

Company number: 6492606

Charity number: 1125537 (England & Wales)

SC039848 (Scotland)

# People's Health Trust

Report and financial statements

For the year ended 30 September 2022

# People's Health Trust

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### For the year ended 30 September 2022

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## People's Health Trust

### Reference and administrative information

For the year ended 30 September 2022

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<b>Company number</b>	6492606
<b>Country of incorporation</b>	United Kingdom
<b>Charity number</b>	1125537 (England and Wales) SC039848 (Scotland)
<b>Registered office and operational address</b>	2 Bath Place Rivington Street London EC2A 3DR

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Jenny Edwards CBE (Chair)  
Jacqueline Lodge (Deputy Chair)  
Paul Ballantyne (Scotland)  
Leandra Box  
Professor Elizabeth Dowler  
Joe Leigh CPFA & FCCA (appointed 22 June 2022)  
Thomas McIlravey  
Barbara Simmonds FCA (retired 30 May 2023)  
Duncan Stephenson  
Shavannah Taj (Wales)

**Key management personnel** John Hume Chief Executive Officer  
David Jones (to 30 June 2022)  
Max Rutherford (from 20 June 2022)  
Nicola Brian (on maternity leave from 16 March 2022 to 24 January 2023)  
Dr Lisa Doyle (interim from 28 February 2022)  
Elaine Battson FCCA

**Bankers** National Westminster Bank plc  
Charities and Education Team  
Commercial and Corporate Banking  
1st Floor  
440 Strand  
London  
WC2R 0QS

**Solicitors** Bates Wells LLP  
10 Queen Street Place  
London  
EC4R 1BE

People's Health Trust

Reference and administrative information

For the year ended 30 September 2022

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**Auditor**

Sayer Vincent LLP  
Chartered Accountants and Statutory Auditor  
Invicta House  
108-114 Golden Lane  
LONDON  
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 30 September 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## Objectives and activities

### Purposes and aims

The object of the charitable company is the promotion of health for the public benefit by increasing and supporting sustainable health equality in and for disadvantaged communities and groups across England, Scotland and Wales.

The Trust undertakes this work because of its ambition to see a society without health inequalities: where a person lives should not unfairly reduce the length of that person's life, or the quality of their health.

The Trust aims to achieve its objects through:

- Funding and support for communities
- Using evidence and learning to influence change locally and nationally
- Working with networks of funded partners to offer support, to shape the programmes and policy, and ensure their voices are well-represented with decision-makers.

The trustees review the aims, objectives and activities of the charity each year. This report looks at the charity's achievements and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to support. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

## Achievements and performance

In 2021/22 the Trust worked on the third year of its three-year strategic plan. It was able to do so primarily due to the continued support of the 6 Community Interest Companies (CICs) which run the 12 society lotteries through The Health Lottery. The Trust remains grateful to The Health Lottery and to the Community Interest Companies for their ongoing, vital contribution.

### **Strategic Objective One: Investing in organisations, skills and spaces to better enable local organisations to act on the social and economic causes of health inequalities.**

Over the year, the Trust continued to invest in neighbourhoods and communities across Great Britain that experience the greatest social and economic disadvantage. Through formal and informal learning, it continued to gather evidence that demonstrates the ways in which communities are addressing the social and economic causes of ill-health and early death. Throughout 2021/22 the Trust collaborated with its funded partners to develop and deliver a programme of network activities and provided them with a menu of capacity building opportunities to develop the skills and confidence of the community practitioners and organisations.

### ***Grant making policy***

The Trust received donations from 6 Community Interest Companies (CICs) operating society lotteries during the year and this money is restricted to enable the Trust to deliver its funding programmes for local charities and community groups within the defined and published geographical areas across Great Britain. Each CIC focuses upon 2 specific communities of geographical interest (2021 - 1), and the areas are co-terminous with multiple local authority boundaries.

The Trust funds local work addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). Through its funding and support, the Trust encourages resident-focused approaches as a means of addressing these underlying structural causes of health inequalities. The Trust invests its funds in neighbourhoods and communities of interest (see below) which experience the greatest disadvantage as identified by targeting its funding on the bottom 30% of the Index of Multiple Deprivation (IMD), Scottish Index of Multiple Deprivation (SIMD) and Welsh Index of Multiple Deprivation (WIMD).

A [community of interest](#) is a group of people who have a shared identity or experiences. and wish to come together to address issues that are important to them. These communities may be:

- Protected under the Equality Act 2010 because of age, disability, race, sex, sexual orientation, gender, gender reassignment, religion, or belief.
- People who share a particular identity of common experience, for example ex-offenders, D/deaf people, young carers, tenants, care leavers, and people who have experienced homelessness.

The treatment of particular groups of people can mean that they are disadvantaged and this can contribute to significant differences in mental and physical health: there are some stark inequalities in the average life expectancy across different population groups.

The Trust's grant-making is based around the drivers of health inequalities which are social and economic. Its focus has been on jobs and income; community power; social connections; local environment; local economies; housing; education and skills; digital inclusion; and food security. A fundamental belief is that decisions about communities should be taken by those most impacted, so control and social connections remain foundational aims in all of the Trust's funding.

The Trust operated two grant programmes during 2021/22: the [Active Communities Funding Programme](#) and the [Local Conversations Funding Programme](#). More detail can be found under the Grant Programmes section below.

### **Review of activities**

#### **Grant Programmes**

During 2021/22 the Trust incurred costs of £4,359,064 (2021 - £3,407,247) across its main funding programmes.

<b>Programme</b>	<b>2021/22 Total £</b>	<b>2020/21 Total £</b>
Active Communities	3,634,735	3,400,784
Local Conversations	572,001	450,905
Local People	0	(600,613)
Living Wage	0	50,000
Strategic Funding	0	(4,685)
Capacity Building	82,751	32,116
<b>Total value of grant commitments</b>	<b>4,289,487</b>	<b>3,328,507</b>
Research	69,576	78,740
<b>Total</b>	<b>£4,359,063</b>	<b>3,407,247</b>

During the financial year 2021/22, the Trust made 152 (2021 - 123) grants across all of its programmes which benefitted approximately 27,343 local people. Since it started awarding grants in 2011, and up to 30 September 2022, the Trust had made 3,693 (2021 - 3,555) grants which have benefitted over 644,964 local people (2021 - 617,621). Details of the range of projects funded can be found on the website at [www.peopleshealthtrust.org.uk](http://www.peopleshealthtrust.org.uk) and in the Trust's [annual review](#).

**Active Communities** is a funding programme which has been running since 2012. It is open for applications in different areas of Great Britain at different times of the year. The programme puts local people in control of ideas that address the social and economic reasons for poor health and early death. The programme is open to people living in neighbourhoods featuring in lower 30% on IMD and those who identify as a community of interest. A wide variety of activities was funded through the Active Communities programme during the year including projects supporting:

- Disabled people, to support their mental health and wellbeing through deepening social connections, peer support and physical activity;
- Women experiencing domestic violence, providing a safe and welcoming place to learn new skills, build self-esteem and make friends;
- Refugees and asylum seekers, to reduce loneliness and improve mental health;
- Disabled children, to access dance and music classes;
- People who have survived a stroke, with arts and creative classes and to build new friendships and peer support;
- Deaf children and young people, to support them to participate in a Deaf people's cricket club and build self-esteem;
- People with Chronic Fatigue Syndrome or long-Covid, to meet and support each other by sharing their experiences to help understand, self-manage and recover from their conditions;
- People with dementia and their care givers, to come together at a community café and make friends in a positive environment, tackling the social isolation that many people in these groups may experience;
- Amputees, to meet up regularly to benefit from shared lived experience, building friendships and improving their overall wellbeing.

Under the Active Communities programme, the Trust provides funding of between £5,000 and £40,000 for up to two years. It started the year with 338 'live' Active Communities grants and closed it with 348 'live' grants. £3,634,734 (2021 - 3,400,784) was committed through this programme during the year. The average grant award was £27,285.18 (2021 - £27,730). Since programme inception in 2012, 361,425 (2021 - 346,894) people have or are directly benefitting from the programme. Each Board meeting receives an update on the programme.

90% (2021 - 84%) of the respondents of the Trust's 2022 annual stakeholder survey reported that they found the Trust's application process easy to some or a large extent, 95% (2021 - 85%) felt that the Trust's monitoring requirements were proportionate to some or a large extent, and 96% (2021 - 96%) felt that an appropriate level of support is offered on grant management.

The Trust delivers a highly relational approach to its grant-making. In addition to providing direct grant management support through its Partnership Officers, it supports funded partners with a programme of capacity building support and access to thematic and regional networks (see below). Funded partners play a key role in helping to influence and shape the Trust's policy priorities, informing evidence gathering, providing data for research projects, and contributing insight to policy and public affairs work. This operating model, enabling deep collaboration between the Trust and its funded partners, is integral to the success of the Trust's strategic priorities and mission as a charity.



