

NATIONAL HEART & LUNG FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2024

Registered Charity No. 1048073

NATIONAL HEART & LUNG FOUNDATION

REFERENCE AND ADMINISTRATIVE INFORMATION

The National Heart and Lung Foundation (“the Foundation”) is an independent charitable foundation, registered with the Charity Commission for England and Wales, registration number 1048073. The Foundation is recognised by HMRC as an approved charity for tax purposes reference number XR10956. The Foundation has a corporate trustee namely “The Trustees of the National Heart and Lung Foundation”

Principal Office Guy Scadding Building, Dovehouse Street, London SW3 6LY

Trustees Richard Reid, Chairman
Magdalene Brereton
Professor Kim Fox
Professor Sir Malcolm Green
Dr Michael Harding
Professor Charles Knight
Ludovic Lindsay
Baroness (Sally) Morgan of Huyton

Secretary to the Trustees Mrs Caroline M Wicks

Bankers The Royal Bank of Scotland plc
36 St Andrew Square, Edinburgh EH2 2YB

Auditors Knox Cropper LLP, Chartered Accountants,
65 Leadenhall Street, London EC3A 2AD

Investment Manager Sarasin & Partners LLP
Juxon House, 100 St. Paul’s Churchyard, London EC4M 8BU

Website www.nhlf.info

NATIONAL **HEART & LUNG** FOUNDATION

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Foundation is governed by a Trust Deed dated 3 July 1995 and the Deed of Amendment 2015. The funds of the Foundation are made up of a capital fund (£15,557,167), which is an expendable endowment, an unrestricted General Fund (£5,242,019) and one restricted fund; the Viscount Royston Fellowship Fund (£2,787,625) which is dedicated in perpetuity to research into diseases of the heart muscle and into heart disease generally.

The Board of Trustees meets twice a year and is responsible for the management of the Foundation. Day to day managerial responsibility is delegated to the Secretary to the Trustees. The Foundation seeks to achieve its objects by careful stewardship of its existing assets augmented by income from voluntary donations and legacies. It has no employees and does not actively fundraise. The NHLF website includes a link to the NHLF privacy policy.

The Trustees have identified and considered the strategic, operational and financial risks to which the Foundation is exposed and they are satisfied that there is appropriate protection, systems and checks in place to mitigate exposure to these risks. With regard to risks arising from the Foundation's financial investments, Trustees are kept fully informed by their independent investment managers, who provide reports and statements quarterly, and more frequently on request. Face to face and telephone meetings occur between Trustees and the investment managers during the year.

GRANT-MAKING AIMS AND OBJECTIVES - PUBLIC BENEFIT

When reviewing the Foundation's aims and objectives, setting the grant making policy and awarding grants, the Trustees have complied with section 2(1)(b) of the Charities Act 2011 and have had due regard to the Charity Commission's guidance on public benefit.

GRANT ACTIVITY - CURRENT INITIATIVES

The Foundation assists the National Heart & Lung Institute by providing grants, facilities, equipment and premises and such other assistance as the Trustees shall determine. Current initiatives are:

- **Respiratory:** National Heart & Lung Foundation Centre for Airways Disease in Children & Young Adults, and Margaret Turner Warwick Centre for Fibrosing Lung Disease;
- **Cardiology:** The Royston Centre for Inherited Cardiac Conditions, and financial support of Cardiac Academic Clinical Lecturer posts and Clinical PhDs;
- Financial support of the career development of Early Career Researchers through Foundation Pilot Awards;
- The Trustees continue to grant the NHLI rent-free occupation of its half freehold interest in the property at 1b Manresa Road, London SW3 6LR.

The charity has made grant commitments totalling £534k as at the end of July 2024.

NATIONAL HEART & LUNG FOUNDATION

FINANCIAL STRATEGY AND RESERVES

The Foundation's current spending policy is to limit annual net cash outgoings, excluding items of extraordinary expenditure, to an amount that the Trustees believe will not significantly reduce the medium or longer term value of the investments. The Foundation has a reasonable expectation that its resources are adequate to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt its ability to continue. The financial statements have, therefore, been prepared on the basis of a going concern.

Income from all sources totalled £899,496 (2023: £659,762). Total expenditure was £176,555 (2023: £809,077). Net gains on investments for the year were £1,720,187 (2023: losses £256,117) which left a surplus for the year of £2,443,128 (2023 deficit £405,432). During the year, new grant commitments totalling £40,000, were made.

