



2020-21: *Resilience*



Resilience

The teams at Health Exchange have demonstrated that regardless of the challenge, they exceed expectations in what has been a period of uncertainty across the world.

On the 17th March 2020 we entered into lockdown.

Our first response was to implement our robust Business Continuity Plan and quickly mobilise all staff to work from home. Some of my teams had never worked from home before and, with the prospect of getting COVID-19 heavily on everyone's mind, staff transitioned to being a remote-only service within a matter of days.



Whilst many organisations were having to close completely, our teams, and our IT support teams made it possible to continue to offer an excellent service to all those who needed to use our services.

Our Type 2 team, moved from 100% face to face to 100% remote within a week. This led to the team not only being able to meet the annual target, which is often a challenge, but actually led to an increase of 23% more individuals accessing our Type 2 Structured Education programme. We had our teething problems, as everyone did, but with the help and support of our Data teams and the Type 2 team we were able to ensure there was no interruption to our service for our service users with the additional telephone support provided where necessary.

Our social prescribing team, including Lorraine Crampton, who is pictured on the front cover of this report, were instrumental in supporting the vaccine roll out in their Primary Care Networks throughout the pandemic and also provided telephone support and assurances for those who were shielding and often very fearful. Our team members also provided support by accompanying PCN colleagues on home visits when the world began to open up, ensuring that those who needed the most support got it.

Never in my time as COO has the need for mental health and wellbeing services been highlighted in such a unique and dramatic way, however our teams answered the call and were instrumental in not only supporting and responding remotely to clients who were accessing mental health interventions but also providing mindfulness sessions and vital wellbeing interventions for the staff and wider team here at Health Exchange. These sessions have since been described as "invaluable" by colleagues who accessed them.

A few months into the pandemic, when we had no guidance or timeline of when things may begin to improve, I had to take the difficult decision to put some staff on furloughed leave. During this time it was essential that we kept those staff in the loop and supported so regular check-ins from their Line Managers and SMT members was crucial to them remaining part of our network of teams, even if not physically involved at the time in the day-to-day operations. Thankfully, I was able to successfully bring back all staff that were on furlough with no redundancies having to be made. That makes me so proud of how we, as a medium sized charity, handled the challenges of the pandemic.

Our teams across all of our services including our amazing support staff including; Finance, HR and Office Administration, Marketing and Data, have managed to keep the organisation going.

The goal for this coming year is to keep supporting staff as the world opens up and new contracts and opportunities come on stream, to continue to be the amazing values-based, mission-led organisation that we are, so that we can help individuals to choose positive lifestyles and wellbeing for themselves, their families and their communities.

I would like to extend a huge thank you to all of our teams on behalf of the Senior Management Team, **keep up the great work.**

Jennifer Jones-Rigby
Chief Operating Officer

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Our Mission

“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.”

Our Mission

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.

What Do Our Service Users Say About Us?

*I was given a lot of advice,
motivation and material to
help me.*

Saleem

*I felt Kalbinder really cared
about me as a person, I
wasn't just someone with
Diabetes to her. I think I
would have slipped into
depression without her
support.*



Tina

*I would have been lost
without the support I've
received, I've learned so
much.*



*I'm just sad I won't get to
see Kim now!*

**June
(Pseudonym)**

The Chair's Report



This is the first full year that Health Exchange has operated as a charity and on behalf of the other Non-Executive Directors, I would like to start my report by thanking all the organisation's staff and volunteers in ensuring that the transition from a community interest company to a fully-fledged charity has been successful.

All organisations have continued to feel the impact of the pandemic and I am pleased to see how Health Exchange has continued to manage the challenges which it faces while still implementing future growth plans. Supported by the Board, and under the leadership of the Chief Executive, Ron Owtrim, the future direction of the organisation has been set and designed to ensure the organisation is able to deliver its core objectives while remaining in a healthy position financially.

As I reported last year, I continue to believe that with our current Trustees and Executive we have a nicely balanced spread of experience and skills around the table to take the organisation forward and meet the challenges ahead. However, as the business grows, we will be undertaking a skills-mix review of our Non-Executive Directors to identify any additional requirements we may need as we move forward. This will enable us to recruit additional talent to our Board as necessary, and further ensure we are able to move ahead and grow the organisation safely.

Continuing to operate and deliver high-quality cost-effective services has been, as it was last year, a major achievement; home working has continued for many staff, as has other impacts caused by the continuing pandemic.

However, despite the continuing challenges, we have continued to provide the quality of service to our users that they expect and deserve.

A handwritten signature in black ink, appearing to read 'A. Langley', enclosed within a white rectangular box.

Professor Chris Langley
Chair of the Board of Trustees

Meet The Chief Executive



It has been another busy year, dealing with the effects of the pandemic and operating as a newly formed charity. The Annual review highlights some of the work we undertake and cannot really capture the commitment of our staff and volunteers and the fantastic work they have continued to provide over the past year. We continue to see the impact our staff and volunteers have on the health and wellbeing of our clients especially during this most challenging year. Our staff have continued to provide services remotely and have gone above and beyond to ensure services continued. I have enjoyed seeing so much of the inspiring work the organisation does within the communities we serve.

I wish to personally thank all our staff and volunteers within Health Exchange and our partner organisation Living Well Taking Control for all their hard work and commitment. Overall, it has been another good year and we continue to be in a strong financial position to continue to grow but, more importantly, our services continued to evolve, improve, and change.

During the coming year we will continue to look at ways to deliver the vision and values of the Charity and look at areas where we can make a difference by providing people focused quality services. We will continue to provide services that meet the needs of the population we serve and look forward to the future in terms of the commitment, enthusiasm and skills of our staff and volunteers. It is an honour to continue to lead a dedicated team at Health Exchange during this exciting time and I believe we will continue to meet the challenges ahead and the organisation has a bright future ahead.

Ron Owtrim
Chief Executive

An Example Of Our Work

A young client in their 20s accessed the Mental Health & Wellbeing service where they met with a therapist for 12, weekly sessions.

This referral was made by the weekly clinic that Health Exchange holds with the client's GP practice. The client was seeking support for symptoms of depression which included feeling sad, crying, lack of motivation which meant they were no longer doing things they used to do. Initially the client felt apprehensive about accessing the service, as they described a poor experience with previous therapy. However, as treatment progressed, having the therapeutic relationship at core, the therapist and client were able to identify the source of the symptoms and explore historic traumatic experiences, complex/familial environment, and a recent bereavement. In addition, the client was able to identify what maintained these symptoms which included beliefs such as not being 'good enough' which they were able to work through during the therapy.

By the end of treatment, the client had more self-awareness and felt able to cope with their feelings of Depression. Client's feedback included thanking for the support which they said had proved invaluable and reported that they had been this experience of therapy had been more positive than their first.

The client completed weekly questionnaires which assessed the severity of their symptoms, and at the beginning of therapy they scored in the 'moderate' range for symptoms of Depression, and by the end of the therapy this had moved into 'mild' and were sub-clinical, indicating the therapy had successfully helped the client manage their symptoms.



