



Education For Health

Report and Accounts
for the year ended 31 March 2020

Company Number: 03090774
Charity Number: 1048816



EDUCATION FOR HEALTH

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EDUCATION FOR HEALTH

Message from our co-chairs

Education for Health Chairs Report 2019-20

The last 15 months have been a time of continued progress at Education for Health. We have welcomed new members to the Executive Team and Board of Trustees and seen the organisation successfully relocate from the Athenaeum Building in Warwick to its new, purpose-designed Wellesbourne headquarters.

Throughout these changes, the vision at Education for Health has remained constant. We believe our high-quality education and training equips healthcare professionals with necessary skills - and confidence - to manage complex long term conditions and improve health outcomes for patients across the UK. Never has this been more important.

Dr Linda Edwards, Chief Executive, with the executive team has continued to reshape and refocus the Education for Health portfolio to increase its relevance and impact on the current, constantly evolving Healthcare environment. Evidence of the validity of this approach is seen in the observation that the charity is supporting a broader range of healthcare professionals than ever before. It has updated its courses and study days and is galvanising closer working relationships with a network of associate trainers so that we, and our students, benefit further from their expertise and ideas. We have also seen a continued move towards digitisation of offerings. New learning platforms have been introduced and we continue to enjoy collaboration with our academic partners, the Open University and the University of Hertfordshire. The Learning Design and Quality Team has realigned clinical and non clinical activities.

We are also horizon-scanning policy changes and collaborating with healthcare professionals to develop innovative products and projects with purpose. From dynamic profiling tools that enhance clinicians' understanding of patient populations, launched this year, to concepts that are coming to market in the coming months, our Innovations and Partnerships teams work tirelessly to support clinicians and commissioners.

We know that over 2 million people are estimated to be living with undiagnosed chronic obstructive pulmonary disease (COPD), that cardiovascular disease remains the biggest cause of premature mortality and that the number of people living with Type 2 diabetes has increased to over 5 million yet recent evidence suggests in as much as 50% of people this can be reversed. In asthma, which also affects over 5 million people in the UK, there are exciting new biologic medicines and evolving strategies with current medicines, both of which can significantly improve outcomes for patients.

These statistics demonstrate the sizeable need for a trained workforce, up to date with evidence-based management, to serve people living with these conditions. This, combined with new priorities for the NHS brought about by the Long Term Plan, emphasises that now is the time to consolidate our innovative educational and training programme. Education for Health is addressing this with new and an increasing variety of options and pathways for students wanting to study virtually, and to participate remotely in our training days and workshops. We are grateful to all of those involved in this evolution of the organisation - the staff, associates, volunteers and stakeholders. With their support and commitment, we are confident that Education for Health will continue to progress.

We would like to acknowledge the contribution of those who have left.

Professor Ursula Gallagher, & Dr Robert Angus,



Co-Chairman



Co-Chairmen

March 2020

2019-20 A year in view: activities, achievements and impact

OUR YEAR AT A GLANCE

271 Courses delivered

3,971 Healthcare professional attended courses

1,817 People accessed free eLearning

£54k Bursaries awarded to 76 students

Our people

Our Senior leadership team consists of an Executive Team. The Chief Executive, Linda Edwards is supported by Deputy Chief Executive/Director of Learning Operations and Finance, Becky Harkcom; Director of Innovations, Stephen Ryan; Associate Director of Strategic Partnerships, Adam Smith and Ann Saxon (from 11 May 2019), Director of Learning Design and Quality Julia Neal, the previous Director of Education, left the organisation to return to the NHS in April 2019 .

We also continue to value the ongoing contribution volunteers add to our activities. During this period, we have been supported by a volunteer through Volunteers Matters; who used their skills and energy to help successfully steer a change programme. We continue to work closely with Coventry University and have employed five interns , who worked full-time across the marketing and communications, business development and learning operations teams. as an integral part of their degree programmes.

Objectives and Activities: Vision, purpose, objects and aims

<p>Why we exist</p>	<p>How we achieve our objects</p>
<p>Our Vision is a world where people with Long Term Conditions have access to the help and support they need to live healthy and fulfilling lives</p> <p>The Charity's objects are:</p> <ol style="list-style-type: none"> 1. To promote the health and wellbeing of the general public through the provision of education to those who can influence others, including patients and the public, in such areas as the trustees of the Charity may at their absolute discretion from time to time determine; 2. For the public benefit, to relieve sickness through the promotion of preventative measures, and the provision of excellence in care, treatment and management of disease, and the carrying out of research into such diseases as the trustees of the Charity may at their absolute discretion from time to time determine; 3. The furtherance and pursuance of charitable purposes which are exclusively charitable according to the laws of England and Wales as the trustees of the Charity may at their absolute discretion from time to time determine. 	<p><i>The Trustees confirm that they have referred to the Charity Commissions general guidance on public benefit when reviewing the aims and objectives of the charity and in planning future activities for the year.</i></p> <p>The 4 strategic aims:</p> <ol style="list-style-type: none"> 1. Strengthen our profile in the provision of high quality support, education and training for health care professionals across a range of LTCs 2. Demonstrate the impact educating healthcare professionals can have on health outcomes 3. Create an organisation that inspires and encourages innovation and creativity 4. Be a financially strong, flexible and dynamic organisation

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Our Purpose is achieved by our strategy

Education for Health is uniquely positioned to support health care professionals in improving health outcomes for people living with long term conditions. Our distinctive blend of practical support and high-quality accredited learning and education enables us to evidence and support the translation of knowledge into practice. Through this we enable the improvement of community and individual's health and well being.

This is something that sets us apart and enables the creation of interdependent sustainable relationships with our partners: accrediting bodies, the NHS, pharmaceutical industry, businesses and other charities.

Our high quality learning and education is augmented by five key strands of activity;

- Demonstrating the impact of our education and training
- Coaching into practice
- Creating strategic partnerships
- Innovation and wider system support
- Creating the appropriate environment in which to achieve these

Strategic Aims	<i>Demonstrating the Impact of our education and training</i>	<i>Coaching into practice</i>	<i>Creating Strategic Partnerships</i>	<i>Innovations and wider system support</i>	<i>Streamlining activity/ increasing efficiencies</i>	<i>Creating the appropriate environment</i>
1.Strengthen our profile in the provision of high quality support, education and training for healthcare professionals across a range of LTCs	X		X	X	X	
2.Demonstrate the impact educating healthcare professionals can have on health outcomes	X	X	X	X		
3.Create an organisation that inspires and encourages innovation and creativity		X	X	X		x

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Strategic Aims	<i>Demonstrating the Impact of our education and training</i>	<i>Coaching into practice</i>	<i>Creating Strategic Partnerships</i>	<i>Innovations and wider system support</i>	<i>Streamlining activity/ increasing efficiencies</i>	<i>Creating the appropriate environment</i>
4. Become a financially strong, flexible and dynamic organisation		X	X	X		X

Overview of our Activities, Achievements and Impact

What we intended to do in 2019/20	What we did in 2019/20
<ul style="list-style-type: none"> Demonstrating the impact of our education and training 	<p>We have developed profiling tools in asthma, COPD, diabetes and CVD. This has been pertinent as the pressures of Covid in 2020 means we are able to support practises in identifying risk more easily. These will be used to demonstrate the impact of education and training on health outcomes.</p>
<ul style="list-style-type: none"> Coaching into practice 	<p>Coaching supports health care professionals to translate their knowledge into know how, supporting people to adapt their lifestyles and manage their own conditions effectively. This started in February 2020.</p>
<ul style="list-style-type: none"> Creating strategic partnerships 	<p>In February 2020 we launched a new focused range of stand alone short courses, accredited by the University of Hertfordshire. We continue to work with a range of partners including other charities and corporates to enable us to offer high quality, easily accessible education and training to the healthcare system.</p>
<ul style="list-style-type: none"> Innovation and wider system support 	<p>In 2019 we ran a successful LTC Interchange, which evaluated very positively, providing a dynamic forum for dialogue, with a high profile programme of speakers and interactive workshops. An even stronger line-up for the second Interchange in the spring of 2020 had to be postponed due to the pandemic.</p>
<ul style="list-style-type: none"> Creating the appropriate environment in which to achieve these 	<p>On 6 December 2019 we moved from our grade 2 listed building to a newly fitted out training and office space. It has been designed to provide our staff with a collaborative and creative work space and provides learners with an uplifting and inspiring environment.</p> <p>In Q4 of 2019/20 we ran a series of roadshows to engage with our associates, introducing our new flexible ways of working. The pandemic has restricted our ability to deliver face to face study sessions, thus accelerating our planned move to virtual supported education and training.</p>

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Achievements and Performance

Financial Performance

In line with its charitable objects, Education for Health continues to derive its income and incur related cost from two main sources. 92% (before exceptional income) of our income came from fees charged for the education and training of those in a position to influence others (largely healthcare professionals).