Performance

The total value of the Foundation's investments at 31 July 2024 was £18,848,737 (£17,278,181 at 31 July 2023). There is no investment in tobacco related companies. Investments are held exclusively in trusts managed by Sarasin investment managers:-

	2024	2023 £
Investment in unit trusts	18,807,430	17,252,294
Cash held for investment purposes	17,307	25,887
	<u>£18,824,737</u>	<u>£17,278,181</u>

The units held in unit trusts include the following asset allocations:-

Fixed Income	2,060,000	2,517,726
Equities	14,055,748	11,479,720
Property	658,766	703,575
Alternative Assets	1,422,848	1,611,787
Liquid Assets	627,375	965,373
	<u>£18,824,737</u>	<u>£17,278,181</u>

The year-end results and fund balances are set out in the Statement of Financial Activities on page 7 and Balance Sheet on page 8.

NATIONAL HEART & LUNG FOUNDATION

Trustees' responsibilities for the financial statements

The Trustees are responsible for preparing their annual report and the financial statements for each financial year in accordance with applicable law and UK accounting standards. The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Foundation's financial position at the year end and its financial activities for that period.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare 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 proper records which disclose with reasonable accuracy the financial position of the charity and that enable them to ensure that the financial statements comply with relevant legislation and the provisions of the Trust Deed. They are responsible for safeguarding the charity's assets and taking reasonable steps for the prevention and detection of fraud and breaches of law and regulations. The Trustees are also responsible for the maintenance and integrity of any financial information included on the charity's website.

FUTURE PLANS

For the foreseeable future, the Trustees have resolved to continue to preserve as far as possible the capital base of the Foundation's investments, and to maximise the opportunity to make grants. The Trustees have commenced the process of changing the Charitable Status of the National Heart & Lung Foundation to become a Charitable Company Limited by Guarantee and this is anticipated to have been completed during the next accounting period.

VOLUNTARY INCOME

Whilst maintaining its policy of not actively fundraising, Trustees continue to welcome the support of donors to the Foundation. Donations are often made in memory of loved ones.

In addition, the Foundation receives income from legacies, and its policy is to recognise legacies when the charity is entitled to receipt and the amount can be measured with reasonable certainty. This year the Trustees wish to acknowledge legacies received from the estates of Raymond Henson, Linda May Milton, Roger Philip Selman, and Richard Michael Trezise.

The Foundation knows of some additional legacy payments amounting to approximately £383k which it expects to receive during the forthcoming year. Details of these will be included in future financial statements.

Approved by the Trustees and signed on their behalf



Signed on 04/12/24 @ 10:15

Richard Reid

18th November 2024

NATIONAL HEART & LUNG FOUNDATION

INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the financial statements of National Heart and Lung Foundation (the 'charity') for the year ended 31 July 2024 on pages seven to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2024 and of its incoming resources and application of resources 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 Charities Act 2011.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the charity'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

NATIONAL HEART & LUNG FOUNDATION

INDEPENDENT AUDITORS' REPORT

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page four, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

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.

Use of the audit report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken, so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.


Signed on 04/12/24 @ 15:24

Knox Cropper LLP

Chartered Accountants and Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

65 Leadenhall Street

London EC3A 2AD

Date: 18th November 2024

NATIONAL HEART & LUNG FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST JULY 2024

Notes	-----Unrestricted Funds-----			Restricted Viscount Royston Fellowship Fund	2024 Total	2023 Total
	General Fund	Endowment Fund				
	£	£		£	£	£
INCOME AND ENDOWMENTS FROM:						
Donations and Legacies	2	387,706	-	-	387,706	157,733
Investment Income	3	424,154	-	87,636	511,790	502,029
TOTAL INCOME		811,860	-	87,636	899,496	659,762
EXPENDITURE ON:						
Raising Funds	4	59,973	-	12,204	72,177	84,644
Charitable Activities	5	104,378	-	-	104,378	724,433
TOTAL RESOURCES EXPENDED		164,351	-	12,204	176,555	809,077
Gain/(Loss) on Investments	9	581,437	839,552	299,198	1,720,187	(256,117)
NET MOVEMENT IN FUNDS		1,228,946	839,552	374,630	2,443,128	(405,432)
Fund Balances at 1st August 2023		4,013,073	14,717,615	2,412,995	21,143,683	21,549,155
FUND BALANCES AT 31ST JULY 2024		5,242,019	15,557,167	2,787,625	23,586,811	21,143,683

The Charity has no recognised gains and losses other than those included in the figures above. All activities reflected above are continuing activities.