Our Headline Stats



91%

Of surveyed service users said that social prescribing support made them feel less isolated and better connected to others during 2020-21.

73%

The percentage of service users who completed one of our support services after starting a programme



3,280

The number of service users who accessed our support across all of our contracts and services

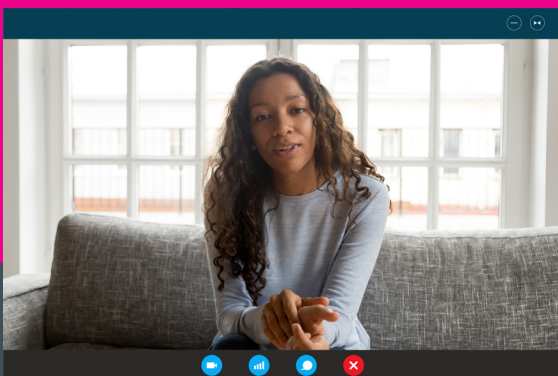
Our Covid Response

Our year has been defined by our ability to adapt to the restrictions of COVID, constantly facing ever-changing challenges in order to continue the delivery of our contracts and ensure support was available to those who needed it in our community. We did this through:

- Moving our deliver to online zoom group meetings, offered at different times during the day, evening and weekend to make them accessible
- Telephone support, for those who preferred it and those who didn't have access to the internet

We actually found that this way of delivering worked really well for our service users as:

- Taking part in group sessions and meetings felt more relaxed in a home environment
- Clients working from home could fit sessions in more easily rather than missing work
- Clients saved money in travel expenses
- Individuals with visual or mobility impairments felt it was easier to join in and contribute through audio interactions on remote sessions rather than trying to attend and participate in an in-person group.
- Non-English speaking patients found it easier to take part due to ease in having a translator/family member alongside them in a digital meeting



Impact Assessment

The Charity continues to grow through contracts for services with primary care trusts, clinical commissioning groups, local authorities and other public bodies thereby increasing our footprint across the country.

Throughout 2020-21, Health Exchange has impacted the lives of thousands of individuals across the West Midlands and beyond.

Our key services such as our Mental Health and Wellbeing Services moved more people to recovery than the national average with over 51% moving to recovery after intervention from one of our trained and accredited practitioners.

- In 2020-21 over 1654 patients were referred to the social prescribing service through VCSE work with Our Health Partnership and Primary Care Networks.
- On average 1,000 contacts with patients made every month.
- Through VCSE grant we have received 1250 referrals from Our Health Partnership practices with support adjusted in light of COVID 19 in March 2020
- Quote – “Overall this was an excellent result, social prescribing supported me through a difficult time financially and helped me talk to the DWP about my needs so I can get the support I need for me and my family.”

Community Health and Wellbeing services

This involves the Type 2 Diabetes and Social Prescribing. Our Type 2 Service has been providing Support in Communities for over 10 years helping individuals management their long-term condition. Each year over 1000 individuals are provided with information about how to better manage their condition, with over 850 completing a structured Diabetes Education programme in their area.

Our Social Prescribing service has highlighted the wide variety of support required throughout Birmingham, supporting a wider social prescribing steering group with newer partners to ensure consistency of support across the city. Referrals continue to increase for social prescribing support to enable people to live healthier and wealthier lives.

Primary Care Support services

Health Exchange is an established provider of Social Prescribing and behaviour change services, with over 10 years' experience delivering for people, not profit. We are 1 of 23 organisations within the country selected by the Department of Health to deliver Social Prescribing under the Voluntary, Community and Social Enterprise Fund, and currently work in partnership with Primary Care Networks (PCNs) across the West Midlands to provide Link Workers to their local populations. This has allowed us to support over 6000 individuals to access the support they require and reduce their dependency on primary care services.

For the past 3 years this support has been delivered in Birmingham and Sandwell, however 2020 has opened up opportunities to support individuals in Coventry, Rugby and Warwickshire.

We continue to develop our reporting mechanisms, enabling us to monitor and evaluate our performance and ensure that we remain accountable and transparent in our delivery.