**Living Wage** - the Trust continues its support of the real Living Wage movement, recognising that fair pay for good work is an important determinant of health. It is a Living Wage Employer and continues its work as a founding member of the Living Wage Funders mark and chair of the Third Sector Committee (driving up low pay in the third sector). The Trust is a member of the Living Wage Advisory Council. As in previous years, in 2021/22 the Trust met the costs of increases in the Living Wage to existing grant holders and proactively offered this to projects where staff funded through the Trust's grant are close to or below the Real Living Wage rate. The Trust is funding research led by the Universities of Warwick and Lancaster to explore the direct links between paying the living wage and the effects on health.

**Local Conversations** funding programme is a nine year-long investment in specific places in England, Scotland and Wales. It is designed to enable people to take control over decisions and action to make their neighbourhoods better places to grow, live, work and age, and to improve their health and wellbeing.

During the year to 30 September 2022, the Trust made grants totalling £572,001 (2021 - £450,905) to support the Local Conversations grant programme in the 13 neighbourhoods. Covid-19 continued to have a significant impact on the work of the Local Conversations projects, and many remained underspent within year and have, therefore, not needed the full amount of funds which were budgeted to be committed within the 2021/22 year.

The programme aims to increase social connections and the amount of control that people have - at an individual and collective level - over their lives and communities. It provides the resources and wider support to enable long term and deep engagement to take place across a neighbourhood. The Local Conversation usually takes place over neighbourhoods of between 4,000 and 12,000 people. The funding is awarded to a non-profit organisation in each neighbourhood which supports residents to identify community-wide priorities and exert increasing influence over decisions that have an impact on them and their families' lives.

The programme supports the engagement across neighbourhoods and communities of interest which are complex in nature. Typically, the Trust focuses on those neighbourhoods which feature in the 30% most disadvantaged according to indices of multiple deprivation though other measures have been considered as appropriate. Three of the Local Conversations were based in neighbourhoods in Wales, two were in Scotland and eight were in England.

Each of the Local Conversations has a locally determined Community Plan, which reflects residents' aspirations for the neighbourhood, and which is delivered through three or four locally defined priorities. During 2021/22, the Trust encouraged each lead organisation to move away from the provision of activities that contribute to meeting the priorities, unless they lead to more diverse or deeper engagement, in favour of taking greater action on influencing the local social and economic determinants of health. In 2022, having funded the programme for more than 8 years, the trustees decided that investment in the programme would come to an end December 2023. An 18-month notice period was given, individualised sustainability plans were developed, and a programme of tailored capacity building support is in place. As part of this support regular network days were held, along with meetings and site visits that support strategic conversations.

As in previous years, the programme has supported lead organisations by offering tailored support through community development, dedicated networks, and capacity building support (see below). The co-produced Local Conversations Practice Guide, developed during the previous year, has been widely used. It provides community practitioners, resident led steering groups and lead organisations with the theory, practice examples, and resources that underpin a successful Local Conversation. Specific consideration is given throughout the guide on taking account of equity, diversity and inclusion, and what the application of these priorities can mean in different local contexts.

**Capacity building programme** - during 2021/22 the Trust invested £82,753 (2020 - £32,116) in activities aimed at strengthening the organisations it funds. This included training on fundraising, youth and community engagement, and tailored engagement support for Local Conversation projects. Towards the end of the year, a major expansion of the capacity building programme was commissioned, including new training on mental health and safeguarding. These were offered to all funded partners, with specific consideration given to the contexts of those funded through Active Communities.

**Networks** - supporting networks of funded partners is central to the Trust's mission. Through the networks, the staff, trustees and committee members of funded partners are supported to connect with each other, share learning, influence strategic decision-making within the Trust, and engage with external audiences such as policy-makers. During the pandemic these were an increasingly important space for online support. This year the Trust returned to a blended approach of both online and in-person meetings and events, including fora for practitioners to talk about key issues in their communities such as the cost-of-living crisis, mental health, digital inclusion, and housing. The information and insights from the networks were used to test ideas for new programmes, develop campaigns and refine policy positions (for use in 2022/23). The Trust continues to evolve the networks to enhance the support for partners, to more directly inform the Trust's work, and to more impactfully influence external stakeholders.

**Research and development** - during 2021/22 the Trust invested £69,576 (2021 - £78,740) into research and evaluation which supports health equity. The University of Lancaster and University of Warwick were contracted to research the health impact of the real Living Wage, and the What Works for Wellbeing received a grant to conduct a review of research on community well-being and agency. Grants were also awarded to support the development of a theory of change and evaluation activities.

The Trust started development on potential new programmes and campaigning areas built around its policy areas. Further work on these areas will take place in 2022/23.

**The impact of Covid-19 on the grant programmes** - Covid-19 continued to have an impact on the work of many of the funded projects, across all the programmes. The Trust continued to offer flexibility to funded partners, including reconsidering budgets, activities and timelines. Many have taken up the offers and continued to adapt their activities to meet the needs of their communities. Some have not drawn down funds as anticipated because of delayed expenditure as local restrictions had an impact on delivery. The Trust has extended the end dates of funded projects where it has been appropriate to do so, and in some cases has not needed to award the additional funds which were budgeted to be committed within the 2021/22 year.

**Responding to the needs of communities** -In the last quarter of 2021/22 the Trust refreshed its Active Communities (AC) programme to incorporate an intentional consideration of thematic issues. These thematic lenses have initially included both decreasing community and voluntary and community sector (VCS) mental health and the rising costs of living driven by increased energy prices and inflation. These issues have been referenced with greater frequency by funded partners in their progress reports.

In September 2022, the Trust wrote to all AC partners to offer increased flexibility and support to meet rising costs and demand on their services. This initial package of support comprised an offer to consider requests for:

- Adjustments to planned activities to do more to address the rising costs of living and mental health needs
- Shortening a grant's length, while keeping the overall grant value the same, to deliver more and/or to take account of increasing costs such as energy bills.
- Increasing grant value to ensure that any staff paid through the Trust's grant receive at least the Real Living Wage, which increased by 10% in September
- A webinar on top tips for building financial and governance resilience in small charities

In the first month, responses were received from around 10% of funded partners, half of which have related to increasing salaries to meet the new Real Living Wage rate.

Towards the end of the year there was a notable increase in demand for the Active Communities programme funding, and a clear upwards trend for oversubscription during the 2021/22 financial year. In our 2022 stakeholder survey, 90% of respondents stated they feel that organisations such as the Trust are critical at this time.

**Strategic Objective Two: To develop strong external partnerships and establish ways of working together to act on the real causes of health inequalities.**

### Content

The Trust has further developed its focus on influencing policy and decision makers at a local, regional and national level. The Trust developed and implemented new Communications and Public Affairs strategies to support the move to undertake more advocacy and influencing. These have been supported by the Policy, Research and Advocacy Committee who provide strategic guidance and feedback.

The Trust's influencing work is based on evidence coming from local projects and therefore rooted in the experiences of communities in areas of England, Scotland and Wales experiencing the highest levels of disadvantage which are most affected by health inequalities.

Some examples of this work throughout the year include:

- [Responding](#) to The Department of Health and Social Care's consultation on the development of the government's 10-year plan for mental health and wellbeing for England. The Trust held two workshops and a selection of follow-up interviews with specific groups of community leaders and residents from our funded networks. The discussions focused on prevention, support and promotion which formed the basis of the submission. The focus was on men and people from Black, Asian and minoritised ethnic communities.

- Responding to NHS England's consultation on 'Working in Partnership with People and Communities', emphasising the value of engaging communities most affected by health inequalities, and the importance of engaging small grassroots voluntary and community sector organisations.
- Continuing involvement in the ['We're right here'](#) grass-roots-led community collaboration on community power. In June 2022, The Trust supported three funded partners to attend an event in Parliament which was attended by politicians across the political spectrum.

### Research, policy and evaluation

**Mental Health** - In June 2022, the Trust published the research report ["\*We were absolutely invisible\*": the impact of Covid-19 on the mental health of grassroots voluntary and community sector workers](#). The report is based upon data gathered from grassroots voluntary and community sector (VCS) organisations between April 2020 and February 2022. The research revealed heightened concern about the levels of mental health support which the sector is now having to offer, with organisations identifying this as their biggest challenge ahead.

