

HEART CELLS FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

HEART CELLS FOUNDATION

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HEART CELLS FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

Jenifer Rosenberg OBE, Chair
Stephen James
Michael Clasper MBE
The RT Hon Sir Bernard Rix
Adrian Magnus
Myra Waiman
Professor Anthony Mathur
Professor John Francis Martin
Professor Martin Rothman

Charity registered number

1101727

Principal office

Suite 4
Mill Court
Mill Hill
Edenbridge
Kent
TN8 5DB

Independent auditors

Simmons Gainsford LLP
Chartered Accountants
14th Floor
33 Cavendish Square
London
W1G 0PW

Bankers

CAF Bank Limited
Kings Hill
West Malling
Kent
ME19 4JQ

Website

www.heartcellsfoundation.com

HEART CELLS FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of the Heart Cells Foundation for the year 1 January 2022 to 31 December 2022. The Trustees confirm that the Annual report and financial statements of the charity comply with the requirements of the charity's governing document and in accordance with the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

a. Policies and objectives

The objective of the charity is to raise funds, in co-operation with the department of fundraising at the Barts Health NHS Trust, to fund stem cell research to treat patients with heart failure.

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

b. Volunteers

The Charity is dependent on the voluntary work of the Trustees and committee members in administering its funds. As this work has no tangible value this is not recognised in the financial statements.

Following appointment, new trustees are introduced to their new role and given copies of the Deed and a guide to the policies and procedures adopted by the Charity. A number of publications from the Charity Commission are also provided including the guidance on charities and public benefit. Trustees are aware that it is their responsibility to keep abreast of developments in relation to the governance of charities under the Charities Act.

c. Risk Management

The Trustees regularly examine the major strategic business and operational risks which the Charity faces and confirm that systems have been established to ensure that necessary steps are taken to lessen the effect of such risks.

Achievements and performance

a. Investment policy and performance

Under the Deed, the Trustees have the authority to invest the funds of the charitable trust at their discretion. No specific policy is followed other than to earn the market rate of return on monies invested. The year end value of the investment portfolio is stated in the notes to the accounts.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

HEART CELLS FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

b. Reserves policy

In accordance with its objective of raising £6m to fund stem cell research, the Trustees policy is to raise funds until that target is achieved.

c. Principal funding

The Charity raised funds from various events and donations amounting to a total of £473,886 (2021: £382,495). During the year we were able to hold our main two fundraising events, the Gala Brunch event and the Golf Day. Due to the Covid pandemic we were unable to hold these during the previous financial year which resulted in a large loss of income. The Charity also has a significant investment portfolio which generates investment returns. The accounts also recognise an unrealised net loss relating to investments held at the balance sheet date of £157,821 (2021: Gain of £20,383).

The Charity generated a surplus for the year of £338,561 (2021: £3,355) and this has been funded by reserves. Through our commercial company, Heart Cells Company Limited (HCC), we are investing time and money to find ways to raise funds necessary, through grants or various other methods, to complete our goal of securing adoption of our stem cell therapy for patients suffering with cardiovascular disease by making it readily available through the NHS.

Structure, governance and management

a. Constitution

The Charity was established by a Deed dated 20 November 2003 (the "Deed") for the purpose of setting up and maintaining responsibility for a centre sited initially within the Barts and The London NHS Trust, or such other location as the Trustees may decide, for research into stem cell and like therapies and the relief for the public benefit of illness and suffering by means of cell therapy and like therapies. The Charity was registered with the Charity Commission on 26 January 2004, under charity number 1101727. The Trustees regularly review the objectives of the Charity.

b. Methods of appointment or election of Trustees

Future trustees must be appointed by resolution of the Trustees. The full number of Trustees will not be less than five and not more than ten individuals.

c. Plans for future periods

We are discussing various methods of raising the required funds to be able to carry out a Phase III trial which is necessary to convince the regulator (MHRA) to allow us to roll out our treatment across the NHS. In the meantime we are continuing to fund the Compassionate Unit to treat patients with heart failure at St Bartholomew's Hospital.

HEART CELLS FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Simmons Gainsford LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Stephen James

Trustee

Date: 30/10/2023 | 11:31 GMT

HEART CELLS FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEART CELLS FOUNDATION

Opinion

We have audited the financial statements of Heart Cells Foundation (the 'charity') for the year ended 31 December 2022 which comprise the Statement of financial activities, the Balance sheet 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 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 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 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.

HEART CELLS FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEART CELLS FOUNDATION (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report 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.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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.

HEART CELLS FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEART CELLS FOUNDATION (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 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 Auditors' 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:

In order to identify and assess the risks of material misstatements, including fraud and non-compliance with laws and regulations that could be expected to have a material impact on the financial statements, we have considered:

- the results of our enquiries of management and those charged with governance of their assessment of the risks of fraud and irregularities;
- the nature of the company including its management structure and control systems (including the opportunity for management to override such controls);
- management's incentives and opportunities for fraudulent manipulation of the financial statements including the company's remuneration and bonus policies and performance targets; and
- the industry and environment in which it operates.