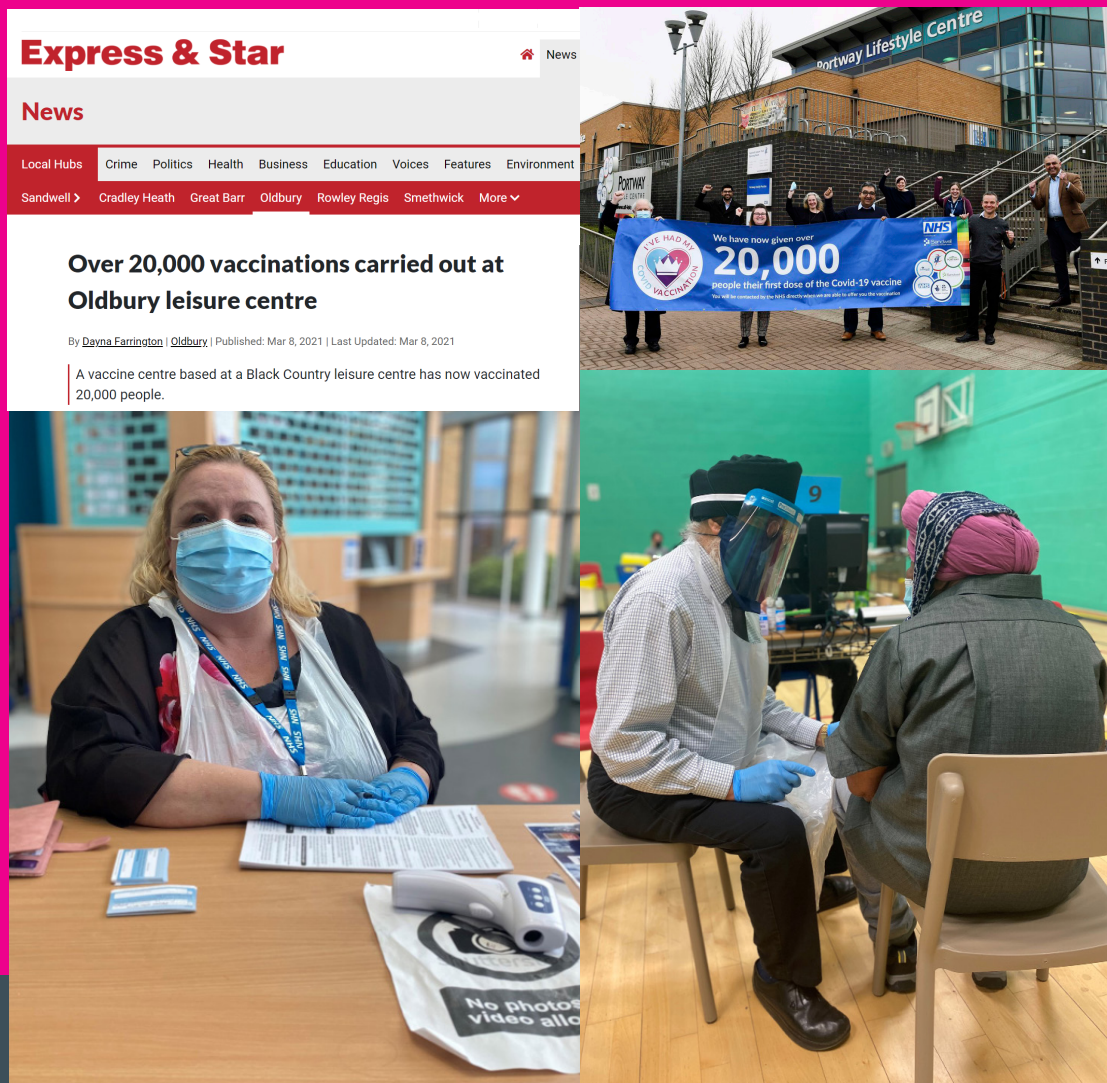


Going Above And Beyond

Volunteering across services and organisations

We are proud to say that Health Exchange employees have formed an integral part of our local vaccination rollout programmes, donating their time and support to the cause which took national priority following the approval of the vaccines in December 2020.

Following a press release celebrating the Health Exchange volunteers who helped Portway Vaccination Centre in Oldbury surpass 20,000 vaccines delivered in just 3 months, we received a wealth of enquiries from new volunteers who have stayed on and intend to volunteer with us into the 21-22 financial year.



Public Benefit

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.

Priority Areas

Each year Health Exchange supports thousands of clients with both information and person centred one to one support or group support. In the 12 months between April 2020 and March 2021, 3801 clients were assessed, supported and contacted, with 3280 customers having more in-depth support based on their needs which are often quite complex with many having co-morbidities needing specific support. Health Exchange offers services built around key pillars.

- Primary Care
- Mental Health and Wellbeing
- Social Prescribing
- Type 2 Diabetes support

In 2020-21 delivery focused on these primary areas, detailed on the next page.

Priority Areas

Mental Health and Wellbeing services

Our Mental health and Wellbeing Support that includes Increased Access to Psychological Therapy (IAPT) and Forward Thinking Birmingham (FTB) aimed at young people up to the age of 25.

Community Health and Wellbeing services

This involves the Type 2 Diabetes and Social Prescribing. Our Type 2 Service has been providing Support in Communities for over 10 years helping individuals management their long-term condition. Each year over 1000 individuals are provided with information about how to better manage their condition with over 850 completing a structured Diabetes Education programme in their area.

Primary Care Support services

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Service Name	Referrals	Contacted/Triaged/ Accessed Service	Completed Intervention/ Discharged
IAPT	830	723	371
FBG	815	477	439
SP	786	765	538
MANAGING TYPE 2 DIABETES	1370	1315	1036
TOTAL	3801	3280	2384

Service Performance

That's a cross-service completion rate of:

73%



Financial Review

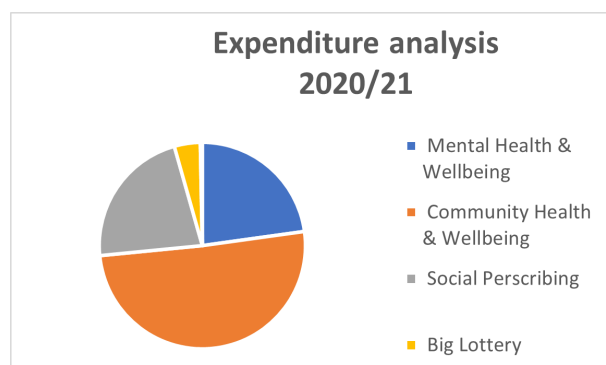
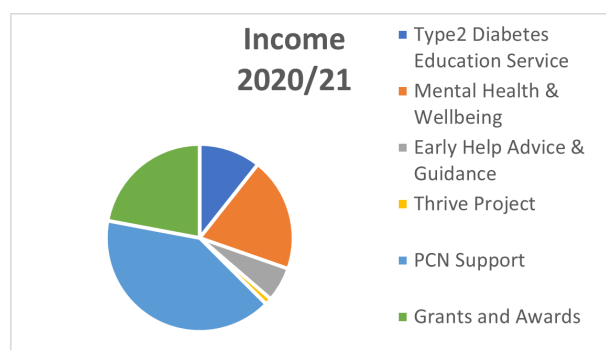
Our income sources

The charity's income streams for the year can be divided into three categories:

- Fixed income contracts
- Payment by result contract
- 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. Our total income for the year 2020/21 was £1.467m,

- Our GE grant ended in August 2020.
- The VCSE grant ended in March 2021.
- We were awarded new contracts covering social prescribing and link workers provision in Coventry, Warwickshire, and Rugby
- Face to Face and group delivery of Mental Health and Community support was significantly affected by the lockdown.
- The Community health and Wellbeing support including the type 2 education program was able to exceed target for the year through digital delivery.



How our money was spent

Our total expenditure in the year including impairment losses for our investment in Living Well Taking Control LLP was £1.413m.

75% of staffing cost covers staff delivering services within the community, 25% is in relation to support function required for governance, compliance and to implement appropriate controls. During the lockdown we invested in supporting our staff to work efficiently from home, cost of equipment required was capitalised in line with accounting conventions.

We had savings against prior year in some areas (despite the 10month period of the previous financial years account) mainly due to the impact of COVID-19, e.g., lower spend on

- Travel and subsistence
- Office and premise expenses
- Bank staff required
- Reducing recruitment to only new contracts where roles were funded.
- Room hire and rent for teams working in the community

Financial Review Cont...

Funds

The charity's total funds increased by £54k to £1,113m on 31 March 2021.

£370k is designated to finance:

- Existing asset portfolio: Leasehold property revaluation reserve and investment (derived from initial value and revaluation and impairment adjustments) or
- Charity's commitments and anticipated future commitments and reserves
- Other redevelopment projects

After allowing for these existing plans, general funds (that is, funds not restricted, or designated in respect of use) amount to £743k, reflecting the rise in income due to the additional contracts but also the reduced expenditure on raising funds explained above.

Restricted Funds

The charity held a two grant funds to support specific activities as determined by the terms of the grant and falls within the objectives of the charity. The £41k deficit in restricted funds relates to expenditure in the year for which income was received in the previous year.

Unrestricted

Unrestricted funds are expendable at the discretion of the Trustees to further the charity's objectives. The charity's unrestricted funds at 31 March 2021 were £1.113k (31st March 2020: £1,059k). Each year, the Trustees review the need to designate unrestricted funds, the redevelopment of the web-based applications and specific projects to be committed and spent in future years. This helps to provide financial stability and confidence in the charity's ability to fund vital areas of work within communities.