During the 12 months to 31 March 2020, 3,971 learners attended our courses, which range from short update study sessions to a full masters programmes. 1,022 of the learners in the year attended industry funded study sessions. A further 1,817 people accessed our free eLearning.

Our most popular courses are Asthma, COPO, Diabetes, Spirometry and Heart Failure.

Our second object to promote preventive measures is achieved through prevention workshops e.g smoking cessation and the development of our practice based profiling tools combined with action based research.

Financial Results for the year

£'m	Operating	Exceptional	Total 2019/20		Total 2018/19 (no exceptional items)
Income	1.8	0.46	2.26		1.86
Expenditure	(2.35)	(0.09)	(2.44)		(2.28)
Operating loss	(0.55)	0.37	(0.18)		(0.42)
Investments (losses) /gains	(0.27)	-	(0.27)		0.06
Movement in reserves	(0.782)	0.37	(0.45)		(0.36)

The Operating deficit for the year of £0.18m reflects the challenges that the Charity faced both externally and internally during the year. After investment losses the adverse movement in reserves in the year was £0.45m, this has been funded from sale of investments, to support working capital requirements. The exceptional income and loss in the year reflect the sale of property in Warwick and move to a leased office and training centre in Wellesborne. The investment loss in the year reflects a sharp fall in the value in March 2020 due to Covid -19. Our investment portfolio has since recovered. The net current liabilities at the year end of £0.88m are supported by investments of £2.56m shown within fixed assets. Our investments are all readily convertible to cash with no time constraints.

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Designated Reserves

Our £0.93m designated reserves are made up of:

- 1) The designated fund created in March 2019 of £0.765m has been reduced to £0.35m, this is used to fund and support our strategic initiatives. The reduction reflects the successful move to new premises and the change in direction of the Innovations Unit
- 2) £0.355m reflects our moral obligation to support our existing students to complete their studies
- 3) £0.18m being fixed assets not readily convertible to cash
- 4) £0.05m for a new fund approved by the board in March 2020 , created to support unexpected need for resource, for example in the case of long term sickness or maternity cover for key members of staff

Reserves policy

As part of the 2020/21 budget setting process, our Finance, Audit and Risk Committee reviewed Education for Health's Reserves Policy. It was confirmed that the policy agreed previously was still valid and that Education for Health maintained free reserves:

- To provide a sustainable and appropriate level of working capital
- To allow for period of unexpected drops of planned income
- To cope with sudden short term increases in planned expenditure
- To provide cover for other risks, contingencies or unforeseen events.

As a result, a target free reserve of £1m was agreed.

At 31 March 2020, unrestricted free reserves of the group, excluding designated reserves, amounted to £0.93m, calculated as follows:-

	<u>Group</u> <u>£m</u>
Total funds	1.86
Less designated reserve	0.93
Free reserves	<u><u>0.93</u></u>

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Looking Forward

As a result of Covid -19 Education for Health has adopted its strategy to meet the changing needs of health care professionals:

- The pandemic has forced healthcare professionals to learn in a different way
- Face to face meetings and training is unlikely to restart in the foreseeable future
- Time away from practice is increasingly difficult
- The need for a variety of support for health and care professionals is increasing
- Support needs to be flexible, accessible and in 'bite sized' chunks

Thus our business goals for 2020/21 focus on:

- Strengthening our foundations – having the systems in place to support our work; paying attention to the detail; simplifying processes; ONE source of truth
- Maximising our products – using our existing products to create different packages of learning materials in line with NHS needs
- Growing income – by staying ahead of NHS changing needs and creating innovative ways to deliver our products that align with the needs of HCPs

Going Concern

As discussed previously, the significant event for the charity was the WHO designation of COVID-19 as a global pandemic, which occurred in the final quarter of 2020. The post balance sheet impact of Covid-19 has been significant. As a health charity whose history and expertise lies in respiratory disease, our first response was to develop resource to support front line workers. We have therefore launched new products, with the support of sponsorship from our partners, most notably respiratory factsheets, an online respiratory failure toolkit, and online refresher workshops. To comply with government regulations our face-to-face training was transferred to interactive online blended learning. This enabled our current learners to continue studying and new learners to start.

The Trustees continue to closely monitor the financial position of the charity. Increased weekly cash flow updates have allowed tight control of our working capital. Cash has been maximised and remains stable by:

- The renegotiation with suppliers payment terms
- Focus on debtor management
- Taking advantage of Government help, through the job retention scheme
- Short term real savings through the temporary closure of the office, reduced travel, and operating costs
- A change in our business model enabling a reduction in the fixed costs, some of which move to the variable line
- An organisation restructure around a Marketing, Communications and Intelligence Hub
- More flexible offerings for commissioners in the form of licenses
- Close monitoring of the value of our investments to ensure the longer-term cash requirements can be met

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In response to the changes in our products, our sales continued to recover during 2020/21 with September and October exceeding the previous year's levels.

In July 2020 the Board of Trustees approved a 3-year forecast which reflects the changes to our business model and expectations regarding the impact on our income of the second wave and the roll out of the vaccination programme in 2021. The forecast loss of £151k in 2021/22 will be supported by our investments. A profit of £168k is forecast for 2022/23 reflecting a small increase in sales of our core products, and the development of new products through our newly established Learning Academy.

Our most recent work to support front line workers during the pandemic is a Covid-19 vaccination and recovery training programme in which there is considerable interest. The response to the bursaries we have been able to offer with the support of our partners from Industry have served to underline the need for the learning opportunities offered by Education for Health, which the Trustees remain confident will continue to grow to support the long term impact of Covid-19.

With our revised business model and business plans in place, the Board has reviewed the financial sustainability of the group and are of the opinion that Education for Health will continue to have adequate resources and is a going concern.

Investment policy and performance

Education for Health seeks to produce the best financial return within an acceptable level of risk. On behalf of the Board, the Finance, Audit and Risk Committee monitors the activities and performance of the investment managers (UBS), who were appointed in 2008. Our investment policy states:-

- The long-term investment objective is to produce a level of return in excess of inflation.
- The short-term investment objective is to produce sufficient income to support the ongoing activities of Education for Health. A target income is agreed with the investment manager on an annual basis to enable effective budgeting.
- Investment assets being held as reserves define our attitude to risk; thus, a maximum of 10% of the portfolio can be invested in property and hedge funds (assets that cannot be available to meet unanticipated cash flow requirements within five days of demand).
- The Charity's assets can be invested widely and is diversified by asset class, and by security. Asset classes could include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities and any other asset that is deemed suitable for the Charity. The Finance, Audit and Risk Committee is charged with agreeing a suitable asset allocation strategy for the invested reserves with the investment manager.
- The base currency of the investment portfolio is Sterling. Investment may be made in non-Sterling assets. Hedge funds are permitted, not exceeding 5% of the total value of the portfolio.
- The Charity's cash balances should be deposited with institutions with a minimum rating of A- or invested in a diversified money market fund.
- The Charity has adopted an ethical investment policy to ensure that its investments do not conflict with its aims and objectives. A company that generates revenues from the cultivation of tobacco or the manufacture of tobacco products is deemed to conflict with the Charity's aims and objectives. The policy therefore precludes:-
 - Direct investment in a Tobacco Company.
 - Indirect investment in a Tobacco Company through investment in any investment fund (but not an index tracker fund) which itself invests in a Tobacco Company.