The surveys and workshops illustrated that demand for mental health support in disadvantaged neighbourhoods has soared since the start of the pandemic, and this has stretched the capacity of charities and left their workers on the brink of burnout. Surveys revealed that:

- 97% of organisations identified mental health support as their biggest challenge ahead (97% in April 2021 and 90% in November 2021).
- 82% of VCS project leaders were concerned about staff burnout in the next six-months.
- 29% of grassroots and community VCS workers had received no formal mental health training at all.

The findings showed that grassroots charities have continued to step up since the start of the pandemic and have played a vital role in supporting their communities, yet they often lack the resources and training to support this work. Given that they form a crucial part of the mental health support landscape, the Trust is calling for an urgent, co-ordinated national strategy for voluntary and community sector (VCS) workers and are working to influence the statutory sector and funders to make this happen. The Trust is engaging with a range of stakeholders, including funders, to push for changes in policy and practice to better support staff and organisations. The Trust has actively supported organisations with mental health training.

### Partnerships

The Trust is an active participant in a range of partnerships focused on addressing health inequalities and the social determinants of health. These include:

- ◆ Health Equals (formerly known as the Wellbeing and Health Collaborations run by the Health Foundation) which is a campaign to address health inequalities through public campaigning, policy and public affairs activities. The coalition comprises 30 organisations and public-facing campaign will commence in 2023.

- ◆ Royal College of Physicians Inequalities in Health Alliance - the Trust is one of over 200 organisations working together to push for a national strategy for action on the social determinants of health, a triggering of the socio-economic duty, section 1 of the Equality Act 2010, and the adoption of a child health in all policies approach to decision-making and policy development. The Trust was a signatory of a public letter to the Secretary of State for Health and Social Care in September 2022 calling on the government to publish its promised White Paper on Health Disparities.
- ◆ School for Public Health Research - the Trust CEO is an advisory group member and provides advice on activities, direction and priorities.
- ◆ NHS England - the Trust has continued to explore a closer working relationship with NHSE on social determinants of health.
- ◆ Living Wage Foundation - the Trust continues its work addressing low pay by supporting a very successful place-based approach and has commissioned research exploring the impact of implemented the real Living Wage on health. Research on low pay in the Third Sector was published in 2022.
- ◆ 'We're Right Here' campaign - this collaboration is focused on community power and includes a broad range of organisations Power to Change, Locality and New Local. The aim is to campaign for more power for communities to take control of their neighbourhood, and the collaboration has written a proposal for a Community Power Act.

### Programme evaluation

This year saw the publication of the [final report](#) for the independent five-year Local Conversations programme evaluation (2016 - 2021). The evaluation, carried out by New Economics Foundation with Leeds Beckett University, showed that building community power can transform neighbourhoods, improve wellbeing and support action on social determinants of health. The evaluation was built upon more than 2,800 survey responses from residents across six waves of data collection, annual staff surveys, 22 in-depth case studies, and peer research. Evidence from the evaluation showed:

- Participating in the programme led to increased levels of trust, connectedness and neighbourhood belonging. 81% of participants said they very or fairly strongly believe they belong in their local neighbourhood, compared to 56.2% in similarly disadvantaged neighbourhoods and 61.6% England average.
- Participation also supported communities to develop a sense of agency and the belief that their involvement can bring change. 82% of participants agreed that when people in the area get involved, they can really change the way the area is run, compared to 50% in similarly disadvantaged neighbourhoods and 54% England average.
- Local Conversations residents are more satisfied with life, less anxious, and more likely to feel that the things they do in life are worthwhile, compared to averages for similarly disadvantaged areas in England.
- The Trust continued to work with Social Life to assess the impact of participation in our Active Communities and Local Conversations programmes. The [first wave of research](#) was based on data collected through 540 questionnaires with project participants, and interviews and questionnaires with practitioners. The research found that 59% of residents involved agree they can influence decisions affecting their local area, compared to 22% of people living in areas experiencing similar levels of disadvantage nationally. 86% of Local Conversations practitioners and 66% of Active

Communities practitioners said their projects have facilitated new partnerships with local organisations with common goals or interests.

### Website development

The Trust launched a new website in March 2022. The new site repositions the Trust's work to support greater engagement with policy makers and opinion formers on the social determinants of health and metrics show an increase in visitors to key pages focused on these issues. The Trust's Newsletter has also been rebranded and the content has a stronger policy and research focus than its predecessor.

### Working with The Health Lottery

The Trust continues to work with The Health Lottery and the six Community Interest Companies to promote the good causes arising from The Health Lottery monies. Media work is regional to reflect the regional and local nature of the lottery funding.

**Strategic Objective Three: Ensure the Trust is in good health, capable of supporting its vision and objectives.**

### Board Development and Focus

2021/22 saw strong continuity at Board level. One trustee was appointed in June 2022 in anticipation of taking over the role of finance trustee from a long-standing trustee who retires at the 2023 AGM. The Board is extremely grateful to Barbara Simmonds for her many years of dedicated service as trustee and as a member of the Finance, Audit and Operations Committee.

From August 2021, the Board began the process of developing its new [strategic plan for 2022-25](#). The process involved the Board, staff team and the network of funded partners. The new strategy went live in October 2022 - details are noted under Plans for the Future on page 19.

Over the course of the year, the Board dedicated specific time to the development, publication and implementation of its [equity, diversity and inclusion strategy](#). Through this statement, the Board committed to being an anti-racist/anti-oppressive organisation and acknowledged that racism, discrimination, poverty, stigma and oppression of marginalised groups are not only profound social injustices, they affect how and where individuals live and work, their relationships, the daily pressures in their lives, how people feel about themselves, and their ability to safely speak out. In turn this all affects physical and mental health.

The published action plan focusses on 12 areas for action across governance, organisation, communication, programmes, networks and policy.

The **staff and trustee diversity surveys** were completed in September 2022. There has been some movement in staffing over the past year:

- The Trust has a broad range of ages employed (25-64). Those at management level are from 35- 59.
- Ethnicity, gender, sexual orientation, disability and data on education level is set out in the table below:

	FY 2021/22 All staff %	FY 2021/22 Management level %	FY 2020/21 All staff %	FY 2020/21 Management level %
<b>Ethnicity</b>				
Asian Indian	4.6	-	4.6	
Black African	13.6	-	13.6	
White British	63.6	85.7	63.6	87.5
White English	9.0	-	9.0	
White Scottish	4.6	-	4.6	
White Irish English	4.6	14.3	4.6	12.5
<b>Gender</b>				
Female	68.2	71.4	69.6	62.5
Male	31.8	28.6	30.4	37.5
Non-binary	0	0	0	0
<b>Sexual Orientation</b>				
Heterosexual	81.8	71.4	82.61	75.0
LGBT+	13.6	28.6	17.4	25.0
Undeclared	4.6	-	-	-
<b>Disability</b>				
Disabled	13.6	-	21.7	12.5
Not Disabled	86.4	100.0	73.9	87.5
Undeclared	-	-	4.4	-
<b>Education level</b>				
Up to age 18	9.1	-	8.7	-
Post age 18	90.9	100.0	91.3	100.0
Post age 18 - 1 <sup>st</sup> generation	63.2	83.3	68.4	62.5

Through its EDI Action Plan, the Trust recognises that it needs to increase its diversity, particularly in terms of its management teams and those from Black, Asian and minority ethnic communities.

**The Board** has continued its commitment to attract people who were: younger (under 55); from Black, Asian or minoritised ethnic backgrounds; and disabled people. Membership of the Board has remained relatively static over the past year (with one new Trustee recruited in the year), so key data has stayed largely the same:

- 20% identify as Black, Asian or minoritised ethnic.
- 10% identify as disabled
- 44% are under the age of 55

The Board recognises the need to increase its diversity in terms of socio-economic backgrounds, people with lived experience of the communities the Trust works with, people from racialised communities and disabled people. The work on this forms part of the published EDI Action Plan and is being actioned in 2022/23.

○ **Safeguarding**

The Trust has in place appropriate safeguarding policies and procedures, in line with regulatory frameworks and guidance, with respect to the Trust's funding practices and due diligence, and its internal operations.

Tommy McIlravey (Trustee) was appointed as safeguarding lead at Board level in 2021/22 and maintained continuity when a transfer of responsibilities at Leadership Team level occurred with the change in post holder for Director of Grant Programmes.

This year a dedicated section on safeguarding was added to the resources available on our website, and the Trust became a member of the Funder Safeguarding Collaborative, which provides access to peer learning with other safeguarding leads, and support/training for staff within the Grants team.

The Trust received 0 reports of safeguarding incidents in the year (2021: 0).

○ **Customer Care**

The Trust's complaints procedures reflect good practice, both in handling complaints about the Trust and the organisations that it funds. All staff who may be involved in complaint investigations have been fully trained on the practice and procedures of complaint handling. The Trust received 1 complaint in the year (2021: 0), which was resolved.

