

Company Registration No. 05252407 (England and Wales)

THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED

(a company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2023

Directors	NL Barraclough ZP Bedford JPM O'Brien M Taylor CD Skinner
Company number	05252407 (England and Wales)
Registered office	2nd Floor, 18 Smith Square London England SW1P 3HZ
Auditor	BHP LLP 1 st Floor, Mayesbrook House Lawnswood Business Park Redvers Close Leeds LS16 6QY
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP
Solicitors	Capsticks LLP 1 St George's Road Wimbledon London SW19 4DR

THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activity of the company during the year was the provision of a range of non-charitable activities on behalf of its parent, the NHS Confederation, including:

- a range of conferences and events
- delivering sponsorship and exhibition services for the NHS Confederation and third parties
- entering into joint ventures or similar.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

NL Barraclough

JP M O'Brien

JR Poole (resigned 29/07/2022)

ZP Bedford

M Taylor

CD Skinner (appointed 29/07/2022)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditor

In accordance with the existing articles of association, a resolution proposing that BHP LLP be appointed as auditor of the company, was put to a general meeting of members on 28 July 2022, following a robust tender process. BHP LLP have indicated their willingness to stand for reappointment.

THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

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

On behalf of the board

Signed NBarraclough
NBarraclough (Aug 14, 2023 12:22 GMT+1)

Name NBarraclough

Director

Date Aug 14, 2023

THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

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

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of The NHS Confederation (Services) Company Limited (the 'company') for the year ended 31 March 2023, which comprise the statement of income and retained earnings, the statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2023

Other information

The other information comprises the information included in the directors' report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the directors' 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2023

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with management and directors, and from our knowledge and experience of this organisation;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, data protection and employment law;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and trustees;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit of the company.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2023

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management and directors as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected variances;
- tested journal entries to identify unusual transactions;
- assessed whether judgments and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2023

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

BHP LLP

BHP LLP (Aug 18, 2023 16:03 GMT+1)

Laura Masheder (Senior statutory auditor)
for and on behalf of

BHP LLP

Statutory Auditor
Chartered Accountants
First Floor
Mayesbrook House
Lawnswood Business Park
Leeds
LS16 6QY

Date: Aug 18, 2023

THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover		3,156,240	1,232,125
Cost of sales		(1,836,737)	(660,236)
Gross profit/(loss)		<u>1,319,503</u>	<u>571,889</u>
Administrative expenses		(273,943)	(167,713)
Other operating income		–	–
Other exceptional operating income	5	–	500,000
Profit/(loss) before taxation		<u>1,045,560</u>	<u>904,176</u>
Tax		–	–
Profit/(loss) for the financial year		<u>1,045,560</u>	<u>904,176</u>
Retained earnings at 1 April 2022		906,558	2,382
Gift aid distribution to parent undertaking		(559,347)	–
Retained earnings at 31 March 2023		<u>1,392,771</u>	<u>906,558</u>

The statement of income and retained earnings has been prepared on the basis that all operations are continuing operations.

THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	3	1,277,666		967,597	
Cash at bank and in hand		<u>1,587,543</u>		<u>1,374,001</u>	
		2,865,209		2,341,598	
 Creditors: amounts falling due within one year					
	4	<u>(1,472,438)</u>		<u>(1,435,040)</u>	
 Net current assets			<u>1,392,771</u>		<u>906,558</u>
 Capital and reserves					
Profit and loss account			<u>1,392,771</u>		<u>906,558</u>

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

The financial statements were approved and authorised for issue by the board of directors and signed on their behalf.

Signed: NBarracough
NBarracough (Aug 14, 2023 12:22 GMT+1)

Name: NBarracough

Director

Date: Aug 14, 2023

THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies

Company information

The NHS Confederation (Services) Company Limited ("the company") is a private company limited by guarantee and is registered and incorporated in England and Wales. The registered office is 2nd Floor, 18 Smith Square, London, England, SW1P 3HZ.

The company's principal activities and nature of its operations are disclosed in the directors' report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime, and under the historical cost convention. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

The company made a profit for the financial year of £1,045,560 (2022 – profit of £904,176). The directors have considered forecasts for the group, current cash levels, and the availability of support from its parent company. At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources and support from its parent to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT and other sales-related taxes.

The main sources of income arise from events and commercial partnerships. Income is recognised in the year in which the event takes place.

Income invoiced in advance is accounted for as deferred income in the Statement of Financial Position and will be released to the Statement of Income and Retained Earnings as entitlement arises.

THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies (Continued)

Cash and cash equivalents

Cash and cash equivalents comprise funds held in bank current accounts.

Financial instruments

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

Financial instruments are recognised in the company's Statement of Financial Position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade debtors, accrued income, and cash at bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss for the year.

THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies (Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including trade creditors, accrued expenses and amounts owed to group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Employee benefits

Staff are employed by the parent company, The NHS Confederation, and costs are recharged to the company based on activities undertaken. Pension entitlements and other benefits for staff are managed by the parent company.

Gift aid payment

All profits generated are paid via Gift Aid to the parent company, The NHS Confederation, by way of a distribution from retained earnings.

2. Employees

No directors received any remuneration directly from the company (2022 - £nil).

Staff working for the company are employed by the parent company, with costs recharged to the subsidiary in accordance with the recharge methodology.

THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

3. Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	535,940	605,800
Prepayments and accrued income	675,190	261,993
	<u>1,211,130</u>	<u>867,793</u>
Amounts falling due after more than one year:		
Prepayments and accrued income	66,536	99,804
Total debtors	<u><u>1,277,666</u></u>	<u><u>967,597</u></u>

4. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	11,515	192,541
Amounts due to group undertakings	188,575	384,809
Other creditors and accruals	107,323	5,232
Deferred income	1,165,025	852,458
	<u>1,472,438</u>	<u>1,435,040</u>

5. Other operating income

An amount of £500,000 has been disclosed on the face of the Statement of Income and Retained Earnings for the previous year (2022), relating to the sale of a company in which The NHS Confederation (Services) Company Limited held a financial interest.

THE NHS CONFEDERATION (SERVICES) COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

6. Consolidated accounts

The NHS Confederation, a charitable company registered in England and Wales, is the parent of the smallest and largest group to consolidate these financial statements. The consolidated financial statements are available from its registered office, 2nd Floor, 18 Smith Square, London, SW1P 3HZ.

7. Custodian arrangements

The company has agreed to act as custodian for the Developing Excellence in Medical Education conference (December 2023). No payments have yet been made in its role as agent. An amount of £80,251 (2022: £nil) is included in other creditors relating to funds held as custodian as at 31 March 2023.

8. Related party transactions

All related party transactions were completed under normal commercial terms in this and the previous financial year.