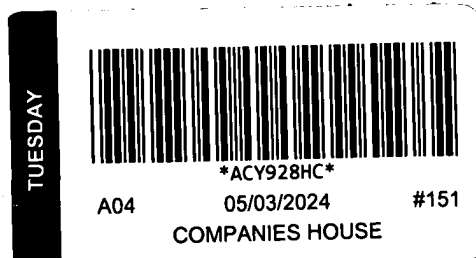


HFMA LTD

Annual Report and Financial Statements

Year ended 30 June 2023



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Company Information

Directors	Lee Bond Claire Wilson Mark Knight
Secretary	Mark Knight
Registered office	110 Rochester Row Victoria London SW1P 1JP
Registered number	4815434
Auditor	RSM UK Audit LLP Chartered Accountants Second Floor, 1 The Square, Temple Quay, Bristol, BS1 6DG
Bankers	National Westminster Bank 33 Eastgate Street Chester CH1 1LG

Report of the Directors

The directors present their report and audited accounts for the year ended 30 June 2023.

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 8 show a profit before tax of £819k (2022: profit before tax of £1,016k).

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 2023 but less than in the years to 30 June 2022, 2021 and 2020. It is considered unlikely that it will have a material impact on future activities. It is also 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 £819k (2022: £1,016k).

Directors and directors' interests

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

Owen Harkin (resigned 8 December 2022)

Lee Bond

Claire Wilson (appointed 8 December 2022)

Mark Knight

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.

Report of the Directors (Continued)

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.

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.

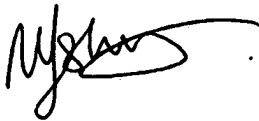
Auditor

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:



Mark Knight
Director

Date: 7 November 2023

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 2023 which comprise the statement of income and retained earnings, the statement of financial position, and notes to the financial statements, including 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 2023 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

In auditing the financial statements, we have concluded that the directors' 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 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 directors 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 directors 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

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

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.

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

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

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The audit engagement team identified the risk of management override of controls and the existence and valuation of certain revenue streams as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates applied in the valuation of investments using the

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

assistance of a valuation specialist and performing substantive test of details over a sample of revenue transactions.

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.

Kerry Gallagher

KERRY GALLAGHER (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

Second Floor

1 The Square

Temple Quay

Bristol

08/11/23

Statement of income and retained earnings

for the year ended 30 June 2023

	Note	2023 £'000	2022 £'000
Turnover		5,135	4,191
Cost of sales		(1,513)	(1,067)
		<hr/>	<hr/>
Gross profit		3,622	3,124
Administrative expenses	2	(2,836)	(2,168)
		<hr/>	<hr/>
Operating profit		786	956
Interest receivable	5	33	60
		<hr/>	<hr/>
Profit before taxation		819	1,016
Taxation	6	-	-
		<hr/>	<hr/>
Profit after taxation and total comprehensive income for the year		819	1,016
Retained earnings at 1 July			-
Gift Aid distribution		(819)	(1,016)
		<hr/>	<hr/>
Retained earnings at 30 June		-	-
		<hr/>	<hr/>

The notes on pages 10 - 15 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 2023

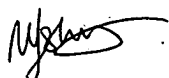
	Note	2023 £'000	2022 £'000
Fixed assets			
Tangible fixed assets	8a	203	44
Intangible fixed assets	8b	-	-
		<hr/>	<hr/>
Total fixed assets		203	44
		<hr/>	<hr/>
Current assets			
Stock		-	2
Debtors	9	4,371	2,524
Cash at bank and in hand		1,437	2,990
		<hr/>	<hr/>
		5,808	5,516
Creditors: Amounts falling due within one year	10	(4,845)	(4,178)
		<hr/>	<hr/>
Net current assets		963	1,338
		<hr/>	<hr/>
Total assets less current liabilities		1,166	1,382
		<hr/>	<hr/>
Creditors: Amounts falling due after more than one year	11	(1,166)	(1,382)
		<hr/>	<hr/>
Net assets		-	-
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	12	-	-
Profit and loss account		-	-
		<hr/>	<hr/>
Total equity		-	-
		<hr/>	<hr/>

The notes of pages 10 – 15 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: 7 November 2023

Notes to the financial statements

For the year ended 30 June 2023

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 principal places of business of HFMA Ltd are 110 Rochester Row, Victoria, London, SW1P 1JP and HFMA House, 4 Broad Plain, Bristol, BS2 0JP.

