

Charity registration number 1116918

Company registration number 05935975 (England and Wales)

Scottish charity registration number SC042984

**THE HEART RESEARCH INSTITUTE (UK)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

# THE HEART RESEARCH INSTITUTE (UK)

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr A C Caton OBE Mr S B Moodey Mr A Phillips Ms E L Pintado Mr A W Pollitt Prof Andrew Grace Prof Andrew Coats
<b>Charity number</b>	1116918
<b>Charity number (Scotland)</b>	SC042984
<b>Company number</b>	05935975
<b>Registered office</b>	Bankside 300 Peachman Way Broadland Business Park Norwich Norfolk NR7 0LB
<b>Auditor</b>	Azets Audit Services Westpoint Lynch Wood Peterborough Cambridgeshire United Kingdom PE2 6FZ
<b>Bankers</b>	Santander UK PLC 2 Triton Square Regent's Place London United Kingdom  Bank of Ireland 12 The High Street Kildare Town CO. Kildare

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# THE HEART RESEARCH INSTITUTE (UK)

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# THE HEART RESEARCH INSTITUTE (UK)

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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The Trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with The Heart Research Institute (UK)'s Memorandum and Articles of Association, the Companies Act 2006 and "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).

#### Objectives and activities

The Heart Research Institute has four core objectives:

- To investigate mechanisms contributing to the pathogenesis of cardiovascular disease
- To develop new ways to detect symptoms of cardiovascular disease before it leads to clinical problems
- To develop new treatments which can reverse the development of heart disease
- To prevent individuals developing cardiovascular disease in the future

The reason the charity and its parent company are focusing mainly on cardiovascular disease is because this is the leading cause of death in the world, a phenomena that is also increasing in third-world countries. However, research into the origins of such disease spans many years and requires the services of highly qualified scientists, as well as the usage of expensive technology. That is why a major activity of the charity and its parent is fundraising, because any funding obtained through competitive grants for specific research projects and infrastructure support from governments or other bodies is insufficient to cover all the costs involved. The charity and its parent have a long-term aim of contributing to a significant reduction in cardiovascular disease, but recognise that eventual success in this regard means extensive investment in research here and now.

The charity's main objective for the year ended 31 December 2024 where to determine the best distribution of funds raised to assist with meeting its objectives and focus on further development of the lottery and monthly pledge programs. The strategy for achieving these objectives was to maintain arrangement with reputable contractors well experienced in conducting lotteries and monthly pledge programs in the UK. Significant activities that contributed to the achievement of these objectives the negotiation and resolution of operational procedures, and the recording and processing of resultant transactions. The trustees have given due consideration of the Charity Commission published guidance on the operation of the public benefit requirement.

#### Achievements and performance

Funds raised by the HRI in the UK go directly to scientific research helping to find solutions to this global health challenge. Funds are used to support the front line researchers and to purchase the latest research equipment.

#### Financial review

The net incoming resources for the year ended 31 December 2024 amounted to £410,543 (2023: (£6,376)). The Trustees are confident of the future success of projects activities for 2024 and beyond and that these will result in the building of accumulated surpluses. In addition, the charity enjoys the on-going financial support of its parent company and the significant experience of its management to ensure its future success.

#### Significant events

The Charity has generated sufficient financial resources from its activities to allow the Trustees to believe that the charity is operating successfully in the current economic climate. Trustees have reviewed the financial position for a period of 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for the period. Therefore, the Trustees believe that the Heart Research Institute (UK) to continue going concern for at least 12 months from the date of approval of the financial statements.

Other than the above development, no other item, transaction or event of a material and unusual nature is likely, in the opinion of the Trustees, to affect significantly the operations of the Charity, the results of those operations, or the state of affairs of the Charity, in the future years.

# THE HEART RESEARCH INSTITUTE (UK)

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2024*

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### **Principal financial management policies**

The principal financial management policies adopted in the year include the following:

#### **Revenue recognition**

Revenue derived from fundraising efforts is recognised when probable.

#### **Provisions**

The charity recognises by way of provision any anticipated outgoings relevant to the year under review for which it may have an obligation, whether legal or constructive.

#### **Reserves**

The charity maintains reserves to cover running costs of the charity and to enable it to fund research opportunities that fall within the charity's objectives as they arise. The actual funds available can vary significantly depending on the timing of research, but trustees conclude that the actual level of funds should not fall below 12 months running costs. Where trustees have internally agreed to fund specific cardiovascular research in the UK or with collaborators, those funds are set aside as designated funds until the detail of the funding is agreed with the partner. The actual level of reserves at the year-end is higher than that set by the policy and the trustees are actively reviewing further funding opportunities.