NATIONAL HEART AND LUNG FOUNDATION

BALANCE SHEET AT 31ST JULY 2024

	Notes	2024		2023	
		£	£	£	£
FIXED ASSETS					
Investments	7-9	<u>23,734,713</u>	23,734,713	<u>22,188,156</u>	22,188,156
CURRENT ASSETS					
Debtors	10	388,400		80,000	
Cash at Bank		<u>33,809</u>		<u>68,241</u>	
		422,209		148,241	
Creditors: Amounts falling due within one year					
	11	<u>(430,111)</u>		<u>(910,108)</u>	
Net Current Assets / (Liabilities)			(7,902)		(761,867)
Total Assets less current liabilities			23,726,811		21,426,289
Creditors: Amounts falling due after one year					
	12		(140,000)		(282,606)
TOTAL NET ASSETS			<u>£23,586,811</u>		<u>£21,143,683</u>
RESTRICTED FUNDS	13		2,787,625		2,412,995
CAPITAL FUNDS					
Expendable Endowment	13, 14		15,557,167		14,717,615
INCOME FUND					
Unrestricted General Fund	13		<u>5,242,019</u>		<u>4,013,073</u>
TOTAL FUNDS			<u>£23,586,811</u>		<u>£21,143,683</u>

Approved by the Board of Trustees on the 18th November 2024 and signed on its behalf by:

R H Reid
Signed on 04/12/24 @ 10:15

Richard Reid
Chairman

NATIONAL **HEART AND LUNG** FOUNDATION

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST JULY 2024

CASH FLOWS FROM OPERATING ACTIVITIES	Notes	2024 £	2023 £
Cash used by operations	A	(719,852)	(1,174,229)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income received		511,790	502,029
Proceeds from the sale of investments		800,440	766,724
Purchase of investments		(635,390)	(499,104)
		<u>676,840</u>	<u>769,649</u>
Change in cash and cash equivalents in the reporting period	B	(43,012)	(404,580)
Cash and cash equivalents at the beginning of the reporting period		<u>94,128</u>	<u>498,708</u>
Cash and cash equivalents at the end of the reporting period		<u>51,116</u>	<u>94,128</u>

A. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	2,443,128	(405,432)
Investment income received	(511,790)	(502,029)
(Gains)/losses in investments (excluding cash balances)	(1,720,187)	256,117
(Increase) in debtors	(308,400)	(64,170)
(Decrease)/Increase in creditors	(622,603)	(458,715)
Net cash used by operations	<u>(719,852)</u>	<u>(1,174,229)</u>

B. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 August 2023 £	Cash flow £	At 31 July 2024 £
Cash at bank and in hand	68,241	(34,432)	33,809
Cash held by investment manager	<u>25,887</u>	<u>(8,580)</u>	<u>17,307</u>
	<u>94,128</u>	<u>(43,012)</u>	<u>51,116</u>

NATIONAL HEART AND LUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2024

1. ACCOUNTING POLICIES

- (a) The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.
- (b) Income is recognised in the year in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or the donor has specified that the income has to be spent in a future period.
- (c) Income from listed investments is accounted for on an accruals basis, grossed up for tax recoverable where appropriate. Interest from cash on deposit is accounted for on an accruals basis.
- (d) Expenditure is accounted for on an accruals basis.
- (e) The cost of generating voluntary income includes investment management fees and advertising costs.
- (f) Costs of charitable activities consist of research grants.
- (g) Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.
- (h) Investments are stated at mid-market value. Gains and losses on disposals and revaluations of fixed asset investments are reported in the Statement of Financial Activities and added to or deducted from the funds to which they relate.
- (i) Social investments represent land and buildings which were transferred from the National Heart and Lung Institute in 1995. The building is occupied rent free by the Charity's beneficiary the National Heart & Lung Institute.
- (j) Unrestricted funds are those funds which can be used at the Trustees' discretion. Expendable Endowment funds are those funds where the intention is that capital be maintained and the income spent, but in certain circumstances the capital can be spent. Restricted funds are funds which have been earmarked by the donors to be spent on specific projects.
- (k) Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional. Such grants are recognised as expenditure when the conditions attaching are fulfilled.

NATIONAL HEART AND LUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2024

1. ACCOUNTING POLICIES (Continued)

(l) The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland': the requirements of Section 7 Statement of Cash Flows.

(m) The Charity is not registered for VAT and accordingly, where applicable, all costs incurred are inclusive of VAT.