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The Charity monitors investment performances against predetermined criteria and benchmarks.

It was forecast that the growth in the portfolio for the 12 months to 31 March 2020 would be lower than previous periods due to a shallow bull market as we entered the late maturity elements of the economic cycle. Until the last quarter the year was generally a positive one for the portfolio. The unforeseen impact of COVID 19 really started to have an impact on valuations in late February and early March 2020, resulting in an unrealised loss for the year of £293k (2019 gain £25k). The portfolio has substantially recovered its value since the year end.

Realised gains of £23k were secured in the year compared with £40k in 2019. Investment income of £87k (2019 £101k) was received.

Risk

Education for Health has defined its strategic risks as those matters which could inhibit the achievement of our charitable objects.

A dynamic process is in place that allows the Board, Senior Leadership Team and all staff to identify events or actions, which may adversely affect the achievement of our strategy.

Once identified, appropriate systems and procedures are put in place to mitigate the risks. The Senior Leadership Team, which equates to our Executive Team, reviews the risks regularly, whilst the Board reviews the risk register at Finance, Audit and Risk Committee and Board Meetings in order to monitor progress made in mitigating the risks. The major risks identified relate to the long-term financial sustainability of the Charity.

The major risks identified relate to the long term financial sustainability of the charity:

1. Dependency on a limited number of income sources
2. Ability of reserves to support the charity in the long term
3. Increased risk from cyber security attacks
4. The uncertainty around current trading conditions, due to the pandemic.

Key Performance Indicators (KPIs) are in place to closely monitor the financial sustainability of the Charity and highlight the need for additional mitigating actions should milestone targets not be achieved. The KPIs against our major risks measure income, enquiry pipeline, new customers and new products.

We are working closely with third party advisers to minimise the risk of security attacks and to ensure their impact is reduced, should it happen.

We continue to closely monitor the market needs to ensure we are able to provide a flexible response to the currently unknown future conditions.

The Board of Trustees is satisfied that reasonable steps are being taken to limit the probability and impact of these risks.

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Structure and Board

Education for Health is a Company Limited by Guarantee and a Charity registered with the Charity Commission. The Charity is regulated by its Memorandum and Articles of Association adopted on 30 July 1995 and last amended on 27 September 2016.

The Board of Trustees (who are also Directors) are responsible for the overall governance of the Charity. The Articles specify that there are to be a minimum of five Trustees but no maximum is specified. Trustees are expected to attend a Strategic Planning Day each year where, with the Executive Team, the long-term aims of the Charity are developed. In addition to the Annual General Meeting, the Board meets four times per annum when Trustees review the Charity's performance, future operating plans and budgets. Extraordinary Board Meetings are also held as required. Meetings are sometimes convened via a teleconference call, to enable wider participation. The Board, Chief Executive and Senior Leadership Team are also involved in a joint annual strategic planning event.

There are two formal sub-committees of the Board of Trustees which are accountable to the Board; the Finance, Audit and Risk Committee and the Nominations Committee. Each committee has its own Terms of Reference and reports to the full Board.

The purpose of the Nominations Committee is:-

- to assist the Board in fulfilling its responsibilities by assessing, screening and nominating suitable and capable candidates to serve on the Board
- to make recommendations on the composition of the Board related to skill mix
- to oversee Trustee induction and developing and recommending to the Board performance measures to assess Board effectiveness.

Board Induction

The appointment of new Trustees follows advertisements placed with specialist bodies and stakeholders. Applicants are shortlisted against agreed criteria and interviews carried out by a representative panel of Trustees of the Charity. The preferred candidate is invited to join the Board subject to approval by the full Trustee Board and formal vetting. New Trustees are offered an induction and encouraged to become involved in the Charity's activities and sub-committees.

Management

The Board delegates the power in connection with the day-to-day management and administration of the Charity to the Chief Executive. Performance and risk is measured against strategic objectives, with regular reporting to the Board, so that decisions made under delegated power can be ratified by the full Board. The Chief Executive is responsible for the day-to-day management of the Charity's affairs and for implementing policies agreed by the Board.

Structure and Board (continued)

Remuneraton

The remuneration and rewards policy aims to pay all staff fairly and in a way that ensures we attract and retain the right skills to have the greatest impact on delivering the Charity's objectives. The Board of Trustees determines the salary of the Chief Executive. The Chief Executive recommends salary increases for the Senior Leadership team of the Charity for Board approval. Pay awards are made after taking into account Retail Price Index, the performance of the Charity and the extent to which its objectives have been achieved, and the contribution of the individual to achieving the Charity's objectives, which is measured through the annual appraisal process. All salaries are benchmarked against comparable roles in similar sectors.

For other staff, the Board of Trustees have delegated responsibility to the Internal Remuneration Committee to:-

- Administer the Charity's system of staff remuneration including: pay, pensions and any additional benefits in adherence with the Remuneration Policy and in line with the values of the Charity
- Review the recommendations for annual staff pay increases, which are then ratified by the Trustees as part of the budget process
- Ensure that the remuneration offered works both to reward staff for their performance, but also takes into account the affordability to the Charity
- Ensure that pay levels correspond with other policies the Charity has, such as the risk policy, and are aligned to the strategic aims
- Review salaries of staff against relevant benchmarks
- Consider the need for an independent evaluation of pay levels at least every five years so that Trustees are clear what is happening to salaries in this and other sectors
- Be aware of major changes in employee benefits, including pay, pensions and other rewards and make recommendations to amend the Remuneration Policy based on these changes
- Ensure the Policy is applied consistently across the Charity.

Purpose of the Finance, Risk and Audit Committee is to support Trustees in meeting their responsibilities for risk management, internal controls and efficient and effective use of funds.

The Charity has the following subsidiaries:- Education for Health Trading Limited (100% owned), National Respiratory Training Centre Limited (100% owned) dormant since its incorporation, and Respiratory Education UK (100% owned). All subsidiaries were dormant during 2019/20.

The Charity headquarter offices moved from Church Street, Warwick to Lowes Lane Business Park Wellesbourne , during the year.

We have two Patrons. Mrs Greta Barnes MBE, the Founder of our Charity, and Baroness Julia Cumberlege CBE, DL.

Structure and Board (continued)

Trustees' Responsibilities

The Trustees (also Directors of Education for Health 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 year that 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 Group for that period. In preparing these financial statements, the Trustees are required to:-

1. Select suitable accounting policies and then apply them consistently
2. Observe the methods and principles in the Charities SORP
3. Make judgements and estimates that are reasonable and prudent
4. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and the Group 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 Charity and the Group and, hence, 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 Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

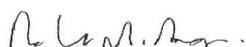
Auditors

The Directors resolved that RSM UK Audit LLP be re-appointed as auditors. RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to the Disclosure of Information to Auditors

The Directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the Auditors are unaware. Each of the Directors has confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the Auditors.

Approved by the Board on 26 January 2021 and signed on its behalf by:-



Robert Angus
Director/Co-Chairman, the Board of Trustee

Independent Auditor's Report to the Members of Education for Health

Opinion

We have audited the financial statements of Education for Health (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the 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, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report to the Members of Education for Health (continued)

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 Directors' Report and the Strategic 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 and the Strategic 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 Directors' Report or the Strategic Report included within the Trustees' Report.