#### **Grantmaking policy**

The charity awards grants to be used in accordance with its charitable objectives.

#### **Principal funding sources**

Principal funding sources during the year were from the generation of revenue from the lottery and monthly pledge campaigns. Expenditure during the year under review has supported the key objectives of the charity by firmly establishing a viable basis for the future success of the lottery and pledge campaigns.

#### **Investment powers and policy**

Under the Memorandum and Articles of Association, to further its objects the charity has the power to invest any funds not immediately required for its objectives in or upon any investments, securities or property.

#### **Risk management**

The major risks to which the charity is exposed relate in particular to the commitments made to outside parties who undertake the various fundraising campaigns for the charity. There can be considerable set-up costs involved in new fundraising campaigns, which means there is a delay before a particular campaign realises a surplus. Once the trustees have approved the new campaign, they subsequently receive regular reports of its progress and are kept apprised of any budget irregularities that the campaign may be facing. Restrictions on further commitments can be instituted quickly and, in addition, a request that the outside contractor comply with specific guidelines to keep the program contained can be also implemented efficiently. The trustees also require that safeguards be incorporated into legal agreements with the fundraising contractors to limit the risk exposure of the charity.

#### **Plans for future periods**

The charity will continue to support Post Doctorate Fellowships for young and emerging UK researchers and collaborate with The Heart Research Institute Australia in funding specialist equipment and research so we can understand more about, and to find a cure for cardiovascular diseases, which are the number one killer of people worldwide.

# THE HEART RESEARCH INSTITUTE (UK)

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### **Structure, governance and management**

The Heart Research Institute (UK) is a company limited by guarantee and is governed by its Memorandum and Articles, dated 14 September 2006. It is also registered as a charity with the Charity Commission for England and Wales (No. 1116918) and, with effect from 1 March 2012, the Scottish Charity Regulator (SC042984).

The Trustees, who are also the directors of The Heart Research Institute (UK) for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr A C Caton OBE

Mr S B Moodey

Mr A Phillips

Ms E L Pintado

Mr A W Pollitt

Prof Andrew Grace

Prof Andrew Coats

As set out in the Articles of Association trustees are appointed by a resolution of the members for a renewable term of three years. The charity shall have at least three Trustees who are not trustees/and/or employees of The Heart Research Institute Limited.

#### **Organisation**

The Heart Research Institute (UK) and The Heart Research Institute Ltd have entered into a 'Service Agreement' to record the basis on which they will work together to further the charities' charitable objects and to outline the services provided by The Heart Research Institute Ltd to The Heart Research Institute (UK).

Under the Services Agreement, the day-to-day fundraising and administrative activities of the charity have been delegated to the management staff of The Heart Research Institute Ltd. These staff members report to a Director of the Institute who, in turn, is subject to the Board of Governors of the Australian company. However, any arrangements and activities affecting the UK charity are also subject to the oversight and review of the board of trustees of The Heart Research Institute (UK). In particular, new fundraising programs require the specific approval of the trustees who will meet as a board to consider and vote on such proposals.

#### **Trustee induction and training**

The charity has espoused a policy of providing new trustees with whatever information and assistance is necessary to help them fulfil their responsibilities under both the Companies Act 2006 and their roles under relevant legislation and regulations affecting the organisation as a charity. The procedures adopted include providing new trustees with a copy of The Essential Trustee: what you need to know supplied by the Charity Commission for England and Wales which describes the roles and responsibilities of trustees, as well as a copy of the company's constitution. The trustees are also encouraged to visit the website of the charity commission for regular updates or changes to legislation and guidelines. Ongoing information updates along with regular communication between The Heart Research Institute Ltd management and the trustees ensures knowledge and information currency.

#### **Related parties**

The charity is a wholly owned subsidiary of The Heart Research Institute Ltd, an Australian charity which runs heart research programmes and which has built up expertise in the fields of both running a charity and fundraising in this area. The objects of the charity (as outlined above) are compatible with The Heart Research Institute Ltd and both are committed to the promotion and support of research and the advancement of education in this area. The Heart Research Institute Ltd assists the charity by providing it with the services and support it needs to successfully operate and raise funds in order to support heart research and educate the public.

The Heart Research Institute has a presence in Scotland. Our scientists are working across a number of research areas to identify factors that contribute to an increase risk of heart disease. Understanding the underlying causes of heart disease is the key to finding a solution.