○ **Information Technology**

There were no major changes to the Trust's physical infrastructure in 2021/22. However, a significant amount of progress was made in preparation for the Trust achieving cyber essentials certification and its move to cloud-based servers in 2022/23. Both these initiatives are related to the Trust's commitment to having in place secure IT infrastructure, that additionally supports staff who choose to take advantage of hybrid working.

○ **GDPR**

The Trust continues to comply with GDPR, with action taken to maintain compliance on an ongoing basis. The Trust also continues to work with grantees to ensure understanding of their legal obligations.

## Financial review

### *Financial position*

A summary of the year's results can be found on page 30 of the financial statements.

In 2021/22 the Trustees reviewed the accounting treatment of income and expenditure of what had historically been disclosed as unrestricted funds. After taking professional advice the Trustees determined that effective from 1 October 2021 the disclosure of some elements of the Trust's income and expenditure would be changed, and this is reflected in the Financial Statements for the year ended 30 September 2022. This is not a change in accounting policy, rather a change in disclosure, and therefore the comparatives for the year ended 30 September 2021 have not been re-stated.



Total income in the year was £4,702,709 (2021 - £5,753,199) with income from donations totalling £4,556,060 (2021 - £5,611,228). The decrease is largely due to a downturn in good causes money from society lotteries.

The total expenditure in the year was £5,918,905 (2021 - £4,833,908) all of which related to charitable activities. Grants expended in the year, including grant commitments amounted to £4,377,870 (2021 - £3,423,089). Total expenditure included within this figure are costs of charitable activities (net of grants) of £1,248,063 (2021 - £1,112,054), support costs of £243,360 (2021 - £252,530) and governance costs of £49,612 (2021 - £46,235).

Overall expenditure increased despite a fall in income. This was the result of a decision by Board to draw down on restricted funds brought forward into the financial year.

At 30 September 2022, the Trust had total funds of £8,738,319 (2021 - £10,195,835). £7,426,741 (2021 - £8,868,467) of this related to restricted funds, of which £720,000 has been allocated to specific programmes in the next financial year (2021 - £450,000). Unrestricted funds include a negative fund representing the unrealised loss in the value of investment assets for the year. Total unrestricted funds were £1,311,578 (2021 - £1,327,368), of which £92,496 (2021 - £144,456) were designated funds. Full details of funds are included in note 17 on pages 44 and 45.

○ **Donations**

The Trust's principal source of income is donation income received from society lotteries. Total donation income received from the society lotteries from 1 October 2011 to 30 September 2022, amounted to £126,117,703 (2021 - £121,561,643). Donation income for the year amounted to £4,556,060 (2021 - £5,611,228) has allowed the Trust to continue to provide a sustainable income stream for groups of local residents experiencing disadvantage.

Donations continued to decline in 2021/22. This was closely monitored by the Leadership Team and Trustees, and regular meetings with the Trust's donors have taken place in order to address this trend. In July 2020, the percentage of lottery ticket sales donated to the Trust increased from 20.34% to 25.50%. This increase was reverted back to 20.34% from 1 November 2022. The Trust remains grateful to The Health Lottery and to the Community Interest Companies for their generous donations.

As set out in the Risk Section (see below) the Trustees have identified that there is risk in the Trust's reliance on a small number of income sources and has planned to diversify its income in 2022/23, using funds designated in previous years to support this activity.

○ **Investment policy**

The Trust operates its investment activities in line with its current investment policy, which is intended to provide liquidity sufficient for the financing of the Trust's grants whilst maximising investment income. During 2021/22 the Trust reviewed and updated its Investment and Treasury Management Policy in response to the changed economic environment as a result of Covid-19, but more significantly to clearly articulate its position on responsible (or ethical) investment. The policy now states:

- The Trust will not make any investments where the risk of loss of capital is unacceptable to the Board.

- Cash deposits can only be made in a UK-based mainstream banking institution which has a credit rating that the Board regards as acceptable in terms of risk.
- The Trust will usually only invest in counterparties with a minimum rating of BBB+ / BAA1 or above from the three main credit rating agencies (Fitch, Moody's and Standard & Poor's).
- Investments in other asset classes will be considered where they meet the Trust's investment horizon and market risk appetite. Investment in other asset classes will be accessed through pooled funds (collective investment schemes) rather than direct investment.
- The Trust will not normally hold bank deposits with a notice period in excess of 35 days.
- The Trust will not hold investments with a counterparty that represent more than 35% of the Trust's cash investments. The Trust will invest only in accordance with its diversification policy: investing cash deposits in no less than three eligible financial institutions (a group of banks under the same ownership will be treated as one financial institution).
- The Trust will make all investments in sterling.

With respect to responsible investment:

The Trust has considered its approach and responsibilities in relation to responsible investment and has determined that investments and returns on investments must never take priority over or come into conflict with the Trust's charitable object nor the fulfilment of operating expense obligations.

People's Health Trust believes in a world without health inequalities. We work to ensure that where people live does not unfairly reduce length of life, or quality of health. We will not knowingly invest in companies whose activities, corporate strategies or products are poorly aligned with our aims and values.

We actively seek to take account of environmental, social and governance (ESG) issues when considering our investments, and in our engagement with the fund managers who are responsible for our day-to-day investment decisions.

When appointing fund managers we will expect them to conform with our values outlined above, and require them to explain their engagement and escalation process, including how it is monitored and the timelines along which decisions are taken. Managers will likely not be selected if they cannot provide their process for dealing with unsuccessful engagements, and if these do not include triggers for escalation and are not incorporated into wider stewardship processes. We have asked our fund managers to explain, justify and provide evidence of investment intentions.

The Trust did not make any new investments in 2021/22.

2021/22, like the previous two years, was a year of significant volatility in the value of investments. Whilst overall, at year end, the Trust's investment funds were in excess of the value of the amount initially invested, the revaluation reserve as at 30 September 2022 reflected an unrealised loss of £241,340 (2021 - unrealised gain of £343,859). The unrealised loss in 2021/22 is disclosed in a specific restricted fund (see

Note 17) at the end of the year in anticipation that capital values will recover in the longer term. The Trust views these fixed asset investments as having a 3-to-5-year horizon.

Investment income during 2021/22 totalled £142,099 (2021 - £141,971) split between interest received on cash deposits of £5,878 (2021 - £42,488) and income from investments of £136,221 (2021 - £99,483). The total income represented an effective rate over the average balances during the year of 0.91% (2021 - 0.87%) made up of 0.07% cash deposits, and 2.01% investments (2021 - 0.33% and 2.98% respectively). Investment income remained relatively stable year-on-year, despite changes in the breakdown of it, these being due to changes to investments made part way through 2020/21. The Trustees continue to seek out investment opportunities that have the potential to increase income whilst remaining in line with the agreed policy.

## Principal risks and uncertainties

### Risk management

The Board is responsible for the oversight of the risks faced by the Trust. The Finance, Audit and Operations Committee (FAOC) and the Leadership Team regularly (both separately and together) review the risk register and management issue regular reports on actions taken to manage and mitigate exposure to the risks.

The trustees ensure that controls exist over the key area of grant making, and that financial procedures and systems exist. At each Board meeting, trustees examine the risks faced by the Trust, and ensure there are established effective plans and systems to manage and implement mitigating controls for those risks.

Financial risk is minimised through regular and rigorous review procedures of the Trust's activities by the Leadership Team, FAOC, and also at Board level.

In 2021/22 the Board led a review of the recording and reporting of risk and are satisfied that the processes in place to support effective decision making. Risk management processes assess risks based on their likelihood of occurrence, the impact of the risks, and any mitigating controls that are in place. Each risk is allocated a pre and post mitigation score. The scoring mechanism was considered and revised in 2021/22 and weighted for impact to better reflect risk levels. Based on the score, risks are classified into low, medium, high, and very high risks. The high to very high risks represent the principal risks for the Trust. The process also seeks to identify any actions and resources required to manage these risks further.

The trustees have considered the principal risks and two key areas have been identified as follows:

- Income - the Trust's historical reliance on two sources of income (donations from lottery ticket sales and investment income) remains a risk. Whilst investment income remained stable in the year, donation income - the principal source of income - reduced by almost 19% year on year. This places at risk the Trust's continued ability to address health inequalities and to support existing projects. The trustees have agreed plans to diversify income sources and there has been minor success in 2021/22, however, competing priorities in the year have meant that this work has not progressed to the extent planned at the start of the year. The small fund designated for business development is being carried forward in full to 2022/2023 to support this work.
- The Chief Executive and other members of the executive team meet regularly with the directors of both the CICs and The Health Lottery and a positive, mutually beneficial relationship has been established.