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 received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 17, 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.

Auditor's responsibilities for the audit of the financial statements

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

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

Independent Auditor's Report to the Members of Education for Health (continued)

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.

Paul Oxtoby (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

Date 28 January 2021

EDUCATION FOR HEALTH

Consolidated Statement of Financial Activities
(including Consolidated Income and Expenditure Account)
for the period ended 31 March 2020

		<u>12 months to</u> <u>31/3/2020</u>	<u>12 months to</u> <u>31/3/2019</u>
	<u>Notes</u>	<u>Total</u> <u>£</u>	<u>Total</u> <u>£</u>
Income and Endowments from:			
Donations and legacies	4	3,505	14,265
Charitable activities	5	1,695,023	1,713,060
Other trading activities	6	15,182	30,253
Surplus on disposal of assets	37	457,152	-
Investments	7	85,638	101,280
Total Income		<hr/> 2,256,500	<hr/> 1,858,858
Expenditure on:			
Raising funds	11	21,802	28,076
Charitable activities	12	2,322,655	2,249,373
Exceptional charitable activities	37	95,707	-
Total Expenditure		<hr/> 2,440,164	<hr/> 2,277,449
Net (losses) gains on investments	23	(269,318)	64,637
Net Movement in Funds for the Year		<hr/> (452,982)	<hr/> (353,954)
Reconciliation of Funds:			
Total funds brought forward		<hr/> 2,317,791	<hr/> 2,671,745
Total Funds Carried Forward		<hr/> 1,864,809	<hr/> 2,317,791

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. All activity in the year was unrestricted.

EDUCATION FOR HEALTH

Company Number 03090774

Balance Sheets at 31 March 2020

	<u>Notes</u>	<u>Group</u> <u>31/03/2020</u> £	<u>Group</u> <u>31/03/2019</u> £	<u>Charity</u> <u>31/03/2020</u> £	<u>Charity</u> <u>31/03/2019</u> £
Fixed Assets:					
Intangible assets	22	19,985	35,186	19,985	35,186
Tangible assets	21	156,497	716,717	156,497	716,717
Investment assets	23	2,565,227	2,936,684	2,565,229	2,936,686
		<hr/>	<hr/>	<hr/>	<hr/>
Total Fixed Assets		2,741,709	3,688,587	2,741,711	3,688,589
		<hr/>	<hr/>	<hr/>	<hr/>
Current Assets:					
Stocks	24	-	1,020	-	1,020
Debtors and prepayments	25	277,703	340,604	277,846	340,747
Cash at bank and in hand	33	326,282	118,848	326,188	118,754
		<hr/>	<hr/>	<hr/>	<hr/>
Total Current Assets		603,985	460,472	604,034	460,521
		<hr/>	<hr/>	<hr/>	<hr/>
Liabilities:					
Creditors falling due within one year	26	800,226	929,941	800,226	929,941
Fees received in advance	27	680,659	901,327	680,659	901,327
		<hr/>	<hr/>	<hr/>	<hr/>
		1,480,885	1,831,268	1,480,885	1,831,268
		<hr/>	<hr/>	<hr/>	<hr/>
Net Current Liabilities		(876,900)	(1,370,796)	(876,851)	(1,370,747)
		<hr/>	<hr/>	<hr/>	<hr/>
Total Assets less Current Liabilities		1,864,809	2,317,791	1,864,860	2,317,842
		<hr/>	<hr/>	<hr/>	<hr/>
Net Assets		1,864,809	2,317,791	1,864,860	2,317,842
		<hr/>	<hr/>	<hr/>	<hr/>
The Funds of the Charity:					
Unrestricted funds	28	1,864,809	2,317,791	1,864,809	2,317,842
		<hr/>	<hr/>	<hr/>	<hr/>
Total Charity Funds		1,864,809	2,317,791	1,864,809	2,317,842
		<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 21 to 45 form part of these accounts.



Signed by Robert Angus, Co Chairman of Trustees on behalf of the Trustees
Approved by the Trustees and authorised for issue on 26 January 2021

EDUCATION FOR HEALTH

Company Number 03090774

Consolidated Statement of Cash Flows

for the period ended 31 March 2020

	<u>Notes</u>	<u>Group</u> <u>12 Months to</u> <u>31/03/2020</u> <u>£</u>	<u>Group</u> <u>12 Months to</u> <u>31/03/2019</u> <u>£</u>
Cash Flows from Operating Activities:			
Net cash used in operating activities	32	(913,438)	(742,261)
Cash Flows from Investing Activities:			
Dividends and interest from investments		85,638	101,280
Purchase of tangible fixed assets		(164,903)	(40,805)
Purchase of intangible fixed assets		(13,141)	-
Proceeds from sale of fixed assets		1,111,139	-
Proceeds from sale of investments		2,195,183	1,275,252
Purchase of investments		(2,093,044)	(665,348)
Cash generated/(used in) provided by Investing Activities		1,120,872	670,379
Increase/(decrease) in Cash and Cash Equivalents in the year		207,434	(71,882)
Cash and cash equivalents at the beginning of the year		118,848	190,730
Total Cash and Cash Equivalents at the End of the Year	33	326,282	118,848

Notes to the Financial Statements

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:-

a) Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Education for Health meets the definition of a public benefit entity under the Charities Act, assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £, unless otherwise stated.

b) Preparation of the Accounts on a Going Concern Basis

The Charity has prepared detailed forecasts of both income and expenditure and cash on a Group basis. Reserves of the Group currently stand at £1,865k (31 March 2019: £2,318k). Having considered these documents together with risk and reserves policy the Trustees are of the view that the Charity is a going concern. The reserves are represented by investment assets of £2,565k (31 March 2019: £2,937k), cash of £326k (31 March 2019: £119k) and liabilities of £1,481k (31 March 2019: £1,831).

Taking into account the impact of the COVID-19 pandemic the Trustees have modelled forecasts that show that the charity can absorb deficits within available working capital and without any material recourse either to the investment portfolio or to external debt. Based on this, the Trustees consider that adequate resources exist to continue in operational existence for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing the financial statements.

c) Group Financial Statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiaries on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006. The Charity has also taken advantage of the exemption available under FRS 102 and has not presented a statement of cash flows for the parent.

EDUCATION FOR HEALTH

d) Fund Accounting

The general fund consists of the accumulated surpluses on the consolidated statement of financial activities, less any funds designated by the Directors for specific purposes.

Designated funds are funds which have been set aside by the Directors for specific purposes. The purpose of the designated funds is set out in the notes to the accounts.

Restricted funds are funds for which the donor has specifically restricted the purpose for which they can be used. The balance in the fund represents the amount still remaining for future expenditure.

e) Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation. The cost of minor additions to fixed assets, defined as those costing less than £85 each, is expensed in the year in which the cost is incurred.

Depreciation is provided to write off the cost of assets by equal instalments over their estimated useful lives as follows:-

Equipment, furniture, fixtures and fittings	-	5-20 years
Laptops	-	3 years
Other Computer equipment	-	5 years
Short leasehold property improvements	-	over lease term

f) Investments

Listed investments are included in the accounts at fair value. Gains or losses on revaluation are recognised in the SOFA and credited or debited to the relevant funds.

Investments in subsidiaries are stated at cost.

g) Investment income

Dividends are credited to the SOFA when receivable.

Interest on cash held is accrued on a daily basis and is credited on this basis to the SOFA.

h) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is determined on a 'first in first out' basis.

i) Pension costs

The Charity operates defined contribution schemes available to all of its employees. The schemes' funds are administered by Trustees and are independent of the Charity's finances. The Charity's contributions to the schemes are charged in the accounts as they accrue.