(n) The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

2. DONATIONS AND LEGACIES

	-----2024-----			
	NHLF	VRFT	TOTAL	2023
	£	£	£	£
Donations	55,806	-	55,806	60,208
Legacies	331,900	-	331,900	97,525
	387,706	-	387,706	157,733

3. INVESTMENT INCOME

	-----2024-----			
	NHLF	VRFT	TOTAL	2023
	£	£	£	£
Income from listed investments	421,709	87,181	508,890	499,104
Interest on cash deposit	2,445	455	2,900	2,925
	424,154	87,636	511,790	502,029

4. RAISING FUNDS

	-----2024-----			
	NHLF	VRFT	TOTAL	2023
	£	£	£	£
Investment Management Fees	57,788	12,204	69,992	82,708
Advertising	1,605	-	1,605	1,605
Computer Support	382	-	382	331
Professional Fees	198	-	198	-
	59,973	12,204	72,177	84,644

NATIONAL HEART AND LUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2024

5. CHARITABLE ACTIVITIES

	2024	2023
	£	£
Direct Grants to NHLI Faculty of Medicine Imperial College London		
- Endowment Fund	-	700,000
- General Fund	40,000	-
- VRFT	-	(50,000)
Support Costs (see note 6)	64,378	74,433
	<u>£104,378</u>	<u>£724,433</u>

6. SUPPORT COSTS

Secretarial costs	12,070	12,312
Legal costs	35,516	40,589
Bank Charges	216	217
	<u>47,802</u>	<u>53,118</u>
Governance costs		
Audit fee	6,480	6,420
Legal and professional fees	10,096	14,895
Total Governance costs	<u>16,576</u>	<u>21,315</u>
	<u>64,378</u>	<u>74,433</u>

Administration costs including the provision of a meeting room have been borne by Imperial College London. These costs are not material.

No remuneration directly or indirectly out of the funds of the Foundation was paid or is payable for the year to any of the Trustees.

No reimbursement of expenses has been made or is due to be made to any of the Trustees.

7. INVESTMENTS

	2024	2023
	£	£
Social Investments	4,909,975	4,909,975
Quoted Investments	18,807,430	17,252,294
Cash held for investment purposes	<u>17,307</u>	<u>25,887</u>
Total Investments	<u>23,734,712</u>	<u>£22,188,156</u>

NATIONAL HEART AND LUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2024

8. INVESTMENTS – SOCIAL INVESTMENTS

	2024 £	2023 £
Balance at 1 st August 2023 and at 31 st July 2024	4,909,975	£4,909,975

The Charity holds a 50% interest in the freehold of the property at 1B Manresa Road. This is occupied rent free by the National Heart and Lung Institute, Faculty of Medicine, Imperial College London. The building is disclosed at the amount at which it was transferred in 1995 from The National Heart and Lung Institute.

9. INVESTMENTS – QUOTED INVESTMENTS AND CASH HELD FOR INVESTMENT PURPOSES

	2024 £	2023 £
(a) Quoted investments (at market value)		
- NHLF	15,536,545	14,372,294
- Viscount Royston Fellowship Trust	3,270,885	2,880,000
	18,807,430	17,252,294
Cash held for investment purposes		
- NHLF	10,593	869
- Viscount Royston Fellowship Trust	6,714	25,018
	18,824,737	£17,278,181

All the quoted investments are held in the form of units in unit trusts.

NATIONAL **HEART AND LUNG** FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2024

9. INVESTMENTS – QUOTED INVESTMENTS AND CASH HELD FOR INVESTMENT PURPOSES (Continued)

	2024 £	2023 £
(b) Movements in quoted investments		
Balance brought forward at 1 st August	17,252,295	17,776,031
Additions	635,390	499,104
Sale proceeds	(800,442)	(766,724)
Realised and unrealised gain/(loss) - NHLF	1,615,201	(215,086)
- VRFT	104,986	(41,031)
Balance carried forward at 31 st July	<u>18,807,430</u>	<u>17,252,294</u>
Investments at Cost – NHLF	<u>12,037,796</u>	<u>£12,082,101</u>
Investment at Cost – VRFT	<u>2,089,623</u>	<u>£1,975,942</u>
 (c) Investments held comprise units in one unit trusts:		
4,260,089 (2023: 4,434,425) - Sarasin Alpha Charity Fund (Accumulation)	15,536,545	14,372,294
896,969 (2023: 888,614) - Sarasin Alpha Charity Fund (Accumulation) – VRFT	3,270,885	2,880,000
	<u>18,807,430</u>	<u>£17,252,294</u>
 (d) The units held in unit trusts include the following asset allocations:-		
Fixed Income	2,060,000	2,517,726
Equities	14,055,748	11,479,720
Property	658,766	703,575
Alternative Investments	1,422,848	1,611,787
Liquid Assets	627,374	965,373
	<u>18,824,737</u>	<u>£17,278,181</u>