Reserves and liquidity policy

The Trustees are keen to ensure that funds raised by the charity are not only used to achieve the objectives of the charity but deliver substantial impact. The Trustees need to balance this objective with the need to maintain financial prudence and ensure the long-term financial sustainability of the charity. The Trustees introduced guidelines for minimum liquidity levels which require the charity to be confident it can meet at least three months future liabilities, when they fall due, in circumstances where income would be significantly reduced. This level was set at £300k for 2019/20 and sustained in 2020/21.

Living Well Taking Control LLP

Living Well Taking Control LLP(LWTC) is a partnership between Health Exchange and Westbank Community Health and Care. The partnership made losses in 2021/22 that significantly impaired investment in the partnership (£190k in 2019/20 to £634 2020/21)

What's Next For Us?

The Charity's plan is to further develop services over the 12 to 24 months to set the foundation for the organisation for the next 5 years. Our strategy is to continue to deliver services in areas of deprivation that provide an additional safety net where we have identified health inequality and gaps in statutory and community provision. The areas we identify will form the basis for our continued growth and success whilst ensuring our core commitment to provide safe high-quality care services through developing strong relationships with our partners, commissioners, staff, and clients.

Utilising our skills gained providing Social Prescribing, Mental Health and Diabetes Prevention we will work with partners to improve the overall wellbeing of individuals ensuring they have improved accessibility to services. We will aim to work in three main areas to develop innovative services to support:

Support families in hard to reach areas with high levels of deprivation to improve their overall mental health wellbeing especially post covid.

Support groups of elderly clients to retain their independence and reduce levels of loneliness and isolation.

Work with families to help support a healthy lifestyle by providing and monitoring factors to improve lifestyle choices being overweight.

To support our ambition Hex will develop a digital application, this digital hub will provide clients real time access to their information plus supporting materials through the form of digital asset service. Clients and Link Workers and Coaches will be able to communicate directly within the application through push notifications and instant communication channels. The application will be fully secure and will be able to integrate into a variety of external systems via an API to allow for functionality such as SMS, email & social communication. The application will be readily available across multiple devices allowing users to access their data at home from their computers or their smartphones.

As we continue to grow and deliver more complex projects, we will ensure our Board and Senior Team have the skills experience to deliver the range of services. Key Executives will meet the challenges of the future and ensure we have the skills and competencies in our staff to meet the challenges ahead.

How Can You Help Us?

Referral

Health Exchange (HEX) carries out communications campaigns and multi-channel marketing throughout the year, however there is no better way to ensure the right people hear about this support than word of mouth. So if you know someone who you think would benefit from support or regularly find yourself working with members of the community, then please do get in contact with our team to find out more about how to refer a service user.

Volunteering

Whether it's with HEX or one of the many organisations the charity partners with in the community, particularly through its social prescribing work, volunteering opportunities are permanently available and the help is so gratefully received.

Awareness Raising

To support the charity in raising awareness of its services, any offer to share information, put up posters, write about this work in the press etc would go such a long way towards helping to spread the word amongst relevant communities.

Event Hosting/Invitations

Finally, Health Exchange staff are on hand and available to attend any information or community events that would be beneficial for getting the brand and the services offered in front of relevant members of the community or well-placed healthcare professionals. So if you are hosting an information event or would be in a position to put Health Exchange in front of the public or healthcare professions then the team would be very grateful for the opportunity to attend.

Administrative Information

Charity Name: Health Exchange

Charity Registration Number: 1188838

Company Registration Number: 06445689

Website: www.healthexchange.org.uk

Registered Office: Avoca Court, 27 Moseley Road,
Digbeth, B12 0HJ

Bankers: Santander UK

Auditors: Cooper Parry Group Limited, Chartered
Accountants and Statutory Auditors,
Sky View, Argosy Road, East Midlands Airport, Castle
Donington, Derby, DE74 2SA

The Board Of Trustees

Prof. Christopher Andrew
Langley - *Chairman*
Sir David Ross Winkley
Dr Jacky Chambers
Dr Russell Muirhead
Ronald Patrick Owtrim
Obaid Mahmood Choudry
David Melbourne

Senior Management Team

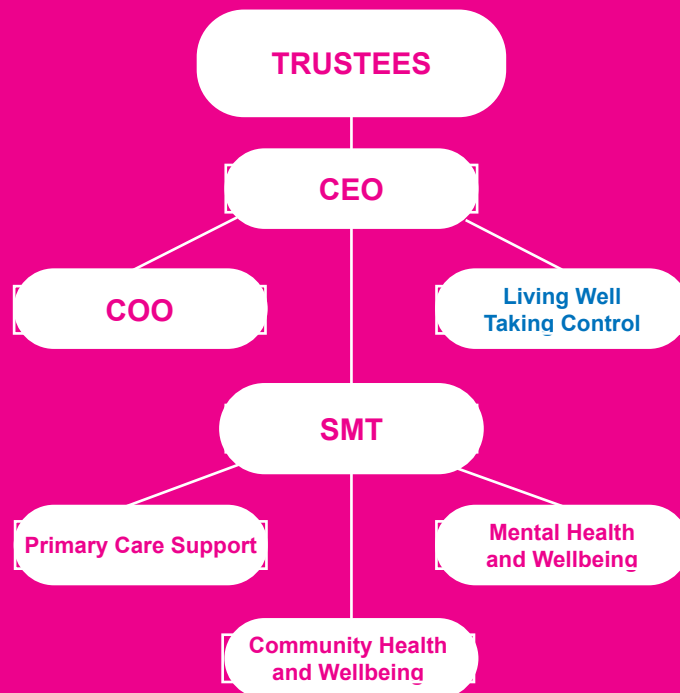
Ronald Patrick Owtrim
Jennifer Jones-Rigby
Olabimpe Odubango
Rachel Georgiou
Parminder Sandhu
Stuart Brown

Risk Management

Strategic management of risk is an integral part of Health Exchange's decision-making quality and assurance processes and culture, supporting effective planning and evaluation of activities. By following the ISO 9001:2015 model for which we have been accredited for almost 10 years, we identify review and track all risks on our live Risk Tracker. The trustees review the charity's main risks on a regular basis. They are responsible for approving and then overseeing the implementation of any changes to procedures, training or other actions to mitigate the risks. The Trustees have in place a risk register which is reviewed quarterly and updated annually. These risks cover all aspects of the operations of the organisation, including, but not limited to:

Risk	Primary Mitigations
Safeguarding, regulatory and operating risk	<ul style="list-style-type: none"> Implementing strong safeguarding plans, with external review of our compliance with safeguarding requirements Ensuring all Health Exchange staff/volunteers and those we work with have received appropriate training in safeguarding. We are Working with our internal auditors and other providers of external assurance in ensuring recommendations are implemented promptly.
Finance Risk of unanticipated falls in voluntary income, reducing liquidity and capacity to effectively deliver against plans	<ul style="list-style-type: none"> Our reserves policy protects us against the impact of short-term volatility in cash flow. We closely monitor our key performance indicators, against budgets and perform regular reforecasting. In the past year specific consideration of finance risk has included the end/loss of key contracts/grants and sourcing new funding opportunities.
People People are a critical part of our delivery at Health Exchange, we therefore face risk of an inability to find, and keep, people with the right skills to deliver our plans.	<ul style="list-style-type: none"> We map the capability of our teams against requirements and continually refine communications to ensure staff engagement. To remain competitive as a potential employer and retain current staff, with incentives including flexible working and bolstering reward and recognition policy amongst existing staff.
Cyber security and IT risk	<ul style="list-style-type: none"> Continue to receive regular reports on our IT estates and review the security of systems. Implementation of a Digital Transformation Plan to ensure all internal systems are fit for purpose, and support efficiency across the business. Continue to rationalise the technical estate, leveraging software to improve efficiency. <ul style="list-style-type: none"> Invest in Health Technology and in return negotiate shared IP Continue to invest in the database team.
Key Partners and partnerships Overreliance on key partners and partnership	<ul style="list-style-type: none"> Offer consortia opportunities, collaboration of local reach with national reaching organisations, buying the right expertise and implement robust diligence process to ensure partners work to the same standard.
Change in Commissioners strategy and intentions	<ul style="list-style-type: none"> Flex and change to new demands, adjust service offer accordingly Ensure we are at the right briefings, service planning, listening events so that we can steer service provision around our evidence-based practice.
Strategic plan The risk that our strategy is not sufficiently clear and innovative to deliver against our ambitions.	<ul style="list-style-type: none"> Our future plans expands Health Exchange geographical reach in each of our priority areas. We will continually test our strategy to ensure maximum impact for the communities we support. We constantly scan the internal and external environment for opportunities and threats. We are focusing efforts on our digital delivery and our ability to demonstrate impact and efficiency.
Operational risk of Covid-19 The impact of Covid-19 on the Charity's operations.	<ul style="list-style-type: none"> Hybrid working is in place and our office has COVID safe systems designed to ensure a safe working environment whilst adhering to external environment and Government guidelines. All key risks including strategic and clinical are reviewed at monthly integrated governance and mitigating actions recommended and implemented.

Structure & Governance



The members of the Board of Trustees present their report together with the financial statements of Health Exchange for the 11-month period ended 31 March 2021. The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies outlined in the attached financial statements and comply with the charitable company's memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" (FRS102) issued in 2019.

Health Exchange is a charitable company limited by guarantee, incorporated on the 5 December 2007 and registered as a charity on the 31st of March 2020. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

A scheme of delegation is in place and day to day responsibility for the provision of the services, which rests with the Chief Executive along with the Senior management team. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met.

The COO has responsibility for the day to day operational management of the teams, the service leads are responsible for the individual supervision of staff within the team and also ensuring cohesiveness with the overall charity objectives.

Structure & Governance

Trustees responsibilities

The Trustees have control of the Charity, its property and funds. Trustees are appointed by the Members or co-opted by the Trustees. The number of Trustees shall be at least three but not more than twelve persons, all of whom must support the Objects.

The Trustees must hold at least two meetings each year. A quorum at a meeting of the Trustees is at least three or one third of the total number of Trustees for the time being, whichever is greater.

Finance Sub-committee

The Finance Sub-Committee provides expert advice to the board and trustees on the financial health of the charity and any remedial action necessary. It holds the professional finance staff accountable for discharge of their responsibilities, including compliance with external regulation.

The Finance Subcommittee is also responsible for preparing and submitting to the Board a proposed budget for each financial year, for monitoring income and spending against budget profile, and for progressing matters related to the finances of the Society.

Objectives and activities

The Charity's objectives are to further such charitable purposes relating to:

- 1) the advancement of health, including public health and well-being.
- 2) 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.
- 3) 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; and
 - (d) the provision of public health facilities.
- 4) the advancement of education, including the provision of training, particularly in relation to matters of health.
- 5) 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.

Living Well Taking Control

After a number of successful contract tenders in 2020, Living Well Taking Control delivers the **NHS Healthier You Type 2 Diabetes Prevention Programme** in 6 geographies across the UK:

- Derby & Derbyshire
- Dorset
- Herefordshire & Worcestershire
- Northamptonshire
- Nottingham & Nottinghamshire
- Shropshire, Telford & Wrekin

Adapting To Covid

When COVID lockdowns prevented LWTC from delivering face-to-face group sessions, the entire service was digitised with an online self-referral pathway built for at-risk members of the community who couldn't attend a GP appointment. Online sessions are now the norm with thousands of residents accessing the NDPP remotely across England.



Some Key Stats

- 95% of completers in the pandemic said they “found it easy to access remotely”
- 93% of participants surveyed said they felt more positive for having attended the programme
- 88% stated that the Healthier You programme had helped them become more active
- Service users who achieved milestone 4 lost an average of 5.61% of their body weight

“I’ve lost 2 stone in the first 4 months of the programme and expect to get at least another stone off before it ends!”

- Nick, Kidderminster

“Since taking part in the programme, I get my 10,000 steps every day now”
- Paul, Shropshire (pictured)

“I don’t feel 69 anymore!”
- Chris, Nottingham

Thank You

As an organisation, we would like to thank the incredible people who make up our team, delivering vital support across England and ensuring we go from strength to strength as a charity.

Without each and every member of the Health Exchange family, vital care and support simply wouldn't be available to those who need it most.

In this truly unique year, our people have met every challenge with enthusiasm, positivity and resilience.

So from all of the Board and Senior Management Team, we would like to say a heartfelt thank you to all of our staff, volunteers, partner organisations and referral partners, past and present, who have all made such a huge contribution to our work and their communities.

Here's to the future!

Statement of Trustee Responsibilities

The Trustees, who are also the directors of Health Exchange or the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the Trustees are aware:

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

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

AUDITORS

Cooper Parry Group Limited has expressed their willingness to continue in office and will be proposed for re-appointment at the Annual General Meeting.

Approved by the Trustees on 31/01/2022 and signed on their behalf by



Professor Chris Langley
Chairman

Registered number: 06445689

Charity number: 1188838

HEALTH EXCHANGE

(A company limited by guarantee)

TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTH EXCHANGE

Opinion

We have audited the financial statements of Health Exchange (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 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 United Kingdom, including the Financial Reporting Council'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 Trustee's 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 other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustee are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 Trustee's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustee's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustee's Report.

We have nothing to report in respect of the following matters in relation to which 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 Trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustee were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustee's Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustee's 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.

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.