EDUCATION FOR HEALTH

j) Income

All incoming resources are included in the SOFA when the Charity is legally entitled to the income. Course fee income is recognised and included in the SOFA for the financial year in proportion to the total fee by a measure of the course length elapsed and value of services delivered by time and materials.

k) Expenditure and Irrecoverable VAT

All resources expended are accounted for on an accruals basis. Costs are classified under headings that aggregate all similar costs and which can then be related to costs of raising funds and charitable activities.

Costs of raising funds are primarily investment management fees and other expenses incurred in trading activities that raise funds.

Charitable activities expenditure primarily includes costs associated with educational activity, books and resources and research activity. They include both direct and support costs relating to these activities.

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities.

Support costs include central functions and governance costs and have been allocated to activity cost categories on a basis consistent with the use of resources by activities irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

l) Research

Expenditure on research is written off as incurred, other than when there is a defined project with certain income.

m) Operating Leases

The rentals payable under operating leases are charged/credited in the SOFA on a straight line basis over the lease term.

n) Intangible Fixed Assets

- Development Costs

Expenditure on developing new modules is carried forward to match against future revenue. Following the change in our portfolio the costs brought forward have been amortised in the year. As a result, at 31 March 2020, £nil (2019: £18,699) has been carried forward.

- Software/Website

Expenditure on software and website development is carried forward to match against expected future benefit. As a result, at 31 March 2020, £11,724 (2019: £3,510) has been carried forward. The expenditure is being written off over three years (software) and five years (website).

EDUCATION FOR HEALTH

- Other

Net book value of other intangible assets at 31 March 2020 £8,261 (2019 £12,977) is carried forward against expected future benefit. The expenditure is being written off over five years.

o) Recognition of Liabilities

Liabilities are recognised when either a constructive or legal obligation exists.

p) Basis of Consolidation

The consolidated financial statements incorporate those of Education for Health and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 March 2020.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

q) 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.

r) Donated services

In accordance with the Charities SORP (FRS 102) the general volunteer time of the Trustees and administration volunteers is not recognised.

s) Critical Accounting Estimates and Judgements

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.

In capitalising course development costs and their subsequent amortisation, management makes judgements as to the future viability of courses and the likely life of the courses.

EDUCATION FOR HEALTH

2. Legal Status

The Charity is a Company Limited by Guarantee incorporated in England and Wales. Linda Edwards (Chief Executive) and all the current Trustees as shown on Page 45 are members of the Charity. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The address of the Charity's registered office and principal place of business is 1 Lowes Lane Business Park, Lowes Lane, Wellesbourne, CV35 9RB.

3. Financial Performance of the Charity

The consolidated statement of financial activities includes the results of the Charity's wholly owned subsidiaries Respiratory Education UK and Education for Health Trading Limited.

The results of the parent company Education for Health were as follows:-

	<u>12 Months to</u> <u>31/3/2020</u>	<u>12 Months to</u> <u>31/03/2019</u>
	<u>Total</u> <u>£</u>	<u>Total</u> <u>£</u>
Total Income	2,256,500	1,858,858
Net Expenditure for the Year	(452,982)	(353,954)

4. Donations and Legacies

	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>Total</u> <u>£</u>	<u>Total</u> <u>£</u>
Golf Day	-	2,170
Sundry Donations	3,505	12,095
	3,505	14,265

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5. Income from Charitable Activities	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>
Educational Activity	1,649,149	1,694,813
Books and Resources	766	3,705
Research Activity	45,108	14,542
	<hr/>	<hr/>
	1,695,023	1,713,060
	<hr/> <hr/>	<hr/> <hr/>
6. Income from other Trading Activities	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>
Room hire	480	770
Sundry other trading activities	14,702	29,483
	<hr/>	<hr/>
	15,182	30,253
	<hr/> <hr/>	<hr/> <hr/>
7. Investment income	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>
Dividends and interest from listed investments	69,783	87,810
Interest on cash held	15,855	13,470
	<hr/>	<hr/>
	85,638	101,280
	<hr/> <hr/>	<hr/> <hr/>

EDUCATION FOR HEALTH

8. Analysis of Income Resources

	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>Total</u> <u>£</u>	<u>Total</u> <u>£</u>
The analysis of the income resources attributable to each geographical area is as follows:		
United Kingdom	1,795,710	1,850,012
Other – European countries	1,962	3,692
Other – rest of the world	1,676	5,154
	<hr/>	<hr/>
	1,799,348	1,858,858
Add exceptional gain Note 37	457,152	-
	<hr/>	<hr/>
	2,256,500	1,858,858
	<hr/> <hr/>	<hr/> <hr/>

9. Staff Costs

	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>£</u>	<u>£</u>
Wages and salaries	1,212,543	1,259,341
Social security costs	104,414	113,071
Other pension costs	67,669	72,268
Staff recruitment costs	2,630	15,425
Redundancy costs	34,827	-
	<hr/>	<hr/>
	1,422,083	1,460,105
	<hr/> <hr/>	<hr/> <hr/>

The average number of employees during the period was 42. They were associated with the following activities:-

	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>Headcount No</u>	<u>Headcount No</u>
Educational activity	39	40
Books and resources	1	1
Research activity	1	1
Advocacy work	1	1
	<hr/>	<hr/>
	42	43
	<hr/> <hr/>	<hr/> <hr/>

EDUCATION FOR HEALTH

9. Staff Costs (continued)

	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
The average number of full-time equivalent (FTE) employees during the period was 34. They were associated with the following activities:-		
	<u>FTE No</u>	<u>FTE No</u>
Educational activity	31	33
Books and resources	1	1
Research activity	1	1
Advocacy work	1	1
	34	36
	34	36

During the 12 months to 31 March 2020, two Trustees (12 months to 31 March 2019: three) received reimbursements of personal travel and subsistence expenditure of £597 (12 months to 31 March 2019: £808).

One of the Trustees received remuneration during the year of £7,812 (12 months to 31 March 2019: nil) for qualifying services.

The key management personnel of the parent Charity and the Group in 12 months to 31 March 2020 comprises the Chief Executive, Deputy Chief Executive, Director of Innovations, Assistant Director of Strategic Partnerships and Director of Learning and Quality (12 months to 31 March 2019: Chief Executive, Deputy Chief Executive, Director of Innovations Unit, Assistant Director of Strategic Partnerships and (interim) Director of Training and Education). The total employee benefits of the key management personnel in 12 months to 31 March 2020 was £372k (12 months to 31 March 2019: £341k).

	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
The numbers of employees whose emoluments were in excess of £60,000 (excluding employers National Insurance and pension contributions):-		
£60,000 - £70,000	1	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
	1	1
	1	1

Contributions amounting to £13,211 (12 month to 31 March 2019: £13,478) were made to a defined contribution pension scheme for the above employees, in the period.

EDUCATION FOR HEALTH

13. Cost of Charitable Activities – Educational Activities	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>Total</u>	<u>Total</u>
	£	£
Course development	28,894	15,575
Salaries and staff costs	934,759	960,489
Redundancy Costs	22,281	-
Lecturer’s fees, travel and subsistence	222,930	283,400
Computer consultancy and support	93,663	59,034
Printing and stationery	458	860
Course material	331	589
Course accommodation	68,472	37,279
Postage	6,467	9,141
Sundries and cleaning	7,825	8,231
Bank charges	18,155	19,317
Catering	38	197
Professional charges	22,913	16,469
Registration fees	139,201	79,103
Material cost for bespoke learning	30,095	28,136
Share of support and governance (note 18)	630,747	658,452
Subscription	602	1,132
Bad debt provision	(1,783)	(4,275)
	_____	_____
	<u>2,226,048</u>	<u>2,173,129</u>
	=====	=====

Registration fees represent the cost of registering students with the University of Hertfordshire, Royal College of General Physicians, Open University and the Association for Respiratory Technology and Physiology for our accredited courses. Course development largely represents the amortisation of eLearning development in the year. Material costs for bespoke learning represent the development of material for non-accredited projects.