- The Trust has an inherent risk that its key systems and procedures may fail and that a major incident occurs, posing a threat to business continuity. In 2021/22 the Trust reviewed its IT security arrangements in advance of its cyber essentials certification achieved in 2022/23. As a result a small number of issues were identified and addressed. The overarching business continuity planning documentation is due for review and this will be completed in 2022/23.

## Reserves policy and going concern

### Reserves policy

The reserves policy for the charitable company states that the Trust will aim to maintain general reserves of at least 26 weeks' running costs. As at 30 September 2022, the general reserves of £1,219,082 (2021 - £1,182,912) equated to 37.3 weeks' running costs (2021 - 39.7 weeks). The trustees consider the level of general reserves to be satisfactory at this point given the particular risk around income outline in this report. The reserves policy is reviewed annually.

### Going concern

The trustees consider that there is a reasonable expectation that People's Health Trust has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue operating as a going concern.

In making this decision, the trustees have taken into consideration the risks and uncertainties arising from the Coronavirus pandemic, which are referenced in this report where relevant. The pandemic continued to have a negative effect on the Trust and the communities it serves in 2021/22, however, the impact is diminishing, and it is anticipated (as at the date of signing) that this impact will reduce again in the next financial year.

The Trust has a track record of strong financial control and effective risk management, which together with the approach to reserves outlined immediately above leads the trustees to conclude that the Trust can sustain its operations for a period of at least twelve months from the date of signing these financial statements. Consequently, the financial statements have been prepared on the basis that the charity remains a going concern.

## Fundraising

The Trust undertakes fundraising from members of the public on a very small scale. It is registered with the Fundraising Regulator and committed to following the highest fundraising standards. In the year there have been:

- ◆ Nil failures to comply with the standard (2021: none)
- ◆ Nil complaints received by the charity about activities by the charity or by a person on behalf of the charity for the purpose of fund-raising (2021: none)

The Trust sets out to protect vulnerable people and other members of the public from unreasonable behaviour related to its fundraising by complying with the standards set by the Institute of Fundraising, managed by the Fundraising Regulator. The Trust is registered with the Information Commissioner's Office and strives to be compliant with GDPR.

## Plans for the future

### New Strategy

2021/22 was the last year of the three-year strategy. From August 2021, the trustees, leadership team, and wider staff team spent a significant amount of time considering the next three years and the strategy for the next phase in the Trust's actions to address the causes of ill-health and shortened lives for the most marginalised people in England, Scotland and Wales. The new objectives were launched in October 2022.

Four new objectives have been developed which place a clear emphasis on the Trust listening to marginalised groups and speaking clearly and boldly on the avoidable inequalities in health faced by marginalised people. The Trust intends to build its evidence base on what works, and influence policy and decision-makers through local and national partnerships. The trustees look forward to strengthening existing partnerships and looks forward to forming new partnerships with other organisations working on the causes of health inequalities.

The Trust will focus its next three years on four strategic areas of work:

- "We will listen to and support marginalised groups to speak out about their experience of health inequalities.
- We will build evidence and practice around what works to address health inequalities.
- We will speak clearly and boldly on the avoidable inequalities in health faced by marginalised people.
- We will develop as a diverse, equitable and inclusive organisation and funder."

These four strategic objectives are underpinned by the Trust's ambition to ensure its position as a funder is strengthened through improved and diversified income, with a strong people offer, a more representative team, board and panels, and a reduction in our carbon emissions. The enabler is focussed on the Trust as a strong organisation fit for the future, able to support greater health equity.

For the next financial year the Trustees will report on achievements and performance against this new strategy.

Activity in 2022/23 to support the new strategy will include:

◆ Grant programmes:

- In 2021/2022, after nearly a decade of support, it was decided that the Trust's investment in its Local Conversations programme would complete at the end of 2023. The Trust will support the remaining funded partners to consider how they can sustain the approach of the programme in their future work, and embed the principles of community leadership and governance.

- The Trust is responding in a variety of ways to the rising costs of living, and the connected increase in mental health needs among staff and volunteers working within grassroots organisations. Increased flexibility alongside additional funding to ensure that the real Living Wage is paid in all salaries supported by the Trust's funding will be introduced in 2022/23. Communications about the Trust's Active Communities programme have emphasised the Trust's interest in projects with a mental health and/or cost of living focus.
- A comprehensive programme of capacity building and training is planned for 2022/23, with more than 200 attendees anticipated in the first 6 months. The Trust's network offer will be relaunched, with an emphasis on hearing from funded partners about the impact of the cost-of-living crisis on their communities and organisations.
- ◆ Policy, research, communication and public affairs - in line with the Trust's new strategic direction, the Trust will undertake more campaigning and influencing work based on research evidence and the experiences of funded partners. The focus of these activities for 2022/23 will be around the impact of housing on health and a continued focus on mental health as experienced by grassroots organisations. The cost-of-living crisis has particularly affected the communities that the Trust works with, which will be highlighted through research and stories of those experiencing the health impacts rising prices for essential good and energy.
- ◆ The Trust published its statement of commitment to being an anti-racist, anti-oppression organisation in early 2022, along with its implementation plan for achieving this. As a member of Funders for Race Equality Alliance, the Trust participated in their annual audit and carried out an internal audit against the Foundation Practice Rating standards, making improvements to transparency of diversity information. Continuing through into 2022/23, the Trust carried out a cultural audit with its staff and trustees, with a listening exercise to understand how the Trust operates as a funder and as a place of work, and outputs of this are being implemented, including strengthening our internal training provision to develop the team's knowledge and understanding. Work is also underway to implement the Diversity, Equity and Inclusion (DEI) Data Standard for future grant making, to extend the Trust's contribution to DEI data collection across the funding sector. In 2022/23 the Trust is seeking views from funded partners impacted by discrimination, to determine the language used in internal and external communications.
- ◆ Income generation - following the reduction in the percentage of lottery ticket sales donated from 25.5% to 20.34% in November 2022, together with a fall overall ticket sales, income diversification is a clear priority and the trustees have approved additional resources to address this in 2022/23. At the same time the Trust will work with the 6 Community Interest Companies who operate the 12 society lotteries under The Health Lottery brand to ensure the maximisation of donation income.
- ◆ Governance - in 2022/23 the Board will focus on two key areas:
  - Board diversity - expanding the Board and the committees with a consideration to broader diversity of experience, thought and specific characteristics
  - Measuring Board effectiveness - the Board will work with existing frameworks to measure its impact and areas for improvement.

- ◆ Whilst the coronavirus pandemic (Covid-19) did not affect the Trust in 2021/22 in the same way as the previous two years, its impact has still been felt and longer term it is anticipated that it will continue to some extent for the foreseeable future, with beneficiaries, partners and stakeholders all being affected, principally through the continued negative effect on the wider economic environment and the high prevalence of mental health ill-health.

## Structure, governance and management

### Constitution

The Trust is a charitable company limited by guarantee (Company No 06492606), incorporated on 4 February 2008 and registered as a charity (Charity No 1125537) with the Charity Commission on 15 August 2008 and with the Office for Scottish Charity Regulator (OSCR) (Charity No SC039848) on 4 September 2008. The charitable company is governed by the Articles of Association which set out its objects, powers and its governance arrangements. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £1 each.

### Trustees

Trustees serve a maximum aggregate term of nine years with one third of the Board retiring at each AGM. Trustees are based in various locations around England, Scotland and Wales.

All trustees, who are also company directors, are non-executive members of the Board and Committees. There are clear distinctions between the roles of trustees and of the Leadership Team to whom day-to-day management is delegated.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Within the year 2021/22, the Board held four meetings. Additionally, there were four meetings of the Finance, Audit and Operations Committee, and three meetings of the Policy, Research and Advocacy Committee. Board sub-groups were also in operation throughout the year to support the development of the new strategic plan and to support the development and management of the EDI work.

### Board Sub-Committees

Trustees are nominated for a committee by two trustees and voted onto the committee by a simple majority vote by the Board. The chair of the committee is a trustee and is nominated by two members of the board, supported by a candidate statement and is voted into position by a simple majority vote of the Board.

**Finance, Audit and Operations Committee (FAOC):**

The FAOC reports to and advises the Board on the key areas of audit, risk, finance (including investments), performance, HR, legal and safeguarding. The Committee's terms of reference permit it to scrutinise officers' reports, make decisions on investments within agreed parameters set by the Board, meet with the auditors, offer advice to the Leadership Team and make recommendations to the Board. Membership of this Committee within the year increased from four to five trustees (two of whom are qualified accountants, and one of whom chairs the Committee), with a sixth co-opted external member, Martin Anderson, who brings relevant investment skills and experience to the Committee. The Board acknowledges his considerable expertise and thanks him for his time. The Chair of the Trust may, and does, attend the Committee as an ex-officio member. The Committee met four times within the financial year.