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:

Our assessment focussed on key laws and regulations the Charitable Company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, Charities (Protection and Social Investment) Act 2016, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Charitable Company and how the Charitable Company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Charitable Company's control environment and how the Charitable Company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Charitable Company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Glen Bott FCA (Senior statutory auditor)
for and on behalf of

Cooper Parry Group Limited Chartered Accountants Statutory Auditor

Sky View, Argosy Road,
East Midlands Airport, Castle Donington,
Derby,
DE74 2SA

Date:

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted funds	Restricted funds	Total funds	Total funds 10 months ended 31 March 2020
		31 March 2021	31 March 2021	31 March 2021	31 March 2020
	Note	£	£	£	£
Income from:					
Donations and legacies	4	-	313,533	313,533	367,732
Charitable activities		1,152,935	-	1,152,935	609,125
Investments	6	507	28	535	542
Total income		1,153,442	313,561	1,467,003	977,399
Expenditure on:					
Charitable activities		1,041,123	372,258	1,413,381	1,005,051
Total expenditure		1,041,123	372,258	1,413,381	1,005,051
Net income/(expenditure)		112,319	(58,697)	53,622	(27,652)
Transfers between funds	18	(41,651)	41,651	-	-
Net movement in funds		70,668	(17,046)	53,622	(27,652)
Reconciliation of funds:					
Total funds brought forward		1,042,200	17,046	1,059,246	1,086,898
Net movement in funds		70,668	(17,046)	53,622	(27,652)
Total funds carried forward		1,112,868	-	1,112,868	1,059,246

The Statement of Financial Activities includes all gains and losses recognised in the year.

**BALANCE SHEET
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	368,512	361,368
Investments	12	634	190,000
		<u>369,146</u>	<u>551,368</u>
Current assets			
Debtors	13	389,979	223,327
Cash at bank and in hand		<u>496,131</u>	<u>435,445</u>
		886,110	658,772
Creditors: amounts falling due within one year	14	(142,388)	(141,396)
Net current assets		<u>743,722</u>	<u>517,376</u>
Total assets less current liabilities		<u>1,112,868</u>	<u>1,068,744</u>
Creditors: amounts falling due after more than one year	15	-	(9,498)
Net assets excluding pension asset		<u>1,112,868</u>	<u>1,059,246</u>
Total net assets		<u><u>1,112,868</u></u>	<u><u>1,059,246</u></u>
Charity funds			
Restricted funds	17	(41,651)	17,046
Unrestricted funds			
Designated funds	17	369,962	551,367
General funds	17	<u>784,557</u>	<u>490,833</u>
Total unrestricted funds	17	1,154,519	1,042,200
Total funds		<u><u>1,112,868</u></u>	<u><u>1,059,246</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 for issue by the Trustee on 31/01/2022 and signed on their behalf by:

Professor Chris Langley
Chairman

Ron Owtrim
Chief Executive

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	31 March 2021 £	10 months ended 31 March 2020 £
Cash flows from operating activities		
Net cash used in operating activities	70,132	118,797
Cash flows from investing activities		
Dividends, interests and rents from investments	535	542
Proceeds from the sale of tangible fixed assets	17,500	-
Purchase of tangible fixed assets	(17,833)	(1,170)
Net cash provided by/(used in) investing activities	202	(628)
Cash flows from financing activities		
Repayments of borrowing	(9,648)	(5,796)
Net cash used in financing activities	(9,648)	(5,796)
Change in cash and cash equivalents in the year	60,686	112,373
Cash and cash equivalents at the beginning of the year	435,445	323,072
Cash and cash equivalents at the end of the year	496,131	435,445

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 20 of these financial statements. The nature of the charity's operations and principal activities are to prevent or relieve poverty, suffering, distress or financial hardship amongst the beneficiaries by providing financial assistance and support as well as letting holiday properties to the beneficiaries.

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.

2.2 Going concern

At the year end the continued outbreak of Coronavirus has developed into a global pandemic. At this stage the Trustees are assessing what impact this may have on the Charity, though there remains a high level of uncertainty about the extent and the timeframe of the virus on the global economy, they believe the Charity is strongly placed to handle any downturn that may occur in any of the sectors the Charity operates in.

The Trustees believe the Charity is well placed through the uncertain times caused by the Coronavirus pandemic due to its strong cash balance and significant net current assets position amounting to £744k as at 31 March 2021.

The Trustees have reviewed the financial position of the charity, including its forecast cash flows, liquidity position and existing and potential funding commitments for the next 12 months and a range of scenarios that consider potential future implications of the COVID-19 virus on the charity. The Trustees are also considering a new five-year strategy, with ambitious fundraising targets so that we can do even more to support the communities we serve. Consequently, the Trustees believe that there are adequate resources for the charity to meet its liabilities as they fall due and continue in operation for the foreseeable future and that it is appropriate to continue to adopt the going concern basis of accounting in preparing this Annual Report and Financial Statements.

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 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 7.

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.

2.7 Tangible fixed assets and depreciation

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

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

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	- 33.33%	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 Associated joint ventures

Associates and Joint Ventures are held at cost less impairment. The investment has been accounted for as a programme related investment.

2.9 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.

2.10 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.

2.11 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.

2.12 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.

2.13 Operating leases

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

2.14 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.

2.15 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.

Critical areas of judgement:

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.

4. Income from donations and legacies

	Restricted funds	Total funds	Total funds 10 months ended
	31 March 2021	31 March 2021	31 March 2020
	£	£	£
Grants			
VCSE Health and Wellbeing	313,533	313,533	250,000
Big Lottery	-	-	117,732
	<u>313,533</u>	<u>313,533</u>	<u>367,732</u>

5. Income from charitable activities

	Unrestricted funds	Total funds
	31 March 2021	31 March 2021
	£	£
Bham CCG-Type2 Diabetes Education Service	151,610	151,610
Mental Health & Wellbeing	279,763	279,763
Triage for EWH	84,755	84,755
Thrive Project	16,655	16,655
Primary Care Network	575,789	575,789
Other Income	362	362
Profit on disposal of fixed assets	17,500	17,500
Coronavirus job retention scheme income	25,212	25,212
	<u>1,151,646</u>	<u>1,151,646</u>

	Unrestricted funds	Total funds
	10 months ended	10 months ended
	31 March 2020	31 March 2020
	£	£
USE_IT Project	25,628	25,628
Bham CCG-Type2 Diabetes Education Service	99,905	99,905
Modality (Connected Care Partnership Vanguard Programme)	6,625	6,625
Mental Health & Wellbeing	325,392	325,392
Triage for EWH	68,333	68,333
Thrive Project	27,185	27,185
Primary Care Network	38,065	38,065
Other Income	7,512	7,512
Pharmacy Voucher	1,257	1,257
NRT – Pharmacy – Patches	4,078	4,078
NRT - Pharmacy - Oral	5,145	5,145
	<u>609,125</u>	<u>609,125</u>

6. Investment income

	Unrestricted funds	Restricted funds	Total funds
	31 March 2021 £	31 March 2021 £	31 March 2021 £
Bank interest receivable	507	28	535

	Unrestricted funds 10 months ended 31 March 2020 £	Total funds 10 months ended 31 March 2020 £
Investment income - local cash	542	542