We also considered UK tax and pension legislation and laws and regulations relating to employment and the preparation and presentation of the financial statements such as the Charities Act 2011.

Based on this understanding we identified the following matters as being of significance to the entity:

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Charity Law, tax and pension legislation;
- the timing of the recognition of donations;
- management bias in selecting accounting policies and determining estimates;
- inappropriate journal entries; and
- recoverability of debtors.

We communicated the outcomes of these discussions and enquiries, as well as consideration as to where and how fraud may occur in the entity, to all engagement team members.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised:

- enquiries of trustees and those charged with governance as to whether the entity complies with the necessary laws and regulations;
- enquiries with the same concerning any actual or potential litigation or claims;
- discussion with the same regarding any known or suspected instances of non-compliance with laws and regulation and fraud;

HEART CELLS FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEART CELLS FOUNDATION (CONTINUED)

- inspection of relevant legal correspondence;
- assessment of matters reported to trustees and the result of the subsequent investigation;
- obtaining an understanding of the policies and controls over the recognition of income and testing their implementation during the year;
- challenging assumptions made by trustees in their specific accounting policies and estimates;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or crediting revenue or cash;
- assessing the recovery of debtors in the period since the balance sheet date and challenging assumptions made by trustees regarding the recovery of balances which remain outstanding;
- reviewing the financial statements for compliance with the relevant disclosure requirements;
- performing analytical procedures to identify any unusual or unexpected relationships or unexpected movements in account balances which may be indicative of fraud;
- evaluating the underlying business reasons for any unusual transactions; and
- considered the implementation of controls during the year.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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 Auditors' report.

Use of our 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 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Simmons Gainsford LLP

Chartered Accountants
Statutory Auditors
14th Floor
33 Cavendish Square
London
W1G 0PW

Date: 30/10/2023 | 11:59 GMT

Simmons Gainsford LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

HEART CELLS FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	2	176,994	176,994	102,524
Other trading activities	3	296,892	296,892	279,971
Investments	4	18,923	18,923	11,098
Other income	5	6,077	6,077	12,282
Total income		<u>498,886</u>	<u>498,886</u>	<u>405,875</u>
Expenditure on:				
Raising funds		154,883	154,883	145,941
Charitable activities		(152,389)	(152,389)	278,201
Total expenditure		<u>2,494</u>	<u>2,494</u>	<u>424,142</u>
Net income/(expenditure) before net (losses)/gains on investments		496,392	496,392	(18,267)
Net (losses)/gains on investments		(157,831)	(157,831)	21,622
Net movement in funds		<u>338,561</u>	<u>338,561</u>	<u>3,355</u>
Reconciliation of funds:				
Total funds brought forward		935,454	935,454	932,099
Net movement in funds		338,561	338,561	3,355
Total funds carried forward		<u>1,274,015</u>	<u>1,274,015</u>	<u>935,454</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 11 to 20 form part of these financial statements.

HEART CELLS FOUNDATION

BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	2,876	1,475
Investments	12	1,214,280	1,355,878
		<hr/>	<hr/>
		1,217,156	1,357,353
Current assets			
Debtors	13	208,302	154,785
Cash at bank and in hand		438,766	235,689
		<hr/>	<hr/>
		647,068	390,474
Creditors: amounts falling due within one year	14	(590,209)	(812,373)
		<hr/>	<hr/>
Net current assets / liabilities		56,859	(421,899)
Total net assets		<hr/>	<hr/>
		1,274,015	935,454
		<hr/>	<hr/>
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	1,274,015	935,454
		<hr/>	<hr/>
Total funds		1,274,015	935,454
		<hr/>	<hr/>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Stephen James

Trustee

Date: 30/10/2023 | 11:31 GMT

The notes on pages 11 to 20 form part of these financial statements.

HEART CELLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

These 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) (effective 1 January 2019), with FRS 102 and with the requirements of the Charities Act 2011.

Heart Cells Foundation is the parent company of a small group, and as such is not required by Charities Act 2011 to prepare group accounts. These financial statements therefore present information about Heart Cells Foundation as an individual undertaking and not about its group.

Heart Cells Foundation meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The financial statements have been prepared on the going concern basis. The trustees consider that this basis is appropriate.

1.3 Income

Incoming resources are included in the statement of financial activities when the Charity can quantify the amount with reasonable accuracy.

Donations and fundraising income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from investments is included in the year in which it is receivable.

Dividends are credited to the statement of financial activities when they are received. Credit is taken for interest on an accrual basis.

1.4 Expenditure

Resources expended are recognised in the year in which they are incurred and are accounted for on an accruals basis and are classified under headings that aggregate all costs related to the category. Resources expended include attributable VAT which cannot be recovered.

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

1.5 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 institution with whom the funds are deposited.

HEART CELLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Computer equipment	-	25% straight line
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1.7 Investments

Investments in listed securities are included in the financial statements at market value. Realised and unrealised gains and profits and losses on investments are dealt with in the statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.8 Debtors

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

1.9 Cash at bank and in hand

Cash at bank and 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.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.11 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

HEART CELLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

1.13 Fund accounting

Unrestricted income funds comprise of funds which the Trustees are free to use for any purpose in furtherance of the charitable objectives.