**Policy, Research and Advocacy Committee (PRAC):**

The PRAC works on behalf of the Board to provide advice and strategic oversight regarding the Trust's policy, research (including learning and evaluation), networks, advocacy and communications work to the Leadership Team. It provides a level of support and scrutiny to ensure that the Trust's work in research, policy and advocacy is strategic, progressing and impactful.

Three meetings were held in the year. The Chair of the Trust may, and does, attend the Committee as an ex-officio member. Within the year membership of this Committee increased from four to five trustees (one of whom chairs the Committee), there is currently no co-opted member.

## Appointment of trustees

Recruitment to the Board considers the dimensions of equality, diversity and inclusion. Appointment is to positions where specific skills and/or experience is required. It is conducted through an open and competitive process.

## Trustee induction and training

Trustees are partnered with an existing Board member to support their induction into the organisation. They will also meet with the Leadership Team to discuss their statutory responsibilities, their role within the Board, the governance framework, the strategic objectives of the Trust and how the Board works.

The performance of the Board is periodically assessed through regular meetings and through annual meetings with the Chair and/or the Deputy Chair and annual away days. Through this process, trustee development is regularly reviewed and determines developmental objectives.

## Related parties and relationships with other organisations

The Trust's key relationship is with the six Community Interest Companies (CICs) which each run a society lottery under the marketing name of The Health Lottery. The CICs donate money for good causes arising from their lotteries to the Trust.



## Remuneration policy for key management personnel

Key management personnel include the Leadership Team comprising the Chief Executive, three team directors and the Board of trustees (trustees are not remunerated for their role as board members).

The Trust's policy on remuneration is to ensure that pay offered to the Leadership Team is competitive when compared to other charity sector organisations (particularly funding organisations), geography, role and responsibility.

All Leadership Team salaries are approved by the Finance, Audit and Operations Committee (FAOC). Any cost-of-living pay packages are recommended by the FAOC for Board agreement. The salaries are proposed and recommended based on benchmarking with other grant making charities and other information such as via recruitment agencies specialising in assessing the skills and expertise of a post, whilst also taking account of geography, Retail Price Index (RPI) and the sector. It is also the ambition of the Trust to narrow the gap between the highest and the lowest paid within the organisation.

The Leadership Team do not receive any performance related pay or benefits-in-kind and have the same pension rights and annual leave as other staff employed in the charity. They may, as with all personnel, receive an annual cost-of-living pay rise. For the year 2021/22 the Leadership Team received the same percentage increase as other staff, having previously received a zero raise in the prior year to allow for a greater percentage increase to other staff.

Key management personnel are reimbursed expenses incurred in the course of their duties on the same basis as all other employees of the Trust. Details of the total basic salary and pension benefits of the key management personnel are included in staff costs (note 7).

## Policy for employment of disabled persons

In March 2021 the Trust signed up to the Disability Confident commitments. As part of this, it undertook a review of its recruitment policy and processes to ensure it addresses all of the commitments.

In 2021/22 3 members of staff who completed the survey identified as disabled (2021 - 5). Disabled members of staff and those with long term health conditions are supported to be successful in their roles through a number of routes, including the statutory requirement for reasonable adjustments, providing individualised training and tools, and wellness support and planning.

## Employee information

The Trust operated with an average of 24 (2021: 23) roles in the year. There is a slight increase year on year to address resourcing issues in the Grants team as some funded projects delayed or prolonged grants due to the impact of Covid-19 on activity, meaning that the number of grants to be managed was higher than anticipated. The staff team works across four departments:

- ◆ **Grants Team** which manages the Trust's funding programmes, funded partner relations, including capacity-building, system and procedure development

- ◆ **Policy, Research and Communications** (changed within year to bring together two functional areas) which manages the Trust's internal, external and partner communications, public affairs, Policy and Research function and network management
- ◆ **Finance and Operations Team** which manages the Trust's income and expenditure, investments, legal, performance, and back-office functions (HR, legal, IT)
- ◆ **CEO Team** which includes Board and committee support and business development (and for part of the year, policy and research).

Each department is led by a Leadership Team (LT) member and each LT member attends the Board and selected committee meetings.

In addition to the LT, a Management Team of four is in place. The focus of the Management Team's focus is the delivery of the Trust's annual Delivery Plan.

The Trust undertakes an annual anonymous staff survey. Where issues are raised or trends identified, either historically or across teams, responses are considered by LT and an action plan devised and implemented.

During the year, following more than two years of remote and/ or hybrid working enforced by lockdown restrictions due to Covid-19, the Trust trialled a formal Hybrid Working Policy, with a view to making permanent hybrid working arrangements balancing the needs of the organisation with the element of flexibility for the individual that hybrid working allowed individual staff members.

## Statement of responsibilities of the trustees

The trustees (who are also directors of People's Health Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year 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
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- 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
- 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.

## Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to act in that capacity.

The trustees' annual report which includes the strategic report has been approved by the trustees on 30 May 2023 and signed on their behalf by

Jenny Edwards, Chair of Trustees

## Independent auditor's report

To the members of

People's Health Trust

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### Opinion

We have audited the financial statements of People's Health Trust (the 'charitable company') for the year ended 30 September 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows 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 charitable company's affairs as at 30 September 2022 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
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

### Basis for opinion

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

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 People's Health Trust'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.

## Independent auditor's report

To the members of

People's Health Trust

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### Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees 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.

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

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; 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' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

### Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company

## Independent auditor's report

To the members of

People's Health Trust

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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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 are set out below.

### Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Finance Audit and Operations Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

## Independent auditor's report

To the members of

People's Health Trust

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- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](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 charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

2 June 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

People's Health Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 September 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
<b>Income from:</b>							
Donations and legacies	2	100,072	4,455,988	4,556,060	1,279,671	4,331,557	5,611,228
Charitable activities	4	4,550	-	4,550	-	-	-
Investments	3	-	142,099	142,099	141,971	-	141,971
<b>Total income</b>		<b>104,622</b>	<b>4,598,087</b>	<b>4,702,709</b>	<b>1,421,642</b>	<b>4,331,557</b>	<b>5,753,199</b>
<b>Expenditure on:</b>							
Charitable activities							
Supporting greater health equity	4	11,154	5,421,008	5,432,162	1,123,052	3,407,247	4,530,299
Awareness and communications	4	45,356	441,387	486,743	287,767	15,842	303,609
<b>Total expenditure</b>		<b>56,510</b>	<b>5,862,395</b>	<b>5,918,905</b>	<b>1,410,819</b>	<b>3,423,089</b>	<b>4,833,908</b>
<b>Net income / (expenditure) before net gains / (losses) on investments</b>		<b>48,112</b>	<b>(1,264,308)</b>	<b>(1,216,196)</b>	<b>10,823</b>	<b>908,468</b>	<b>919,291</b>
Net gains / (losses) on investments		-	(241,320)	(241,320)	343,859	-	343,859
<b>Net income / (expenditure) for the year</b>		<b>48,112</b>	<b>(1,505,628)</b>	<b>(1,457,516)</b>	<b>354,682</b>	<b>908,468</b>	<b>1,263,150</b>
Transfers between funds		(63,902)	63,902	-	-	-	-
<b>Net income / (expenditure) before other</b>		<b>(15,790)</b>	<b>(1,441,726)</b>	<b>(1,457,516)</b>	<b>354,682</b>	<b>908,468</b>	<b>1,263,150</b>
<b>Net movement in funds</b>		<b>(15,790)</b>	<b>(1,441,726)</b>	<b>(1,457,516)</b>	<b>354,682</b>	<b>908,468</b>	<b>1,263,150</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		1,327,368	8,868,467	10,195,835	972,686	7,959,999	8,932,685
<b>Total funds carried forward</b>		<b>1,311,578</b>	<b>7,426,741</b>	<b>8,738,319</b>	<b>1,327,368</b>	<b>8,868,467</b>	<b>10,195,835</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 17 to the financial statements.