7. Expenditure on charitable activities

	Mental Health & Wellbeing £	Community Health & Wellbeing £	Social Prescribing £	Big Lottery £	Head Office £	Other Activities £	Total 2021 £	Total 2020 (10 Month Period) £
Direct Costs								
Staff costs	157,001	368,029	186,363	10,153	(44,803)	(2,679)	674,064	509,576
Telephone, internet & SMS	3,646	3,667	3,234	282	3	-	10,832	5,889
Supporters	35,499	23,501	5,400	-	12,360	-	76,760	97,442
Mobile unit and van costs	-	80	-	-	5,464	-	5,544	5,982
Travel and subsistence	271	879	158	-	10	-	1,318	10,195
Advertising, promotions and marketing	-	500	4,800	9,900	5,764	-	20,964	8,825
Other direct costs	2,545	364	450	-	550	-	3,909	21,837
Recruitment costs	-	377	-	-	-	-	377	7,257
Room hire and rent	5,584	714	-	340	560	-	7,198	24,747
Impairment loss - LWTC	-	189,366	-	-	-	-	189,366	-
Total direct costs	204,546	587,477	200,405	20,675	(20,092)	(2,679)	990,332	691,750

	Mental Health & Wellbeing	Community Health & Wellbeing	Social Prescribing	Big Lottery	Head Office	Other Activities	Total 2021	Total 2020 (10 Month Period)
	£	£	£	£	£	£	£	£
Support costs								
Staff costs	388	134	-	17,244	209,178	-	226,944	169,739
Rent, rates and storage	91	-	-	-	21,767	-	21,858	19,644
Heat, Light and Power	-	24	-	-	4,214	-	4,238	-
Travel and subsistence	-	-	-	-	(131)	-	(131)	7,279
Telephone, Internet and SMS Text	287	152	31	-	13,204	-	13,674	-
Office expenses	290	860	449	-	8,376	-	9,975	28,785
Legal and professional	530	660	7,335	4,800	36,981	-	50,306	28,154
Equipment and licences	1,802	3,796	3,191	-	17,215	-	26,004	7,626
Premises expenses	120	95	-	-	6,901	-	7,116	11,757
Bank Charges and Interest	-	-	-	(28)	53	-	25	-
Depreciation	604	2,599	587	232	6,669	-	10,691	8,607
Subscriptions and donations	-	125	385	-	2,771	-	3,281	2,409
IT/website costs	-	-	-	-	-	-	-	6,473
Repairs and renewals	-	-	-	-	327	-	327	475
Insurance	-	-	390	-	25,274	-	25,664	18,493
Other costs	-	10,275	1,128	5,238	6,436	-	23,077	3,863
Head office recharges	114,939	112,268	100,359	9,811	(337,377)	-	-	-
Total support costs	119,051	130,988	113,855	37,297	21,858	-	423,049	313,301

8. Auditor's remuneration

	31 March 2021 £	10 months ended 31 March 2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	9,600	9,500

9. Staff costs

	31 March 2021 £	10 months ended 31 March 2020 £
Wages and salaries	810,431	566,160
Social security costs	67,314	46,003
Contribution to defined contribution pension schemes	26,515	17,242
	904,260	629,405

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

	31 March 2021 No.	10 months ended 31 March 2020 No.
Administration	7	7
Frontline	29	31
Operational	2	2
Management	7	7
	45	47

9. Staff costs (continued)

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

	31 March 2021 No.	10 months ended 31 March 2020 No.
In the band £60,001 - £70,000	1	1

The trustees consider its key management personnel comprise the management team. The total employment benefits including employers national insurance and employer pension contributions of the key management personnel were £147,658 (2020: £147,165).

10. Trustee's remuneration and expenses

During the year, one Trustee has been paid remuneration or has received other benefits from an employment with the Charity as permitted under the Charity's governing document. The value of Trustee's remuneration and other benefits was as follows:

		31 March 2021 £	10 months ended 31 March 2020 £
Ronald Owtrim	Remuneration	70,000	65,233
	Pension contributions paid	2,100	2,100

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

11. Tangible fixed assets

	Long-term leasehold property £	Motor Vehicle £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 April 2020	350,000	33,675	33,052	109,427	526,154
Additions	4,205	-	3,082	10,546	17,833
Disposals	-	(33,675)	-	-	(33,675)
At 31 March 2021	<u>354,205</u>	<u>-</u>	<u>36,134</u>	<u>119,973</u>	<u>510,312</u>
Depreciation					
At 1 April 2020	2,917	33,675	27,174	101,020	164,786
Charge for the year	2,102	-	1,038	7,549	10,689
On disposals	-	(33,675)	-	-	(33,675)
At 31 March 2021	<u>5,019</u>	<u>-</u>	<u>28,212</u>	<u>108,569</u>	<u>141,800</u>
Net book value					
At 31 March 2021	<u>349,186</u>	<u>-</u>	<u>7,922</u>	<u>11,404</u>	<u>368,512</u>
At 31 March 2020	<u>347,083</u>	<u>-</u>	<u>5,878</u>	<u>8,407</u>	<u>361,368</u>

The interest in the long-term leasehold property was revalued on 30 August 2019 which deemed the leasehold interest in the property to be £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 have considered this valuation as at the date of signing these accounts and deem this valuation to represent current market conditions as at that date, therefore feel it is appropriate to carry this at the revalued amount subject to depreciation.

12. Fixed asset investments

	Investment in joint ventures £
Cost or valuation	
At 1 April 2020	190,000
At 31 March 2021	190,000
Impairment	
Charge for the year	189,366
At 31 March 2021	189,366
At 31 March 2021	634
At 31 March 2020	190,000

The company participates in a joint venture arrangement in Living Well Taking Control LLP, an LLP incorporated in England and Wales, with one other party.

In March 2013 Health Exchange joined forces with Exeter-based charity Westbank Community Health and Care to deliver the programme, called Living Well Taking Control, to people in Birmingham and Exeter identified as being at risk of developing, or recently diagnosed with, Type 2 diabetes.

Keen to ensure effective evaluation of this education and support programme, this partnership also worked with a number of Universities including Exeter, Bristol and Birmingham to evidence the value and benefits of the service to service-users.

The company owns 50% of the LLP and its share of trading results and assets and liabilities are shown in note 13.

13 Joint venture trading result

	2021 £	2020 £
Turnover	526,234	1,058,266
Cost of sales	(550,134)	(781,485)
Gross profit	(23,900)	276,781
Administrative expenses	(169,619)	(321,346)
Operating (loss)/profit	(193,519)	(44,565)
Fixed assets	5,253	2,443
Current Assets	373,592	642,765
Creditors	(378,211)	(430,809)
Net assets	634	214,399
Members other interests		
Members capital classified as equity	190,000	190,000
Other reserves	(189,366)	24,399
	<u>634</u>	<u>214,399</u>

14. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	372,729	130,405
Other debtors	3,149	50,319
Prepayments and accrued income	14,101	42,603
	<u>389,979</u>	<u>223,327</u>

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	1,459	-
Bank loans	7,569	7,719
Trade creditors	16,275	34,841
Other taxation and social security	83,474	65,023
Other creditors	23,168	8,241
Accruals	10,443	25,572
	<u>142,388</u>	<u>141,396</u>

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

	2021 £	2020 £
Bank loans	-	9,498
	<u>-</u>	<u>9,498</u>

17. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>496,131</u>	<u>435,445</u>

Financial assets measured at fair value through income and expenditure comprise cash in bank.

