

# HFMA LTD

Annual Report and Financial Statements

*Year ended 30 June 2019*



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## Company Information

Directors	Bill Gregory Caroline Clark Mark Knight
Secretary	Mark Knight
Registered office	110 Rochester Row Victoria London SW1P 1JP
Registered number	4815434
Auditor	RSM UK Audit LLP Chartered Accountants Hartwell House 55-61 Victoria Street Bristol BS1 6AD
Bankers	National Westminster Bank 33 Eastgate Street Chester CH1 1XA

## Report of the Directors

The directors present their report and audited accounts for the year ended 30 June 2019.

### Principal activities

The principal activities of the company are providing marketing services, arranging sponsorship and advertising, and running general and tailored events for the healthcare community.

### Business review and future developments

The results for the year, detailed on page 6 show a profit before tax of £1,028k (2018: profit before tax of £1,292k).

The directors anticipate the business continuing to provide marketing services, arranging sponsorship and advertising, and running general and tailored events for the healthcare community. The purpose of the company is to generate profits so that it may donate them to its parent undertaking HFMA under the Gift Aid scheme to support the parent's charitable activities.

### Dividends

No dividends were payable this year. Amounts were payable by HFMA Ltd to its parent company Healthcare Financial Management Association under gift aid of £1,028k (2018: £1,292k)

### Directors and directors' interests

The directors who served during the year and until the date of this report are set out below:

Bill Gregory (appointed 7 December 2019)  
Caroline Clark  
Mark Knight  
Alex Gild (resigned 7 December 2018)

### Statement of directors' responsibilities for the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

## Report of the Directors (continued)

### Statement as to disclosure of information to the auditor

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 auditor is unaware. Each of the directors have 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 auditor.

### Auditor

A resolution to reappoint RSM UK Audit LLP, Chartered Accountants, as auditor will be put to the members at the annual general meeting. RSM UK Audit LLP has indicated its willingness to continue in office.

### Approval

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

As signed on behalf of the Board:



Bill Gregory  
Director

Date: 6 November 2018

# Independent Auditor's Report to the member of HFMA Ltd

## Opinion

We have audited the financial statements of HFMA Limited (the 'company') for the year ended 30 June 2019 which comprise the statement of income and retained earnings, balance sheet 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 company's affairs as at 30 June 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

## 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 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

## Independent Auditor's Report to the members of HFMA Ltd (Continued)

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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 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.

### Use of our report

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

**RSM UK Audit LLP**

Kerry Gallagher (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants, Hartwell House, 55-61 Victoria Street, Bristol, BS1 6AD

Date **8 November 2019**

# Statement of income and retained earnings

for the year ended 30 June 2019

	Note	2019 £'000	2018 £'000
Turnover	1	5,030	5,793
Cost of sales		(1,991)	(2,069)
<b>Gross profit</b>		<b>3,039</b>	<b>3,724</b>
Administrative expenses	2	(2,021)	(2,436)
<b>Operating profit</b>		<b>1,018</b>	<b>1,288</b>
Interest receivable	5	10	4
<b>Profit before taxation</b>		<b>1,028</b>	<b>1,292</b>
Taxation	6	-	-
<b>Profit after taxation and total comprehensive income for the year</b>		<b>1,028</b>	<b>1,292</b>
<b>Retained earnings at 1 July</b>		<b>-</b>	<b>-</b>
<b>Gift Aid distribution</b>		<b>(1,028)</b>	<b>(1,292)</b>
<b>Retained earnings at 30 June</b>		<b>-</b>	<b>-</b>

The notes on pages 8 – 11 form an integral part of these financial statements.



# Statement of financial position

as at 30 June 2019

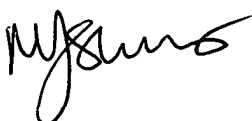
	Note	2019 £'000	2018 £'000
<b>Fixed assets</b>			
Tangible fixed assets	8a	37	34
Intangible fixed assets	8b	10	14
		<hr/>	<hr/>
<b>Total fixed assets</b>		47	48
		<hr/>	<hr/>
<b>Current assets</b>			
Stock		2	3
Debtors	9	2,607	2,689
Cash at bank and in hand		361	632
		<hr/>	<hr/>
		2,970	3,324
<b>Creditors:</b> Amounts falling due within one year	10	(2,516)	(2,834)
		<hr/>	<hr/>
<b>Net current assets</b>		454	490
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		501	538
		<hr/>	<hr/>
Creditors: Amounts falling due after more than one year	11	(501)	(538)
		<hr/>	<hr/>
<b>Net assets</b>		-	-
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	12	-	-
Profit and loss account		-	-
		<hr/>	<hr/>
<b>Total equity</b>		-	-
		<hr/>	<hr/>

The notes of pages 8 -12 form an integral part of these financial statements.