EDUCATION FOR HEALTH

14. Cost of Charitable Activities – Books and Resources	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>
Cost of items sold	746	1,440
Wages, salaries and staff costs	616	692
Professional fees	1,453	-
Share of support and governance (note 18)	1,660	3,429
	4,475	5,561
	4,475	5,561
15. Cost of Charitable Activities – Research Activity	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>
Wages, salaries and staff costs	6,557	15,694
Professional fees	8,041	-
Share of support and governance (note 18)	9,959	6,859
Miscellaneous	7,142	216
	31,699	22,769
	31,699	22,769
16. Cost of Charitable Activities – Advocacy	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>
Wages, salaries and staff costs	40,515	34,196
Share of support and governance (note 18)	19,918	13,718
	60,433	47,914
	60,433	47,914

EDUCATION FOR HEALTH

17. Analysis of Governance and Support Costs

			<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>Support</u>	<u>Governance</u>	<u>Total</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Salaries and staff costs	404,809	-	404,809	443,730
Redundancy	12,546	-	12,546	-
Rates	6,141	-	6,141	6,629
Heat and light	6,349	-	6,349	7,694
Travel and subsistence	5,376	5	5,381	5,823
Computer consultancy and equipment	73,832	-	73,832	80,363
Rent	15,122	-	15,122	-
Printing and stationery	10,314	-	10,314	9,165
Postage	2,436	-	2,436	1,776
Telephone	13,928	-	13,928	14,368
Staff development	5,687	-	5,687	5,254
Professional fees	15,182	-	15,182	21,083
Property maintenance	15,438	-	15,438	15,854
Sundries	8,766	-	8,766	6,643
Bank interest, charges	333	-	333	54
Foreign Exchange loss	2,228	-	2,228	-
Subscriptions	1,737	-	1,737	407
Depreciation	35,046	-	35,046	40,052
Insurance	4,800	2,272	7,072	7,684
Audit		21,000	21,000	18,403
Trustees meetings		-	-	98
Trustees expenses		597	597	808
	<u>640,070</u>	<u>23,874</u>	<u>663,944</u>	<u>685,888</u>

18. Allocation of Costs of Support and Governance

	<u>12 months to</u> <u>31/03/2020</u>	<u>12 months to</u> <u>31/03/2019</u>
	<u>Total</u> <u>£</u>	<u>Total</u> <u>£</u>
Allocated to:		
Educational activity	630,747	658,452
Books and resources	1,660	3,429
Research activity	9,959	6,859
Advocacy	19,918	13,718
Generating funds	1,660	3,430
	<u>663,944</u>	<u>685,888</u>

EDUCATION FOR HEALTH

19. Total Expenditure

	<u>Staff Costs</u>	<u>Depreciation and Amortisation</u>	<u>Support Costs</u>	<u>Other</u>	<u>12 months to 31/03/2020 Total</u>	<u>12 months to 31/03/2019 Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Expenditure on Raising Funds:						
Investment management fees	-	-	-	16,907	16,907	18,946
Other expenses	-	-	1,600	3,235	4,895	9,130
	-	-	1,660	20,142	21,802	28,076
Expenditure on Charitable Activity:						
Educational activity	957,040	28,894	630,747	609,367	2,226,048	2,173,129
Books and resources	616		1,660	2,199	4,475	5,561
Research activity	6,557		9,959	15,183	31,699	22,769
Advocacy	40,515		19,918		60,433	47,914
	1,004,728	28,894	662,284	626,749	2,322,655	2,249,373
Exceptional charitable activity				95,707	95,707	
	1,004,728	28,894	663,944	742,598	2,440,164	2,277,449
Reconciliation to other Notes to the Accounts:						
Items in costs of support (note 17) (prior to allocation)	417,355	35,046				
Per Note 9	1,422,083	63,940				

EDUCATION FOR HEALTH

20. Taxation

No tax has been provided in the accounts of Education for Health because it is a registered Charity and much of its activity is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988, and no taxation is due for payment. The Charity has borne VAT on expenditure where appropriate.

21A. Tangible Fixed Assets

<u>Group</u>	<u>Short Leasehold Property Investments</u> £	<u>Freehold Land and Buildings</u> £	<u>Equipment, Fixtures and Fittings</u> £	<u>Total</u> £
At cost: 01 April 2019	46,005	690,000	222,165	958,170
Additions	-	-	164,903	164,903
Disposals	(46,005)	(690,000)	(195,248)	(931,253)
	-	-	-	-
Balance: 31 March 2020	-	-	191,820	191,820
Depreciation: 01 April 2019	46,005	33,069	162,379	241,453
Charge for period	-	2,973	22,430	25,403
Disposals	(46,005)	(36,042)	(149,486)	(231,533)
	-	-	-	-
Balance: 31 March 2020	-	-	35,323	35,323
Net book values:				
31 March 2020	-	-	156,497	156,497
31 March 2019	-	656,931	59,786	716,717

EDUCATION FOR HEALTH

21B. Tangible Fixed Assets

<u>Charity</u>	<u>Short Leasehold Property Investments</u>	<u>Freehold Land and Buildings</u>	<u>Equipment, Fixtures and Fittings</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
At cost: 01 April 2019	46,005	690,000	216,270	952,275
Additions		-	164,903	164,903
Disposals	(46,005)	(690,000)	(195,248)	(931,253)
	-----	-----	-----	-----
Balance: 31 March 2020	-	-	185,925	185,925
	=====	=====	=====	=====
Depreciation: 01 April 2019	46,005	33,069	156,484	235,558
Charge for period		2,973	22,430	25,403
Disposals	(46,005)	(36,042)	(149,486)	(231,533)
	-----	-----	-----	-----
Balance: 31 March 2020	-	-	29,428	29,428
	=====	=====	=====	=====
Net book values:				
31 March 2019	-	-	156,497	156,497
	=====	=====	=====	=====
31 March 2019	-	656,931	59,786	716,717
	=====	=====	=====	=====

Freehold land and buildings were disposed of during the year, resulting in a profit of £457k. The disposal of assets associated with sale of the building led to a loss of £46k.

EDUCATION FOR HEALTH

22. Intangible Fixed Assets – Development Costs

<u>Group:</u>	<u>Contract Related Intangibles</u>	<u>Course Development Costs</u>	<u>Software and Website Development</u>	<u>Social Impact</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
At cost: 01 April 2019	140,276	583,357	194,704	23,588	941,925
Additions	-	-	13,141	-	13,141
Balance: 31 March 2020	140,276	583,357	207,845	23,588	955,066
Amortised: 01 April 2019	140,276	564,658	191,194	10,611	906,739
Charged in the period	-	18,699	4,927	4,716	28,342
Balance: 31 March 2020	140,276	583,357	196,121	15,327	935,081
Net book values:					
31 March 2020	-	-	11,724	8,261	19,985
31 March 2019	-	18,699	3,510	12,977	35,545
Charity:		<u>Course Development Costs</u>	<u>Software and Website Development</u>	<u>Social Impact</u>	<u>Total</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
At cost: 01 April 2019		583,357	194,704	23,588	801,649
Additions		-	13,141	-	13,141
Balance: 31 March 2020		583,357	207,845	23,588	814,790
Amortised: 01 April 2019		549,658	191,194	10,611	766,463
Charged in the period		18,699	4,927	4716	28,342
Balance: 31 March 2020		583,357	196,121	15,327	794,805
Net book values:					
31 March 2020		-	11,724	8,261	19,985
31 March 2019		18,699	3,510	12,977	35,186

Amortisation of intangibles is charged within charitable activities.