## Balance sheet

Company no. 06492606

As at 30 September 2022

	Note	£	2022 £	£	2021 £
<b>Fixed assets:</b>					
Tangible assets	11		4,726		9,082
Investments	12		6,527,118		6,768,438
			<u>6,531,844</u>		<u>6,777,520</u>
<b>Current assets:</b>					
Debtors	13	223,575		234,344	
Cash at bank and in hand		7,849,484		9,317,026	
		<u>8,073,059</u>		<u>9,551,370</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	14	(4,833,590)		(5,060,843)	
			<u>3,239,469</u>		<u>4,490,527</u>
<b>Net current assets</b>					
			<u>9,771,313</u>		<u>11,268,047</u>
<b>Total assets less current liabilities</b>					
Creditors: amounts falling due after one year	15		(1,032,994)		(1,072,212)
<b>Total net assets</b>			<u>8,738,319</u>		<u>10,195,835</u>
<b>The funds of the charity:</b>	16				
Restricted income funds			7,426,741		8,868,467
Unrestricted income funds:					
Designated funds		92,496		144,456	
General funds		1,219,082		1,182,912	
Total unrestricted funds			<u>1,311,578</u>		<u>1,327,368</u>
<b>Total charity funds</b>			<u>8,738,319</u>		<u>10,195,835</u>

Approved by the trustees on 30 May 2023 and signed on their behalf by

Jenny Edwards, Chair of Trustees

Statement of cash flows

For the year ended 30 September 2022

	2022		2021	
	£	£	£	£
<b>Cash flows from operating activities</b>				
Net (expenditure)/ income for the reporting period (as per the statement of financial activities)	(1,457,516)		1,263,150	
Depreciation charges	4,356		3,983	
Losses/(Gains) on investments	241,320		(343,859)	
Decrease in debtors	10,769		136,230	
(Decrease) in creditors	(266,471)		(1,366,920)	
<b>Net cash provided by / (used in) operating activities</b>		<b>(1,609,641)</b>		<b>(449,387)</b>
<b>Cash flows from investing activities:</b>				
Dividends, interest and rents from investments	142,099		141,971	
Purchase of fixed assets	-		(6,705)	
Purchase of investments	-		(4,000,000)	
<b>Net cash provided by / (used in) investing activities</b>		<b>142,099</b>		<b>(3,864,734)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(1,467,542)</b>		<b>(4,314,121)</b>
Cash and cash equivalents at the beginning of the year		9,317,026		13,631,147
<b>Cash and cash equivalents at the end of the year</b>		<b>7,849,484</b>		<b>9,317,026</b>

**1 Accounting policies**

**a) Statutory information**

People's Health Trust is a charitable company limited by guarantee and is incorporated in England and Wales. People's Health Trust is an incorporated charity registered with the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

The registered office address is 2 Bath Place, Rivington Street, London, EC2A 3DR

**b) Basis of preparation**

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. 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. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Key judgements that the charity has made which have a significant effect on the accounts include:

- estimating the allocation of support costs across expenditure categories;
- estimating the useful economic life of tangible fixed assets;
- estimating future income and expenditure flows for the purpose of assessing going concern.

**c) Public benefit entity**

The charity meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

**e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**f) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**1 Accounting policies (continued)**

**g) 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 bank.

**h) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Supporting greater health equity costs include:
  - Grants payable which are included in the statement of financial activities when approved by the trustees and when the intended recipient has been informed of the decision to make the grants and has satisfied all relevant and due terms and conditions.
  - Evaluation costs of the grant programmes.
  - Support costs which are allocated to charitable activities according to the amount of time staff spend within each charitable activity.
- Awareness and communication costs include mainly staff costs and various communications costs relating to raising the awareness of the Trust's brand, funded projects and the Health Inequality agenda.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**j) Grants payable**

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

**k) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

- |                                    |     |
|------------------------------------|-----|
| ▫ Supporting greater health equity | 87% |
| ▫ Awareness and communications     | 13% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

**l) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**1 Accounting policies (continued)**

**m) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £3,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

▫ IT and office equipment	3 years
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**n) Listed investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

**o) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**p) Short term deposits**

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

**q) Cash at bank and in hand**

Cash at bank and cash 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.

**r) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**s) 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.

**t) Pensions**

The Trust operates a defined contribution group personal pension scheme for employees. Annual contributions by the Trust in respect of the group personal pension scheme available to staff members are charged to the statement of financial activities in the period in which they are payable. Employer pension contributions of 6% are made for all employees in the pension scheme.

**2 Income from donations and legacies**

	2022			2021		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Donations from Society Lotteries	-	4,455,988	4,455,988	1,278,524	4,331,557	5,610,081
Other	100,072	-	100,072	1,147	-	1,147
	100,072	4,455,988	4,556,060	1,279,671	4,331,557	5,611,228

3 Income from investments

	2022			2021		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Investments	-	136,221	<b>136,221</b>	99,483	-	99,483
Deposits	-	5,878	<b>5,878</b>	42,488	-	42,488
	-	142,099	<b>142,099</b>	141,971	-	141,971

4a Analysis of expenditure (current year)

	Charitable activities				2022 Total £	2021 Total £
	Supporting greater health equity £	Awareness and communications £	Governance costs £	Support costs £		
Staff costs (Note 7)	626,473	267,144	27,433	243,360	1,164,410	1,107,586
Consultancy	10,985	-	-	-	10,985	6,695
Travel and accommodation costs	3,373	-	1,663	-	5,036	623
Office Costs	36,558	180	14,440	-	51,178	52,602
Premises and technology	140,572	75,692	-	-	216,264	205,240
Other costs	253	86,833	-	-	87,086	31,764
Professional fees	-	-	6,076	-	6,076	6,309
Grants made (Note 5)	4,359,063	18,807	-	-	4,377,870	3,423,089
	<b>5,177,277</b>	<b>448,656</b>	<b>49,612</b>	<b>243,360</b>	<b>5,918,905</b>	<b>4,833,908</b>
Support costs	211,723	31,637	-	(243,360)	-	-
Governance costs	43,162	6,450	(49,612)	-	-	-
<b>Total expenditure 2022</b>	<b>5,432,162</b>	<b>486,743</b>	<b>-</b>	<b>-</b>	<b>5,918,905</b>	
<b>Total expenditure 2021</b>	<b>4,530,299</b>	<b>303,609</b>	<b>-</b>	<b>-</b>		<b>4,833,908</b>

People's Health Trust

Notes to the financial statements

For the year ended 30 September 2022

4b Analysis of expenditure (prior year)

	Charitable activities				2021 Total £
	Supporting greater health equity £	Awareness and communications £	Governance costs £	Support costs £	
Staff costs (Note 7)	656,577	185,188	13,291	252,530	1,107,586
Consultancy	6,695	-	-	-	6,695
Travel and accommodation costs	-	-	623	-	623
Office Costs	36,749	103	15,750	-	52,602
Premises and technology	164,192	30,786	10,262	-	205,240
Other costs	-	31,764	-	-	31,764
Professional fees	-	-	6,309	-	6,309
Grants made (Note 5)	3,407,247	15,842	-	-	3,423,089
	<b>4,271,460</b>	<b>263,683</b>	<b>46,235</b>	<b>252,530</b>	<b>4,833,908</b>
Support costs	40,056	6,179	(46,235)	-	-
Governance costs	218,783	33,747	-	(252,530)	-
<b>Total expenditure 2021</b>	<b>4,530,299</b>	<b>303,609</b>	<b>-</b>	<b>-</b>	<b>4,833,908</b>



5a Grant making (current year)

	Grants committed £	2022 £	2021 £
<b>Cost</b>			
Supporting greater health equity	4,359,063	4,359,063	3,407,247
Awareness and Communications	18,807	18,807	15,842
	<u>4,377,870</u>	<u>4,377,870</u>	<u>3,423,089</u>
At the end of the year	<u>4,377,870</u>	<u>4,377,870</u>	<u>3,423,089</u>

The Trust funds projects addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). The Trust operated two main grant programmes in 2021/22.

Data on grants awarded is available from our website: <https://www.peopleshealthtrust.org.uk/projects-we-fund/360-giving>. This page links to details of all grants awarded by People's Health Trust from December 2012 until 30 September 2022.

5b Grant making (prior year)

	Grants committed £	2021 £
<b>Cost</b>		
Supporting greater health equity	3,407,247	3,407,247
Awareness and Communications	15,842	15,842
	<u>3,423,089</u>	<u>3,423,089</u>
At the end of the year	<u>3,423,089</u>	<u>3,423,089</u>

The Trust funds projects addressing the circumstances that affect life expectancy and quality of health (the social and economic determinants of health). The Trust operated two main grant programmes and ended a third programme during 2020/21.

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Depreciation	4,356	3,983
Operating lease rentals payable:		
Property	120,000	114,000
Auditor's remuneration (excluding VAT):		
Audit	12,000	13,125
Other services (auditor for 2021/22: Buzzacott LLP)	-	30,624
	<u>136,356</u>	<u>161,732</u>

**7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	956,543	937,250
Social security costs	109,134	101,748
Employer's contribution to defined contribution pension schemes	69,342	60,676
Temporary staff and contractor costs	29,390	7,912
	<u>1,164,409</u>	<u>1,107,586</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022	2021
	No.	No.
£60,000 - £69,999	-	1
£70,000 - £79,999	-	1
£100,000 - £109,999	1	1
	<u>1</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £379,063 (2021: £353,960).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,089 (2021: £477) incurred by 4 (2021: 7) members relating to attendance at meetings of the trustees.