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

The financial statements were approved and authorised by the Board and signed on its behalf by:

Mark Knight  
Director



Date:

6/11/19

## Notes to the financial statements

For the year ended 30 June 2019

### 1. ACCOUNTING POLICIES

#### **General information**

HFMA is a limited company and charity domiciled and incorporated in England. The address of HFMA's registered office is 110 Rochester Row, Victoria, London, SW1P 1JP. The principle places of business of HFMA are 110 Rochester Row, Victoria, London, SW1P 1JP and 1 Temple Way, Bristol, BS2 0BU.

#### **Basis of preparation**

These financial statements are the first financial statements the Company has prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) as applied to smaller entities by the adoption of Section 1A of FRS 102.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated. The functional currency is sterling.

#### **Functional and presentational currency**

The financial statements are presented in sterling which is also the functional currency of the Company.

#### **Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

#### **Taxation**

The company is liable to corporation tax on its taxable profits based on the rates ruling during the year.

#### **Financial instruments**

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### *Financial assets*

Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

#### *Financial liabilities*

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any

## Notes to the financial statements (continued)

For the year ended 30 June 2019

contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

### Fixed assets

All fixed assets are initially recorded at cost.

### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset which has been estimated to range 5-10 years.

## 2. OPERATING PROFIT IS AFTER CHARGING

	2019 £'000	2018 £'000
Auditors fees:		
Audit fees	3	3
Non-audit fees	2	2

## 3. REMUNERATION OF DIRECTORS

Directors' emoluments are paid by the parent Healthcare Financial Management Association are included as a recharge within secretariat and management fees based on the proportion of time spent on the Company's activities.

HFMA Ltd paid Healthcare Financial Management Association £65k for the services of one of the Directors of HFMA Ltd (2018: £61k).

## 4. STAFF NUMBERS AND COSTS

All staff are employed by the parent Healthcare Financial Management Association and included in a recharge within the secretariat and management fees above based on the proportion of time spent on the Company's activities.

## 5. INTEREST RECEIVABLE

	2019 £'000	2018 £'000
Bank interest receivable	10	4

# Notes to the financial statements (continued)

For the year ended 30 June 2019

10	4

## 6. TAXATION

	2019 £'000	2018 £'000
UK corporation tax on profits	-	-
	-	-

## 7. PROPERTY AND OPERATING LEASE COMMITMENT

The total future minimum lease commitment payable in respect of property and operating leases are shown below:

	2019 £'000	2018 £'000
<b>Amounts due</b>		
One year or less	40	40
Two to five years	-	-
Over five years	-	-

Property and operating lease costs in the profit and loss account were £159k (2018: £159k)

## 8a. TANGIBLE FIXED ASSETS

	Equipment £'000	Total £'000
Cost as at 1 July 2018	120	120
Additions	11	11
Cost as at 30 June 2019	131	131
Cumulative depreciation as at 1 July 2018	86	86
Depreciation charge for the year	8	8
Cumulative depreciation as at 30 June 2019	94	94
Net book value as at 1 July 2018	34	34
Net book value as at 30 June 2019	37	37

## Notes to the financial statements (continued)

### For the year ended 30 June 2019

#### 8b. INTANGIBLE FIXED ASSETS

	Intellectual Property £'000	Total £'000
Cost as at 1 July 2018	54	54
Additions	-	-
Cost as at 30 June 2019	54	54
Cumulative depreciation as at 1 July 2018	40	40
Depreciation charge for the year	4	4
Cumulative depreciation as at 30 June 2019	44	44
Net book value as at 1 July 2018	14	14
<b>Net book value as at 30 June 2019</b>	<b>10</b>	<b>10</b>

#### 9 DEBTORS

	2019 £'000	2018 £'000
Trade debtors	1,070	895
Amounts owed by group undertakings	1,356	1,494
Prepayments & accrued income	181	300
	2,607	2,689

#### 10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £'000	2018 £'000
Trade creditors	236	139
Amounts payable to group undertakings	32	23
Other creditors	118	131
Accruals	150	217
Deferred income	1,980	2,324
	2,516	2,834

#### 11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

## Notes to the financial statements (continued)

For the year ended 30 June 2019

	2019 £'000	2018 £'000
Deferred income	501	538
	<u>501</u>	<u>538</u>

### 12 CALLED UP SHARE CAPITAL

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>

### 13 ULTIMATE PARENT UNDERTAKING

The company is an immediate subsidiary undertaking of Healthcare Financial Management Association, a registered charity in the United Kingdom.

As of 30 June 2019, the ultimate parent undertaking and controlling party is also Healthcare Financial Management Association, the consolidated accounts of which are available to the public and may be obtained from 110 Rochester Row, Victoria, London, SW1P 1JP.

### 14 RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption granted by FRS 102 section 1A from disclosure of transactions with other group companies as HFMA Ltd is a wholly owned subsidiary and consolidated financial statements are publicly available.