At 31 March 2025	<u>340,778</u>	<u>7,515</u>	<u>4,193</u>	<u>352,486</u>
At 31 March 2024	<u>342,880</u>	<u>7,768</u>	<u>6,959</u>	<u>357,607</u>

11. Investments

Charity	Investments in subsidiary companies £
Cost	
At 1 April 2024 and 31 March 2025	<u>1</u>
Net book value	
At 31 March 2025	<u>1</u>
AT 31 March 2024	<u>1</u>

The charity is the sole shareholder in Living Well Taking Control – Health Exchange Limited.

**HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

12. Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade debtors	1,680,596	972,663	377,899	308,763
Other debtors	-	118	-	118
Amounts owed by group undertakings	-	-	450,556	422,906
Prepayments and accrued income	60,418	105,553	8,364	10,561
	<u>1,741,014</u>	<u>1,078,334</u>	<u>836,819</u>	<u>742,348</u>

13. Creditors: Amounts falling due within one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade creditors	266,694	452,297	14,041	31,021
Other taxation and social security	289,041	328,109	75,782	120,108
Other creditors	18,288	41,492	14,090	23,915
Bank loans and overdrafts	-	2,097	-	2,097
Accruals and deferred income	481,135	431,039	56,560	12,962
	<u>1,055,158</u>	<u>1,255,034</u>	<u>160,473</u>	<u>190,103</u>

14. Creditors: Amounts falling due after more than one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Bank loans and overdrafts	-	22,071	-	-
	<u>-</u>	<u>22,071</u>	<u>-</u>	<u>-</u>

**HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

15. Consolidated statement of funds

Current year	Balance at 1 April 2024 £	Incoming resources £	Expenditure £	Transfers £	Balance at 31 March 2025 £
Unrestricted funds					
Designated funds					
Tangible fixed asset fund	101,836	-	(6,183)	(68,327)	27,326
Leasehold property	96,731	-	(1,204)	99,639	195,166
Revaluation reserve	146,037	-	(898)	473	145,612
	<u>344,604</u>	<u>-</u>	<u>(8,285)</u>	<u>31,785</u>	<u>368,104</u>
General funds					
General funds	1,522,474	8,053,247	(7,206,554)	(31,785)	2,337,382
Total unrestricted funds	<u>1,867,078</u>	<u>8,053,247</u>	<u>(7,214,839)</u>	<u>-</u>	<u>2,705,486</u>

Prior year	Balance at 1 April 2023 £	Incoming resources £	Expenditure £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
Designated funds					
Tangible fixed asset fund	109,359	-	(7,523)	-	101,836
Leasehold property	96,731	-	-	-	96,731
Revaluation reserve	146,037	-	-	-	146,037
	<u>352,127</u>	<u>-</u>	<u>(7,523)</u>	<u>-</u>	<u>344,604</u>
General funds					
General funds	695,063	7,611,927	(6,784,516)	-	1,522,474
Total unrestricted funds	<u>1,047,190</u>	<u>7,611,927</u>	<u>(6,792,039)</u>	<u>-</u>	<u>1,867,078</u>

Tangible fixed asset fund and leasehold property fund

The purpose of these funds is to recognise the value of operational assets which are not freely convertible into cash. The transfer between funds in the current year is in order to align the carried forward funds with the net book value of the assets.

Revaluation Fund

This represents the revaluation of the leasehold property. The trustees believe it is inappropriate to consider that this unrealised valuation surplus is available for the ongoing work of the Charity.

**HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

16. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	Group 2024 £
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>838,408</u>	<u>819,888</u>
Adjustments for:		
Depreciation charges	8,285	16,432
Dividends, interests and rents from investments	(7,103)	(2,655)
Increase/(decrease) in debtors	10,868	(673,549)
Increase/(decrease) in creditors	(197,779)	336,517
Net cash generated by operating activities	<u><u>652,679</u></u>	<u><u>496,633</u></u>

17. Analysis of change in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	1,016,701	634,825	1,651,526
Bank loans and overdraft	(24,168)	24,168	-
Total funds	<u><u>992,533</u></u>	<u><u>658,993</u></u>	<u><u>1,651,526</u></u>

18. Pension commitments

The company operates a defined contribution stakeholder pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Pension cost charged in the year can be seen in note 8 of the accounts. Contributions totaling £18,222 (2024: £17,109) were payable to the fund at the balance sheet date and are included in other creditors.

19. Operating lease commitments

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Not later than 1 year	399	1,596	399	1,596
Later than 1 year and not later than 5 years	-	399	-	399
	<u><u>399</u></u>	<u><u>1,995</u></u>	<u><u>399</u></u>	<u><u>1,995</u></u>

**HEALTH EXCHANGE NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

20. Members' liability

Each member of the charity undertakes to contribute to the assets of the charity in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

21. Related party transactions

During the year Scotdoc Consultancy Ltd, a company where Trustee Russell Muirhead is a director, provided clinical supervision services to staff. The cost of these services totaled £6,504 (2024: £6,511). At the year-end an amount of £542 was owed to (2024: £542) Scotdoc Consultancy Ltd.

22. Principal subsidiaries

The following was a subsidiary undertaking of the charity:

Name	Company number	Holding	Included in consolidation
Living Well Taking Control - Health Exchange Limited	14541125	100%	Yes

The registered office is the same as that of the parent charity.

The financial results of the subsidiary was:

Name	Income and other gains £	Expenditure £	Profit / (Loss) for the year £	Net assets £
Living Well Taking Control - Health Exchange Limited	<u>6,810,258</u>	<u>(5,971,588)</u>	<u>838,670</u>	<u>926,955</u>