Company No: 4815434

HFMA LTD

Annual Report and Financial Statements

Year ended 30 June 2020

Contents of the Annual Report

Company Information

Directors	Caroline Clarke Owen Harkin 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 2020.

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 £104k (2019: profit before tax of £1,028k).

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.

The impact of Covid-19 has had some disruption to the activities of HFMA Ltd in the year to 30 June 2020. It is expected that it will also affect future activities, but it is still expected that future activities will generate profits allowing continuing donations to HFMA.

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 £104k (2019: £1,028k).

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

Caroline Clarke
Owen Harkin (appointed 6 December 2019)
Mark Knight
Bill Gregory (resigned 6 December 2019)

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

Report of the Directors (continued)

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.

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:

Caroline Clarke
Director

Date: 6.11.2020

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 2020 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 2020 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

Anna Spencer-Gray (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 12.11.20

Statement of income and retained earnings

for the year ended 30 June 2020

	Note	2020 £'000	2019 £'000
Turnover	1	3,879	5,030
Cost of sales		(1,866)	(1,991)
Gross profit		2,013	3,039
Administrative expenses	2	(1,958)	(2,021)
Operating profit		55	1,018
Interest receivable	5	49	10
Profit before taxation		104	1,028
Taxation	6	-	-
Profit after taxation and total comprehensive income for the year		104	1,028
Retained earnings at 1 July		-	-
Gift Aid distribution		(104)	(1,028)
Retained earnings at 30 June		-	-

The notes on pages 8 – 12 form an integral part of these financial statements. There are no recognised gains or losses other than those included in the profit and loss account. All results arose from continuing operations.

Statement of financial position

as at 30 June 2020

	Note	2020 £'000	2019 £'000
Fixed assets			
Tangible fixed assets	8a	92	37
Intangible fixed assets	8b	7	10
Total fixed assets		99	47
Current assets			
Stock		2	2
Debtors	9	2,422	2,607
Cash at bank and in hand		539	361
		2,963	2,970
Creditors: Amounts falling due within one year	10	(2,543)	(2,516)
Net current assets		420	454
Total assets less current liabilities		519	501
Creditors: Amounts falling due after more than one year	11	(519)	(501)
Net assets		-	-
Capital and reserves			
Called up share capital	12	-	-
Profit and loss account		-	-
Total equity		-	-

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: 6.11.2020

Notes to the financial statements
For the year ended 30 June 2020

1. ACCOUNTING POLICIES

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

Basis of preparation
These financial statements are 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.

The financial statements are prepared under the historical cost convention.

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

Going concern

The accounts have been produced on the basis that the company is a going concern as a result of the ongoing support of the holding company HFMA who have prepared budgets and cash flows for the group incorporating HFMA Ltd which show cash reserves sufficient to confirm the appropriateness of considering the company to be a going concern.

These budgets and cash flows were for the period through to 30 June 2022. The pivoting and reorganisation of activities has meant that all activities have been moved on-line which considerably reduces the risks facing the business going forward. The largest area of uncertainty revolves around the conference centre 110 Rochester Row and its ability to remain open. This risk has been fully stress tested and the conclusion is that cash reserves would still exist following this stress testing to allow HFMA Ltd to be a going concern.

The directors have the added comfort of the support of the holding company HFMA who have secured a Coronavirus Business Interruption Loan of £850k and fixed asset investments (with a value of £2,227k at 30 June 2020) which it has not been assumed will need to be sold even in the worst case stress tested but could be drawn upon if required.

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.

Notes to the financial statements (continued)
For the year ended 30 June 2020

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 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 and amortisation
Depreciation and amortisation 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

	2020 £'000	2019 £'000
Auditors fees:		
Audit fees	3	3
Non-audit fees	2	2

Notes to the financial statements (continued)

For the year ended 30 June 2020

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 £31k for the services of one of the Directors of HFMA Ltd (2019: £65k).

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**

	2020 £'000	2019 £'000
Bank interest receivable	49	10
	49	10

6. **TAXATION**

	2020 £'000	2019 £'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:

	2020 £'000	2019 £'000
Amounts due		
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 (2019: £159k)

Notes to the financial statements (continued)
For the year ended 30 June 2020

8a. TANGIBLE FIXED ASSETS

	Equipment £'000	Total £'000
Cost as at 1 July 2019	131	131
Additions	77	77
Cost as at 30 June 2020	208	208
Cumulative depreciation as at 1 July 2019	94	94
Depreciation charge for the year	22	22
Cumulative depreciation as at 30 June 2020	116	116
Net book value as at 1 July 2019	37	37
Net book value as at 30 June 2020	**92**	**92**

8b. INTANGIBLE FIXED ASSETS

	Intellectual Property £'000	Total £'000
Cost as at 1 July 2019	54	54
Additions	-	-
Cost as at 30 June 2020	54	54
Cumulative amortisation as at 1 July 2019	44	44
Amortisation charge for the year	3	3
Cumulative amortisation as at 30 June 2020	47	47
Net book value as at 1 July 2019	10	10
Net book value as at 30 June 2020	**7**	**7**

9. DEBTORS

	2020 £'000	2019 £'000
Trade debtors	1,076	1,070
Amounts owed by group undertakings	1,312	1,356
Prepayments & accrued income	34	181
	2,422	2,607

Notes to the financial statements (continued)
For the year ended 30 June 2020

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £'000	2019 £'000
Trade creditors	385	236
Amounts payable to group undertakings	7	32
Other creditors	39	118
Accruals	181	150
Deferred income	1,931	1,980
	2,543	2,516

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

	2020 £'000	2019 £'000
Deferred income	519	501
	519	501

12. CALLED UP SHARE CAPITAL

	2020 £'000	2019 £'000
Allotted, called up and fully paid		
1 Ordinary share of £1 each	-	-

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 2020, 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.