## THE HEART RESEARCH INSTITUTE (UK)

### TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)


*FOR THE YEAR ENDED 31 DECEMBER 2024*

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#### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

The Trustees report was approved by the Board of Trustees.



Mr A W Pollitt

Date: 19 MARCH 2025

# THE HEART RESEARCH INSTITUTE (UK)

## STATEMENT OF TRUSTEES RESPONSIBILITIES

### *FOR THE YEAR ENDED 31 DECEMBER 2024*

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The Trustees, who are also the directors of The Heart Research Institute (UK) for the purpose of company law, 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).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the The Heart Research Institute (UK) and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the The Heart Research Institute (UK) will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the The Heart Research Institute (UK) and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the The Heart Research Institute (UK) and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# THE HEART RESEARCH INSTITUTE (UK)

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE HEART RESEARCH INSTITUTE (UK)

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#### Opinion

We have audited the financial statements of The Heart Research Institute (UK) (the 'The Heart Research Institute (UK)') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 December 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 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the The Heart Research Institute (UK)'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

# THE HEART RESEARCH INSTITUTE (UK)

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE HEART RESEARCH INSTITUTE (UK)

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#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the The Heart Research Institute (UK) for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the The Heart Research Institute (UK)'s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# THE HEART RESEARCH INSTITUTE (UK)

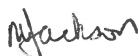
## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE HEART RESEARCH INSTITUTE (UK)

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#### 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 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.



**Mr Mark Jackson FCA DChA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

19.3.2015

**Chartered Accountants**  
**Statutory Auditor**

Westpoint  
Lynch Wood  
Peterborough  
Cambridgeshire  
United Kingdom  
PE2 6FZ

Azets Audit Services is eligible for appointment as auditor of the The Heart Research Institute (UK) by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# THE HEART RESEARCH INSTITUTE (UK)

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
	Notes						
<b>Income from:</b>							
Donations and legacies	3	421,688	-	421,688	441,958	-	441,958
Other trading activities	4	248,413	-	248,413	257,635	-	257,635
Investments	5	164,106	-	164,106	165,516	-	165,516
<b>Total income</b>		<b>834,207</b>	<b>-</b>	<b>834,207</b>	<b>865,109</b>	<b>-</b>	<b>865,109</b>
<b>Expenditure on:</b>							
Raising funds	6	153,020	-	153,020	273,638	-	273,638
Charitable activities	7	171,849	98,795	270,644	437,049	160,798	597,847
<b>Total expenditure</b>		<b>324,869</b>	<b>98,795</b>	<b>423,664</b>	<b>710,687</b>	<b>160,798</b>	<b>871,485</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>509,338</b>	<b>(98,795)</b>	<b>410,543</b>	<b>154,422</b>	<b>(160,798)</b>	<b>(6,376)</b>
Gross transfers between funds		(76,296)	76,296	-	132,992	(132,992)	-
<b>Net income/(expenditure) for the year/</b>							
<b>Net movement in funds</b>		<b>433,042</b>	<b>(22,499)</b>	<b>410,543</b>	<b>287,414</b>	<b>(293,790)</b>	<b>(6,376)</b>
Fund balances at 1 January 2024		2,754,929	314,006	3,068,935	2,467,516	607,795	3,075,311
<b>Fund balances at 31 December 2024</b>		<b>3,187,971</b>	<b>291,507</b>	<b>3,479,478</b>	<b>2,754,930</b>	<b>314,005</b>	<b>3,068,935</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE HEART RESEARCH INSTITUTE (UK)

## BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
<b>Current assets</b>					
Debtors	11	23,828		28,445	
Cash at bank and in hand		3,695,436		3,424,056	
		<u>3,719,264</u>		<u>3,452,501</u>	
<b>Creditors: amounts falling due within one year</b>	12	(239,786)		(383,566)	
Net current assets		<u>3,479,478</u>		<u>3,068,935</u>	
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds	13	291,507		314,005	
General unrestricted funds		<u>3,187,971</u>		<u>2,754,930</u>	
		<u>3,479,478</u>		<u>3,068,935</u>	
		<u>3,479,478</u>		<u>3,068,935</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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 by the Trustees on 19 MARCH 2025



Mr A W Pollitt

Trustee

Company registration number 05935975

# THE HEART RESEARCH INSTITUTE (UK)

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	16		107,274		(218,083)
<b>Investing activities</b>					
Investment income received		164,106		165,516	
<b>Net cash generated from investing activities</b>			164,106		165,516
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			271,380		(52,567)
Cash and cash equivalents at beginning of year			3,424,056		3,476,623
<b>Cash and cash equivalents at end of year</b>			3,695,436		3,424,056

# THE HEART RESEARCH INSTITUTE (UK)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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### 1 Accounting policies

#### Charity information

The Heart Research Institute (UK) is a private company limited by guarantee incorporated in England and Wales. The registered office is Bankside 300, Peachman Way, Broadland Business Park, Norwich, Norfolk, NR7 0LB, United Kingdom.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the The Heart Research Institute (UK)'s articles of association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The The Heart Research Institute (UK) is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the The Heart Research Institute (UK). Monetary amounts in these financial statements are rounded to the nearest £.