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Tangible fixed asset fund	116,497	-	(7,771)	17,834	126,560
Leasehold property	98,833	-	(2,102)	-	96,731
Revaluation reserve	146,037	-	-	-	146,037
Investments	190,000	-	(189,366)	-	634
	<u>551,367</u>	<u>-</u>	<u>(199,239)</u>	<u>17,834</u>	<u>369,962</u>
General funds					
General	490,833	1,153,442	(841,884)	(59,485)	742,906
Total Unrestricted funds	<u>1,042,200</u>	<u>1,153,442</u>	<u>(1,041,123)</u>	<u>(41,651)</u>	<u>1,112,868</u>
Restricted funds					
Big Lottery Fund	17,046	28	(57,999)	40,925	-
VCSE Health and Wellbeing	-	313,533	(314,259)	726	-
	<u>17,046</u>	<u>313,561</u>	<u>(372,258)</u>	<u>41,651</u>	<u>-</u>
Total of funds	<u><u>1,059,246</u></u>	<u><u>1,467,003</u></u>	<u><u>(1,413,381)</u></u>	<u><u>-</u></u>	<u><u>1,112,868</u></u>

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 June 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Unrestricted funds					
Fixed Asset funds					
Tangible fixed asset fund	121,832	-	(6,505)	1,170	116,497
Leasehold property	101,750	-	(2,917)	-	98,833
Revaluation reserve	146,037	-	-	-	146,037
Investments	190,000	-	-	-	190,000
	<u>559,619</u>	<u>-</u>	<u>(9,422)</u>	<u>1,170</u>	<u>551,367</u>
General funds					
General Funds - all funds	<u>527,279</u>	<u>609,667</u>	<u>(644,943)</u>	<u>(1,170)</u>	<u>490,833</u>
Total Unrestricted funds	<u>1,086,898</u>	<u>609,667</u>	<u>(654,365)</u>	<u>-</u>	<u>1,042,200</u>
Restricted funds					
Big Lottery Fund	-	117,732	(100,686)	-	17,046
VCSE Health and well being	-	250,000	(250,000)	-	-
	<u>-</u>	<u>367,732</u>	<u>(350,686)</u>	<u>-</u>	<u>17,046</u>
Total of funds	<u>1,086,898</u>	<u>977,399</u>	<u>(1,005,051)</u>	<u>-</u>	<u>1,059,246</u>

Tangible fixed asset fund and leasehold property fund

The purpose of these funds are to recognise the value of operational assets which are not freely convertible into cash.

Revaluation Fund

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

VCSE Health and wellbeing

This fund represents grant income to be used on the social prescribing project.

Big Lottery Fund

This fund represents grant income to be used on the wellbeing asset building project.

19. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	551,367	-	(199,239)	17,834	369,962
General funds	490,833	1,153,442	(841,884)	(59,485)	742,906
Restricted funds	17,046	313,561	(372,258)	41,651	-
	<u>1,059,246</u>	<u>1,467,003</u>	<u>(1,413,381)</u>	<u>-</u>	<u>1,112,868</u>

Summary of funds - prior year

	Balance at 1 June 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Designated funds	559,619	-	(9,422)	1,170	551,367
General funds	527,279	609,667	(644,943)	(1,170)	490,833
Restricted funds	-	367,732	(350,686)	-	17,046
	<u>1,086,898</u>	<u>977,399</u>	<u>(1,005,051)</u>	<u>-</u>	<u>1,059,246</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	368,512	368,512
Fixed asset investments	634	634
Current assets	886,110	886,110
Creditors due within one year	(142,388)	(142,388)
Total	<u>1,112,868</u>	<u>1,112,868</u>

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	361,368	-	361,368
Fixed asset investments	190,000	-	190,000
Current assets	641,726	17,046	658,772
Creditors due within one year	(141,395)	-	(141,395)
Creditors due in more than one year	(9,498)	-	(9,498)
Total	1,042,201	17,046	1,059,247

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

	2021 £	10 months ended 2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	53,622	(27,652)
Adjustments for:		
Depreciation charges	10,689	9,422
Impairment of joint venture	189,366	-
Dividends, interests and rents from investments	(535)	(542)
Loss/(profit) on the sale of fixed assets	(17,500)	-
Decrease/(increase) in debtors	(166,652)	316,945
Increase/(decrease) in creditors	1,142	(179,376)
Net cash provided by operating activities	70,132	118,797

22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	496,131	435,445

23. Analysis of changes in net debt

	At 1 April 2020	Cash flows	At 31 March 2021
	£	£	£
Cash at bank and in hand	435,445	60,686	496,131
Bank overdrafts repayable on demand	-	(1,459)	(1,459)
Debt due within 1 year	(7,719)	150	(7,569)
Debt due after 1 year	(9,498)	9,498	-
	<u>418,228</u>	<u>68,875</u>	<u>487,103</u>

24. 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. A proportion of the pension cost charge represents contributions payable by the company to this fund and amounted to £26,515 (2020: £17,242) in the year. Contributions totalling £1,702 (2020: £3,819) were payable to the fund at the balance sheet date and are included in other creditors.

NHS Pension Scheme

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.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.

An outline of these follows:

Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021, is based on valuation data as at 31 March 2019, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

24. Pension commitments (continued)

Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2019. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6%, and the Scheme Regulations were amended accordingly.

25. Operating lease commitments

At 31 March 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	1,596	1,596
Later than 1 year and not later than 5 years	3,591	5,187
	<u>5,187</u>	<u>6,783</u>

26. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company 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.

27. Related party transactions

As stated in note 12 Health Exchange participates in a joint venture arrangement with Living Well Taking Control LLP an LLP incorporated in England and Wales (Company number: OC407449). During the period Health Exchange made payments on behalf of the Living Well Taking Control LLP amounting to £305,216 (2020: £456,840) of which £nil (2020: £nil) reflects the capital contribution being their share of the joint venture arrangement. Included within trade debtors due within one year is £75,134 (2020: £63,974) due from Living Well Taking Control LLP. At year end there is an amount of £83,824 in deferred income which relates to redundancy costs incurred on behalf of Living Well Taking Control LLP. All of the Trustees' in Health Exchange are also Trustees of Health Exchange UK a company registered in England and Wales (Company number: 09595839). Health Exchange provided a loan during year ending 2017 for £5,000 to the charitable company and the balance outstanding in respect of this loan at the year end was: £Nil (2020 : £20) this is included within other debtors due within one year. During the year Scotdoc Consultancy Ltd, a company where CEO and Trustee Russell Muirhead is a director, provided clinical supervision services to staff. The cost of these services totalled £13,612 (2020: £6,063). At the year end an amount of £1,252 was owed to (2020: £Nil) Scotdoc Consultancy Ltd.