Investment income, gains and losses are allocated to the appropriate fund.

2. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	176,994	176,994	102,524

3. Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Film premier	214,495	214,495	211,074
Golf day	21,150	21,150	5,550
Other events	61,247	61,247	63,347
	296,892	296,892	279,971

HEART CELLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from listed investments	16,733	16,733	9,247
Bank interest receivable	1,316	1,316	1,004
Other interest receivable	874	874	847
	<u>18,923</u>	<u>18,923</u>	<u>11,098</u>

5. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Gift aid receivable	6,077	6,077	12,282
	<u>6,077</u>	<u>6,077</u>	<u>12,282</u>

HEART CELLS FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Analysis of expenditure by activities

	Activity undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Raising funds	43,043	111,840	154,883	145,941
Funding of compassionate unit	(222,132)	69,743	(152,389)	278,201
	<u>(179,089)</u>	<u>181,583</u>	<u>2,494</u>	<u>424,142</u>

Analysis of support costs

	Raising funds 2022 £	Stem cell research 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	51,750	20,948	72,698	68,752
PR and Marketing	60,090	-	60,090	72,788
Governance costs	-	48,795	48,795	32,376
	<u>111,840</u>	<u>69,743</u>	<u>181,583</u>	<u>173,916</u>

7. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £	Total funds 2021 £
Grants	276,286	276,286	225,823
Reversal of excess in accruals	(498,418)	(498,418)	-
	<u>(222,132)</u>	<u>(222,132)</u>	<u>225,823</u>

The full amount of the grants are Barts Health NHS Trust in both the current and prior years.

Included in the grants to institutions is the reversal of a brought forward accrual relating to accrued grants payable which were in excess of the actual invoices.

HEART CELLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

8. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £3,100 (2021: £3,100), and other non routine advice of £1,500 (2021: £1,500).

9. Staff costs

	2022 £	2021 £
Wages and salaries	69,000	65,000
Social security costs	3,698	3,752
	<u>72,698</u>	<u>68,752</u>

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Administrator	<u>1</u>	<u>1</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-

HEART CELLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

11. Tangible fixed assets

	Computer equipment £
Cost or valuation	
At 1 January 2022	10,046
Additions	3,816
At 31 December 2022	<u>13,862</u>
Depreciation	
At 1 January 2022	8,571
Charge for the year	2,415
At 31 December 2022	<u>10,986</u>
Net book value	
At 31 December 2022	<u>2,876</u>
At 31 December 2021	<u>1,475</u>

HEART CELLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

12. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 January 2022	1	1,355,877	1,355,878
Additions	-	16,733	16,733
Disposals	-	(510)	(510)
Revaluations	-	(157,821)	(157,821)
At 31 December 2022	<u>1</u>	<u>1,214,279</u>	<u>1,214,280</u>

At the balance sheet date, the market value of the investment held in CF Heartwood Defensive Multi Asset Fund C Acc is £Nil (2021: £1,172,814) and the market value of the investment held in CF Heartwood Defensive Multi Asset Fund I Acc is £1,214,279 (2021: £183,063).

13. Debtors

	2022 £	2021 £
Due within one year		
Fundraising debtors	141,850	97,664
Amounts owed by subsidiary undertakings	39,190	34,240
Other debtors	1,375	-
Prepayments and accrued income	25,887	22,881
	<u>208,302</u>	<u>154,785</u>

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other creditors	7,847	7,815
Accruals and deferred income	582,362	804,558
	<u>590,209</u>	<u>812,373</u>

HEART CELLS FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value	1,214,279	1,355,877
Financial assets measured at amortised cost	182,415	131,904
	<u>1,396,694</u>	<u>1,487,781</u>
	2022 £	2021 £
Financial liabilities		
Financial liabilities measured at cost less impairment	<u>590,209</u>	<u>812,373</u>

Financial assets measured at fair value comprise listed investments.

Financial assets measured at amortised cost comprise trade and other debtors.

Other financial liabilities measured at amortised cost comprise other creditors and accruals.

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
General Funds - all funds	<u>935,454</u>	<u>498,886</u>	<u>(2,494)</u>	<u>(157,831)</u>	<u>1,274,015</u>

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
General funds	<u>932,099</u>	<u>405,875</u>	<u>(424,142)</u>	<u>21,622</u>	<u>935,454</u>

HEART CELLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	2,876	2,876
Fixed asset investments	1,214,280	1,214,280
Current assets	647,068	647,068
Creditors due within one year	(590,209)	(590,209)
Total	1,274,015	1,274,015

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,475	1,475
Fixed asset investments	1,355,878	1,355,878
Current assets	390,474	390,474
Creditors due within one year	(812,373)	(812,373)
Total	935,454	935,454

18. Operating lease commitments

At 31 December 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	8,250	-
Later than 1 year and not later than 5 years	11,688	-
	19,938	-