10. DEBTORS

Other Debtors	388,400	80,000
	<u>£388,400</u>	<u>£80,000</u>

NATIONAL **HEART AND LUNG** FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2024

11. LIABILITIES: amounts falling due within one year	2024	2023
	£	£
Grants payable to Imperial College London - VRFT	31,302	116,667
- General Fund	172,639	218,426
- Endowment Fund	189,580	525,011
Audit and Accountancy	6,480	6,180
Professional Fees	1,000	1,000
Other Creditors and deferred income	29,110	42,824
	£430,111	£910,108

12. GRANTS PAYABLE	2024	2023
	£	£
Commitments at 1 st August 2023	1,142,710	1,600,454
Commitments made in the year - General Fund	40,000	-
Commitments made in the year - Endowment Fund	-	700,000
Commitments made in the year - VRFT	-	(50,000)
Grants paid during the year - General Fund	(210,788)	(141,484)
Grants paid during the year - Endowment Fund	(335,431)	(857,663)
Grants paid during the year - VRFT	(102,970)	(108,597)
Commitments at 31 st July 2024	533,521	£1,142,710
Commitments at 31 st July 2024 are payable as follows:		
Within one year		
- General Fund	172,639	218,426
- Endowment Fund	189,580	525,011
- VRFT	31,302	116,667
	393,521	860,104
After one year		
- NHLF	140,000	265,000
- VRFT	-	17,606
	140,000	282,606
	533,521	£1,142,710

13. FUNDS	Balance Brought Forward at 1 August 2023	Investment Gain/(Loss)	Income	Resources Expended	Balance Carried Forward at 31 July 2024
Unrestricted Funds					
General funds	4,013,073	581,437	811,860	(164,351)	5,242,019
Endowment Funds	14,717,615	839,552	-	-	15,557,167
	18,730,688	1,420,989	811,860	(164,351)	20,799,186
Restricted Funds					
Viscount Royston Fellowship Trust	2,412,995	299,198	87,636	(12,204)	2,787,625
	£21,143,683	£1,720,187	899,496	(£176,555)	£23,586,811

NATIONAL HEART AND LUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2024

13. FUNDS (Continued)

	Balance Brought Forward at 1 August 2022	Investment Gain/(Loss)	Income	Resources Expended	Balance Carried Forward at 31 July 2023
Unrestricted Funds					
General funds	3,653,774	(73,798)	578,475	(145,378)	4,013,073
Endowment Funds	15,558,903	(141,288)	-	(700,000)	14,717,615
	19,216,677	(215,086)	578,475	(845,378)	18,730,688
Restricted Funds					
Viscount Royston Fellowship Trust	2,336,438	(41,031)	81,287	36,301	2,412,995
	£21,549,115	£(256,117)	£659,762	(£809,077)	£21,143,683

Viscount Royston Fellowship Trust Fund is dedicated in perpetuity for research into diseases of the heart muscle and into heart disease generally.

14. EXPENDABLE ENDOWMENT

The balance on Expendable Endowment represents donations and bequests received which could be expended at the Trustees' discretion. Investment income arising on Endowment Fund assets can be applied to the generality of the Charity's objects.

15. TAXATION

The National Heart and Lung Foundation is a registered charity and is exempt from taxation in respect of income and capital gains received within the categories covered by Part II of the Corporation Tax Act 2010 to the extent that such income or gains are applied for exclusively charitable purposes.

NATIONAL HEART AND LUNG FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2024

16. PRIOR YEAR COMPARATIVES

The breakdown between funds of income and expenditure for the year ending 31st July 2023 was as follows:

	-----Unrestricted Funds-----			
	Unrestricted General Fund	Endowment Fund	Restricted Viscount Royston Fellowship Fund	2023 Total
	£	£	£	£
INCOME AND ENDOWMENTS FROM:				
Donations and Legacies	157,733	-	-	157,733
Investment Income	420,742	-	81,287	502,029
TOTAL INCOME	578,475	-	81,287	659,762
EXPENDITURE ON:				
Raising Funds	70,945	-	13,699	84,644
Charitable Activities	74,433	700,000	(50,000)	724,433
TOTAL RESOURCES EXPENDED	145,378	700,000	(36,301)	809,077
Gain/(Loss) on Investments	(73,798)	(141,288)	(41,031)	(256,117)
NET MOVEMENT IN FUNDS	359,299	(841,288)	76,557	(405,432)
Fund Balances at 1st August 2022	3,653,774	15,558,903	2,336,438	21,549,115
FUND BALANCES AT 31ST JULY 2023	4,013,073	14,717,615	2,412,995	21,143,683