EDUCATION FOR HEALTH

23. Fixed Asset Investments	<u>2020</u>	<u>2019</u>
	<u>£</u>	<u>£</u>
<u>Group:</u>		
Listed investments		
Fair value as at 01 April 2020	2,936,684	3,481,951
Additions	2,093,044	665,348
Disposals proceeds	(2,195,183)	(1,275,252)
Realised and unrealised gains	(269,318)	64,637
	<hr/>	<hr/>
Fair value at 31 March 2020	2,565,227	2,936,684
	<hr/> <hr/>	<hr/> <hr/>
Historical cost at 31 March 2020	2,651,551	2,511,343
	<hr/> <hr/>	<hr/> <hr/>
Fixed asset investments are represented by:		
UK listed investments	2,055,770	2,180,566
Non UK listed investments	509,457	756,118
	<hr/>	<hr/>
	2,565,227	2,936,684
	<hr/> <hr/>	<hr/> <hr/>

The following represented more than five percent of the fair value of investments at:-

	<u>31/03/2020</u>	<u>31/03/2019</u>
M&G Invest Fund 3 Corp Bond Class I (GBP) inc	-	152,840
IShares CR GBP CRP SHS (GBP)	-	-
21,166 IShares II PLC Core UK Gilt UCITS ETF GBP	311,987	457,541
1,865 UBS ETF SICAV MSCI EMU SOC RESCLA EUR	130,639	154,054
18,021 UBS ETF PLC MSCI UK SOC RES UCITS ETF	227,677	-
2,888 UBS ETF SICAV MSCI USA SOC RESP UCIT USD	254,041	306,670
114,887.5 Charities Property Income Units	146,171	148,837
22,303 Pimco funds UK corp bd FD inst shs	221,692	-

Charity:

Investments held by the Charity also include an additional £2 (2019: £2) investment in the wholly-owned subsidiary company Education for Health Trading Limited (Company number 03281397) at cost. The Charity also owns 100% of National Respiratory Training Centre Ltd (Company number 05630081) and Respiratory Education UK (Company number 03632077, Registered Charity number 1073428) for which there is no cost of investment.

All subsidiaries are incorporated in England. Education for Health Trading Limited and National Respiratory Training Centre were dormant throughout the year and prior year.

EDUCATION FOR HEALTH

24. Stocks	<u>Group</u> <u>31/03/2020</u> £	<u>Group</u> <u>31/03/2019</u> £	<u>Charity</u> <u>31/03/2020</u> £	<u>Charity</u> <u>31/03/2019</u> £
Books and resources	-	1,020	-	1,020

25. Debtors and Prepayments	<u>Group</u> <u>31/03/2020</u> £	<u>Group</u> <u>31/03/2019</u> £	<u>Charity</u> <u>31/03/2020</u> £	<u>Charity</u> <u>31/03/2019</u> £
Trade Debtors	202,628	294,870	202,628	294,870
Other debtors	-	11	-	11
Amounts owed by Group undertakings	-	-	143	143
Prepayments and other accrued income	75,075	45,723	75,075	45,723
	277,703	340,604	277,846	340,747

26. Creditors	<u>Group</u> <u>31/03/2020</u> £	<u>Group</u> <u>31/03/2019</u> £	<u>Charity</u> <u>31/03/2020</u> £	<u>Charity</u> <u>31/03/2019</u> £
Trade Creditors	78,732	84,481	78,732	84,481
Taxation and social security costs	35,111	50,123	35,111	50,123
Other creditors	28,610	15,953	28,610	15,953
Loan	503,619	678,314	503,619	678,314
Accruals	154,154	101,070	154,154	101,070
	800,226	929,941	800,226	929,941

Included within other creditors is an amount of £21,172, owed to UKIG (2019: £11,245), in relation to funds held on their behalf.

Financial instruments measured at amortised cost comprise a loan provided by UBS.

	<u>Group</u> <u>31/03/2020</u> £	<u>Group</u> <u>31/03/2019</u> £	<u>Charity</u> <u>31/03/2020</u> £	<u>Charity</u> <u>31/03/2019</u> £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	202,628	294,881	206,771	295,024
Carrying amount of financial liabilities				
Measured at amortised cost	765,115	879,818	765,115	879,818

The loan is in the form of a loan secured against the investment portfolio, with a variable 1.75% above LIBOR interest rate. The loan is included in Creditors (note 26).

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27. Fees Received in Advance

	<u>Group</u>	<u>Charity</u>
	<u>£</u>	<u>£</u>
At 01 April 2019	901,327	901,327
Released during period	(872,103)	(872,103)
Deferred during period	651,435	651,435
	680,659	680,659
At 31 March 2020	680,659	680,659

28. Unrestricted Funds

	<u>1 April</u>	<u>Net Incoming</u>	<u>Transfers</u>	<u>31 March</u>
	<u>2019</u>	<u>Resources/(Resources</u>		<u>2020</u>
	<u>£</u>	<u>Expended) in Year</u>	<u>£</u>	<u>£</u>
		<u>£</u>	<u>£</u>	
Group:				
General fund	942,341	(452,982)	449,019	938,378
Trading subsidiaries	(51)	-	-	(51)
	942,290	(452,982)	449,019	938,327
Designated funds:				
Equipment, furniture, fixtures and fittings fund	-	-	156,497	156,497
Intangible fixed assets	-	-	19,985	19,985
New educational technologies/IT systems Development fund	-	-	-	-
Operating fund	355,000	-	-	355,000
Resource management reserve	-	-	45,000	45,000
Strategic development fund	765,000	-	(415,000)	350,000
	1,120,000	-	(193,518)	926,482
Total designated reserves	1,120,000	-	(193,518)	926,482
Unrestricted reserves	2,062,290	(452,982)	255,501	1,864,809
Revaluation fund	255,501	-	(255,501)	-
	2,317,791	(452,982)	-	1,864,809
	2,317,791	(452,982)	-	1,864,809

EDUCATION FOR HEALTH

28. Unrestricted Funds (continued)

	<u>1 April</u> <u>2019</u> <u>£</u>	<u>Net Incoming</u> <u>Resources/Resources</u> <u>expended) in Year</u> <u>£</u>	<u>Transfers</u> <u>£</u>	<u>31 March</u> <u>2020</u> <u>£</u>
<u>Charity:</u>				
General fund	942,341	(452,982)	449,019	938,378
Designated funds:				
Equipment, furniture, fixtures and fittings fund	-	-	156,497	156,497
Intangible fixed assets	-	-	19,985	19,985
New educational technologies/IT systems	-	-		
Development fund	-	-		
Operating fund	355,000	-	-	355,000
Resource management reserve	-	-	45,000	45,000
Strategic development fund	765,000	-	(415,000)	350,000
Total designated reserves	1,120,000	-	(193,518)	926,482
Unrestricted reserves	2,062,341	(452,982)	255,501	1,864,860
Revaluation fund	255,501	-	(255,501)	-
	2,317,842	(452,982)	-	1,864,860

The strategic development fund is to support the period of change the charity is currently undergoing. With the intention to ensure infrastructure, resource and products are fully aligned to enable delivery of our strategic aims over the next two years. The reduction in the fund during the year reflects the move. The operating fund is the amount required to allow students to complete programmes study. The resource management fund has been created to fund unexpected resource requirements in the unexpected circumstances of maternity leave or long term illness. Fixed assets and intangible assets reserves reflect assets not readily converted to cash.