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 the Healthcare Financial Management Association (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 2025 show that HFMA Ltd is cash generative. A number of risks on different lines of income have been considered notably a recurrence of issues over the winter for strikes and in particular on the activities of the conference centre, 110 Rochester Row. These risks have 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.

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

For the year ended 30 June 2023

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.

Leased buildings

The company rents an office and a Conference Centre on a long lease. Long lease property is included in fixed assets and written off on a straight-line basis over 50 years from the point of first use. In the case of one long lease in London the fixed asset is written off on a straight-line basis over 50 years down to a residual value that is based on cost and is deemed appropriate after considering the market value of the long lease.

The costs of lease improvements and benefit of introductory rent and service charge free periods are allocated on a straight-line basis over the period to the commencement of full rent in accordance with FRS 102.

Fixed assets

All fixed assets are initially recorded at cost and subsequently recorded at cost or valuation, net of depreciation and any impairment loss.

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.

Notes to the financial statements (continued)

For the year ended 30 June 2023

Significant judgements and estimates

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

The directors consider that the key accounting judgement made in HFMA Ltd involves the existence and valuation of deferred income. Revenue is recognised on contracts in line with the delivery of key milestones, costs incurred to date, or if these cannot be measured reliably, evenly over the life of the contract. These methods involve management making assumptions and judgements in relation to future delivery of these contracts, and as a result the value of deferred income is dependent on such judgements.

2. OPERATING PROFIT IS AFTER CHARGING

	2023 £'000	2022 £'000
Auditors fees:		
Audit fees	4	4
Non-audit fees	3	3

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 £40k for the services of one of the Directors of HFMA Ltd (2022: £32k).

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

	2023 £'000	2022 £'000
Bank interest receivable	33	60
	<u>33</u>	<u>60</u>

Notes to the financial statements (continued)

For the year ended 30 June 2023

6. TAXATION

	2023 £'000	2022 £'000
UK corporation tax on profits	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

7. PROPERTY AND OPERATING LEASE COMMITMENT

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

	2023 £'000	2022 £'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 (2022: £159k).

8a. TANGIBLE FIXED ASSETS

	Equipment £'000	Total £'000
Cost as at 1 July 2022	153	153
Additions	214	214
Cost of assets written off	(90)	(90)
Cost as at 30 June 2023	<u>277</u>	<u>277</u>
Cumulative depreciation as at 1 July 2022	109	109
Depreciation charge for the year	27	27
Depreciation on assets written off	(62)	(62)
Cumulative depreciation as at 30 June 2023	<u>74</u>	<u>74</u>
Net book value as at 1 July 2022	44	44
Net book value as at 30 June 2023	<u>203</u>	<u>203</u>

Notes to the financial statements (continued)

For the year ended 30 June 2023

8b. INTANGIBLE FIXED ASSETS

	Intellectual Property £'000	Total £'000
Cost as at 1 July 2022	19	19
Additions	-	-
Cost of assets written off	-	-
Cost as at 30 June 2023	19	19
Cumulative amortisation as at 1 July 2022	19	19
Amortisation charge for the year	-	-
Amortisation on assets written off	-	-
Cumulative amortisation as at 30 June 2023	19	19
Net book value as at 1 July 2022	-	-
Net book value as at 30 June 2023	-	-

9. DEBTORS

	2023 £'000	2022 £'000
Trade debtors	2,290	1,156
Amounts owed by group undertakings	1,922	1,249
Prepayments & accrued income	159	119
	4,371	2,524

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Trade creditors	379	311
Amounts payable to group undertakings	61	26
Other creditors	122	69
Accruals	375	183
Deferred income	3,908	3,589
	4,845	4,178

Notes to the financial statements (continued)

For the year ended 30 June 2023

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

	2023	2022
	£'000	£'000
Deferred income	1,166	1,382
	<u>1,166</u>	<u>1,382</u>

12. CALLED UP SHARE CAPITAL

	2023	2022
	£'000	£'000
Allotted, called up and fully paid		
1 Ordinary share of £1 each	-	-
	<u>-</u>	<u>-</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 2023, 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.