The charity also purchased insurance to protect it from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £5,926 (2021: £6,588) and provides cover of up to a maximum of £5 million.

**8 Staff numbers**

Staff are split across the activities of the charity as follows:

	Full time equivalent		Headcount	
	2022	2021	2022	2021
	No.	No.	No.	No.
Charitable activities	19.4	18.9	21	19
Support	4.4	4.4	5	5
	<u>23.8</u>	<u>23.3</u>	<u>26</u>	<u>24</u>

**9 Related party transactions**

There are no related party transactions to disclose for this financial year (2021: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

**10 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**11 Tangible fixed assets**

	IT and office equipment £	Total £
<b>Cost</b>		
At the start of the year	72,950	72,950
Additions in year	-	-
Disposals in year	-	-
At the end of the year	<u>72,950</u>	<u>72,950</u>
<b>Depreciation</b>		
At the start of the year	63,868	63,868
Charge for the year	4,356	4,356
Eliminated on disposal	-	-
At the end of the year	<u>68,224</u>	<u>68,224</u>
<b>Net book value</b>		
At the end of the year	<u>4,726</u>	<u>4,726</u>
At the start of the year	<u>9,082</u>	<u>9,082</u>

12 Investments	2022 £	2021 £
Fair value at the start of the year	6,768,438	2,424,579
Additions at cost	-	4,000,000
Net gain / (loss) on change in fair value	(241,320)	343,859
	<u>6,527,118</u>	<u>6,768,438</u>
Fair value at the end of the year	<u>6,527,118</u>	<u>6,768,438</u>
Investments comprise:		
	2022 £	2021 £
Property fund	821,637	745,008
Mixed asset funds	5,705,481	6,023,430
	<u>6,527,118</u>	<u>6,768,438</u>
	<u>6,527,118</u>	<u>6,768,438</u>
13 Debtors		
	2022 £	2021 £
Accrued income	106,470	103,348
Society lotteries	117,105	130,996
	<u>223,575</u>	<u>234,344</u>
	<u>223,575</u>	<u>234,344</u>
14 Creditors: amounts falling due within one year		
	2022 £	2021 £
Trade creditors	6,521	10,850
Taxation and social security	17,374	37,528
Grants payable	4,755,281	4,959,460
Accruals	54,414	53,005
	<u>4,833,590</u>	<u>5,060,843</u>
	<u>4,833,590</u>	<u>5,060,843</u>
15 Creditors: amounts falling due after one year		
	2022 £	2021 £
Grants payable	1,032,994	1,072,212
	<u>1,032,994</u>	<u>1,072,212</u>
	<u>1,032,994</u>	<u>1,072,212</u>

For the year ended 30 September 2022

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	4,726	-	4,726
Investments	-	-	6,527,118	6,527,118
Net current assets	1,219,082	87,770	1,932,617	3,239,469
Long term liabilities	-	-	(1,032,994)	(1,032,994)
<b>Net assets at 30 September 2022</b>	<b>1,219,082</b>	<b>92,496</b>	<b>7,426,741</b>	<b>8,738,319</b>

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	9,082	-	9,082
Investments	-	-	6,768,438	6,768,438
Net current assets	1,182,912	135,374	3,172,241	4,490,527
Long term liabilities	-	-	(1,072,212)	(1,072,212)
<b>Net assets at 30 September 2021</b>	<b>1,182,912</b>	<b>144,456</b>	<b>8,868,467</b>	<b>10,195,835</b>

17a Movements in funds (current year)

	At 1 October 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2022 £
<b>Restricted funds:</b>					
Geographical area funds	8,834,309	3,177,464	(4,359,063)	-	7,652,710
Operating costs funds	-	1,420,623	(1,484,525)	63,902	-
Unrealised loss on investment fund	-	-	(241,320)	-	(241,320)
Health CICs	34,158	-	(18,807)	-	15,351
<b>Total restricted funds</b>	<b>8,868,467</b>	<b>4,598,087</b>	<b>(6,103,715)</b>	<b>63,902</b>	<b>7,426,741</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Fixed assets	9,082	-	(4,356)	-	4,726
Grant making software	2,495	-	-	(2,495)	-
Business development	43,290	-	-	-	43,290
Network events	22,709	-	(4,018)	-	18,691
IT equipment	-	-	-	-	-
Change project	8,144	-	(2,255)	-	5,889
Website	43,292	-	(38,996)	2,495	6,791
Fixed asset replacement	15,444	-	(2,335)	-	13,109
<b>Total designated funds</b>	<b>144,456</b>	<b>-</b>	<b>(51,960)</b>	<b>-</b>	<b>92,496</b>
<b>General funds</b>	<b>1,182,912</b>	<b>104,622</b>	<b>(4,550)</b>	<b>(63,902)</b>	<b>1,219,082</b>
<b>Total unrestricted funds</b>	<b>1,327,368</b>	<b>104,622</b>	<b>(56,510)</b>	<b>(63,902)</b>	<b>1,311,578</b>
<b>Total funds</b>	<b>10,195,835</b>	<b>4,702,709</b>	<b>(6,160,225)</b>	<b>-</b>	<b>8,738,319</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

## 17b Movements in funds (prior year)

	At 1 October 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2021 £
<b>Restricted funds:</b>					
Geographical area funds	7,909,999	4,331,557	(3,407,247)	-	8,834,309
Health CICs	50,000	-	(15,842)	-	34,158
<b>Total restricted funds</b>	<b>7,959,999</b>	<b>4,331,557</b>	<b>(3,423,089)</b>	<b>-</b>	<b>8,868,467</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Fixed assets	6,360	6,705	(3,983)	-	9,082
Grant making software	2,495	-	-	-	2,495
Business development	43,290	-	-	-	43,290
Network events	22,709	-	-	-	22,709
IT equipment	8,140	-	(8,140)	-	-
Change project	10,231	-	(2,087)	-	8,144
Chair recruitment	-	14,895	(14,895)	-	-
Website	-	50,000	(6,708)	-	43,292
Fixed asset replacement	-	15,444	-	-	15,444
<b>Total designated funds</b>	<b>93,225</b>	<b>87,044</b>	<b>(35,813)</b>	<b>-</b>	<b>144,456</b>
<b>General funds</b>	<b>879,461</b>	<b>1,678,457</b>	<b>(1,375,006)</b>	<b>-</b>	<b>1,182,912</b>
<b>Total unrestricted funds</b>	<b>972,686</b>	<b>1,765,501</b>	<b>(1,410,819)</b>	<b>-</b>	<b>1,327,368</b>
<b>Total funds</b>	<b>8,932,685</b>	<b>6,097,058</b>	<b>(4,833,908)</b>	<b>-</b>	<b>10,195,835</b>

**Purposes of restricted funds**

## Geographical area funds:

Funds arise from donations by 6 separate community interest companies (2021 - 12), each of which donates good causes monies raised through individual society lotteries. Each CIC focuses upon a specific community of geographical interest and each fund is restricted for use (after reasonable administration charges) for onward donation to charities and community groups within that CICs area for the purpose of supporting greater health equality.

No restricted fund was in deficit (2021: none). Of the geographical area funds balance of £7,652,710 at 30 September 2022 (2021 - £8,834,309), the following amounts were allocated for specific grant programmes as follows:

- £100,000 to Living Wage;
- £250,000 allocated for research work;
- £370,000 allocated for capacity development and legacy work.

## Health CICs:

The Trust received £50,000 in 2020 to support its work with networks. The balance of £15,351 represents the unspent amount as at 30 September 2022 (2021 - £34,158).

**Purposes of designated funds**

The fixed assets fund represents:

- The net book value of the charity's tangible fixed assets at the year end to recognise the fact that the assets are required for the day-to-day operation of the Trust and are not available for other purposes or as a general reserve.

Grant making software represents:▫

- Future costs expected to be incurred in relation to the updating of grant making software and project consultancy on a review of grant programmes.▫

Business development represents:▫

- Funds set aside for future income generation initiatives that the Trust plans to undertake.▫

Network events represents:▫

- Future costs expected to be incurred in relation to networking events across the Active Communities programmes.▫

Change project represents:

- Future costs expected to be incurred in relation to resource support for the change programme approved in September 2015. This programme is designed to support cross-team working and a review of the Active Communities programme.

Website represents:

- Funds set aside for replacement website.

Fixed Asset Replacement represents:

- Costs expected to be incurred in relation to fixed asset replacements.

**18 Operating lease commitments payable as a lessee**

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property	
	2022	2021
	£	£
Less than one year	90,000	90,000
	90,000	90,000
	90,000	90,000

**19 Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.