EDUCATION FOR HEALTH

29. Analysis of Net Assets Between Funds

	<u>Tangible & Intangible Fixed Assets</u> £	<u>Investments</u> £	<u>Net Current Assets/(Liabilities) and Provisions</u> £	<u>31/03/2020 Total</u> £	<u>31/03/2019 Total</u> £
<u>Group:</u>					
Unrestricted funds:					-
Designated General	-	926,482	-	926,482	1,120,000
Revaluation reserve	176,482	1,638,745	(876,900)	938,327	942,290
	-	-	-	-	255,501
	<u>176,482</u>	<u>2,565,227</u>	<u>(876,900)</u>	<u>1,864,809</u>	<u>2,317,791</u>
<u>Charity:</u>					
Unrestricted funds:					-
Designated General	-	926,482	-	926,482	1,120,000
Revaluation reserve	176,482	1,638,747	(876,851)	938,378	942,341
	-	-	-	-	255,501
	<u>176,482</u>	<u>2,565,229</u>	<u>(876,851)</u>	<u>1,864,860</u>	<u>2,317,842</u>

EDUCATION FOR HEALTH

30. Commitment Under Operating Leases

	<u>Group</u> <u>31/03/20</u> £	<u>Group</u> <u>31/03/19</u> £	<u>Charity</u> <u>31/03/20</u> £	<u>Charity</u> <u>31/03/19</u> £
Land and Buildings				
Within one year	40,706	-	40,706	-
Within two to five years	192,000	-	192,000	-
Within five to ten years	170,838	-	170,838	-
	<u>403,544</u>	<u>-</u>	<u>403,544</u>	<u>-</u>
	=====	=====	=====	=====
Fixtures and fittings:				
Within one year	16,843	9,334	16,843	9,017
Within two to five years	46,198	17,303	46,198	17,037
Within five to ten years	4,889	-	4,889	-
	<u>67,930</u>	<u>26,637</u>	<u>67,930</u>	<u>26,054</u>
	=====	=====	=====	=====

31. Capital Commitments

On 31 March 2020, the Group and Charity had no tangible or intangible capital commitment (March 2019: £Nil).

32. Reconciliation of Net Income (expenditure) to Net Cash Flow from Operating Activities

	<u>Group</u> <u>31/03/2020</u> £	<u>Group</u> <u>31/03/2019</u> £
Net expenditure for the year	(452,982)	(353,954)
Add back depreciation charge	25,403	20,268
Add amortisation intangible assets	28,342	35,359
Deduct investment income	(85,638)	(101,280)
Add losses/deduct (gains) on investments	269,318	(64,637)
Profit/(Loss) on disposal	(411,419)	-
Decrease in stock	1,020	(51)
Decrease (increase) in debtors	66,121	(95,081)
Decrease in creditors and provisions	(353,603)	(182,985)
	<u>(913,438)</u>	<u>(742,261)</u>
	=====	=====

EDUCATION FOR HEALTH

33. Reconciliation of Net Income (expenditure) to Net Cash Flow from Operating Activities

	<u>£</u>
Analysis of cash and cash equivalents:	
Cash in hand at 31/03/2019	118,848
Movement in year	207,434
	<hr/>
Cash in hand at 31/03/2020	326,382
	<hr/> <hr/>

34. Revaluation Reserve

The Trustees took the option in FRS 102 to measure the land and buildings at fair value at 01 January 2014. Going forward this fair value is deemed to be cost.

	<u>Valuation Sum</u>	<u>Previously Stated Net Book Value</u>
	<u>£</u>	<u>£</u>
Land	230,000	100,000
Building	460,000	324,794

Thus creating a revaluation fund of £265,206 at 01 January 2014. This led to additional annual depreciation of £4,134 (before change to estimated useful life in 2015) which is transferred from revaluation reserve to general reserve. Following the sale of the land and building during the year the revaluation reserve has been transferred to retained general reserves.

35. Related Party Transactions

Aileen Muir who is a trustee of Education for Health received remuneration of £7,810 in the period ending 31 March 2020 for marketing services of which £4,330 was included in creditors at the year end, plus travel and subsistence of £314.

36. Contingent Liability

Education for Health and REUK are party to a group VAT registration effective from 01 March 2015. At 31 March 2020, there was a VAT liability of £9,000 (31 March 2019: £7,072).

EDUCATION FOR HEALTH

37. Exceptional Items	<u>2019/20</u>	<u>2018/19</u>
	<u>£</u>	<u>£</u>
Income		
Profit from the disposal of land and property	457,152	-
	<hr/>	<hr/>
Cost		
Loss from the sale of fixtures and fittings relating to the move	(45,733)	-
One off costs of the move	(49,974)	-
	<hr/>	<hr/>
Total exceptional Costs	95,707	2,511,343
	<hr/> <hr/>	<hr/> <hr/>

During the year Education for Health sold their land and buildings in Warwick realising a profit which has been treated as exceptional income in the accounts. The exceptional loss comprises of the one off costs relating to the sale and our move to rented property in Wellesbourne.

EDUCATION FOR HEALTH

38. Comparative Information – Consolidated Statement of Financial Activities

	<u>Unrestricted</u> <u>Fund</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>£</u>	<u>31/03/2019</u> <u>Total</u> <u>£</u>
<u>Income and Endowments from:</u>			
Donations and legacies	14,265	-	14,265
Charitable activities	1,713,060	-	1,713,060
Other trading activities	30,253	-	30,253
Investments	101,280	-	101,280
	<hr/>	<hr/>	<hr/>
Total Income	1,858,858	-	1,858,858
	<hr/>	<hr/>	<hr/>
<u>Expenditure on:</u>			
Raising funds	28,076	-	28,076
Charitable activities	2,249,373	-	2,249,373
	<hr/>	<hr/>	<hr/>
Total Expenditure	2,277,449	-	2,277,449
	<hr/>	<hr/>	<hr/>
Net gains on investments	64,637	-	64,637
	<hr/>	<hr/>	<hr/>
Net Movement in Funds for the Year	(353,954)	-	(353,954)
	<hr/>	<hr/>	<hr/>
<u>Reconciliation of Funds:</u>			
Total funds brought forward	2,671,745	-	2,671,745
	<hr/>	<hr/>	<hr/>
Total Funds Carried Forward	2,317,791	-	2,317,791
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

EDUCATION FOR HEALTH

Reference and Administration Details

Registered Charity No: 1048816

Company No: 03090774

VAT No: GB210922057

Board of Trustees:

Professor Ursula Gallagher (Co-Chairman)
Dr Robert Angus (Co-Chairman)
Mr Robert Strange
Mr Gary Parkinson
Mrs Aileen Muir
Mr Christopher Rowles (appointed
01/08/2019)
Mr Mike Attwood (appointed 31/01/20)

Mr Chris Rowles and Mr Mike Attwood
having been appointed since the last AGM
retire and offers themselves for re-election.

Chief Executive:

Dr Linda Edwards

Senior Leadership Team

assisting Chief Executive:

Mrs Rebecca Harkcom, Deputy Chief
Executive
Mrs Julia Neal, Director of Education (until
April 2019)
Mrs Ann Saxon, Director of Quality and
Learning (appointed 11/05/2019)
Mr Stephen Ryan, Director of Innovations
Unit
Mr Adam Smith, Assistant Director of
Strategic Partnerships

Company Secretary:

Mrs Rebecca Harkcom

Registered Office and Principal Address:

1 Lowes Lane Business Park
Lowes Lane
Wellesbourne
CV35 9RB

Website:

www.educationforhealth.org

Nominations Committee:

Mr Gary Parkinson
Professor Ursula Gallagher
Dr Robert Angus

Finance, Audit and Risk Committee:

Mr Robert Strange
Mr Gary Parkinson
Mrs Aileen Muir

Patrons:

Mrs Greta Barnes MBE
Baroness Julia Cumberlege CBE, DL

Legal Advisors:

Wright Hassall and Co
Olympus Avenue
Leamington Spa
Warwickshire CV34 6BF

Shakespeare Martineau
Brideway House
Stratford on Avon, CV37 6YX

Investment Advisers:

UBS Wealth Management
1 Finsbury Avenue
London EC2M 2PP

Bankers:

Barclays Bank plc
PO Box 1352
25 High Street
Coventry CV1 5QZ

Auditors:

RSM UK Audit LLP
St Philips Point
Temple Row
Birmingham B2 5AF