#### 1.2 Going concern

The charity has generated sufficient financial resources from its activities to allow the Trustees to believe that the charity is well placed to manage its business risks successfully in the current economic climate. Accordingly, the Trustees have a reasonable expectation that the charity has adequate resources to continue in existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the financial statements. The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and committed costs beyond its fixed costs of operation.

The Trustees have reviewed the cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period.

Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due at least 12 months from the date of approval of the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Income

Income is recognised when the The Heart Research Institute (UK) is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

# THE HEART RESEARCH INSTITUTE (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 1 Accounting policies

(Continued)

##### **Voluntary income**

Donations are generated through the pledge program activity are included within incoming resources when probable.

##### **Other income**

Other income, including interest income, are included within incoming resources when probable.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Costs of generating voluntary income include expenditure associated with the activities undertaken by the charity to generate such income, such as the pledge programme.

Fundraising expenditure includes expenditure associated with the setting up and running the lottery activities undertaken by the charity and consists of the direct costs relating to these activities.

Grants payable are included within the statement of financial activities when approved by the trustees and agreed with the recipient unless there are restrictions of future funding that allow the charity to withdraw the funding at their discretion.

Governance costs include expenditure incurred in the governance of the charity and its assets. These are primarily associated with the constitutional and statutory requirements.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The Heart Research Institute (UK) 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 The Heart Research Institute (UK)'s balance sheet when the The Heart Research Institute (UK) 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 debtors and cash and 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.



# THE HEART RESEARCH INSTITUTE (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 1 Accounting policies

(Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when The Heart Research Institute (UK)'s contractual obligations expire or are discharged or cancelled.

#### 2 Critical accounting estimates and judgements

In the application of The Heart Research Institute (UK)'s accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### 3 Donations and legacies

	Unrestricted funds general 2024 £	Unrestricted funds general 2023 £
Donations and gifts	421,688	441,958
<b>Donations and gifts</b>		
General donations	50,804	40,519
Pledge program donations	370,884	401,439
	421,688	441,958

# THE HEART RESEARCH INSTITUTE (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 4 Other trading activities

	Unrestricted funds general 2024 £	Unrestricted funds general 2023 £
Lottery activities	248,413	257,635

### 5 Investments

	Unrestricted funds general 2024 £	Unrestricted funds general 2023 £
Interest receivable	164,106	165,516

### 6 Raising funds

	Unrestricted funds general 2024 £	Unrestricted funds general 2023 £
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	19,982	22,011
Other fundraising costs	133,038	251,627
	<u>153,020</u>	<u>273,638</u>
Fundraising and publicity	153,020	273,638

# THE HEART RESEARCH INSTITUTE (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 7 Charitable activities

	2024 £	2023 £
Awareness costs	17,223	13,347
Research costs	230,581	548,472
	<u>247,804</u>	<u>561,819</u>
Share of governance costs (see note 8)	22,840	36,028
	<u>270,644</u>	<u>597,847</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	171,849	437,049
Unrestricted funds - designated	98,795	160,798
	<u>270,644</u>	<u>597,847</u>

Included within the research costs noted above is £214,644 (2023: £491,103) of contributions by the charity to the parent company for research and scientific expenditure. Of this amount, £nil (2023: £330,305) relates to the establishment of a fluxomics centre at HRI Australia out of unrestricted funds.

### 8 Support and governance costs

	2024 Governance costs £	2023 Governance costs £
Auditor fees	19,000	18,900
Legal and professional	3,840	17,128
	<u>22,840</u>	<u>36,028</u>
Charitable activities	<u>22,840</u>	<u>36,028</u>

Governance costs includes payments to the auditors of £16,500 (2023- £15,600) for audit fees.

### 9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the The Heart Research Institute (UK) during the year.

### 10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# THE HEART RESEARCH INSTITUTE (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 11 Debtors

	2024 £	2023 £
<b>Amounts falling due within one year:</b>		
Other debtors	16,142	17,481
Prepayments and accrued income	7,686	10,964
	<u>23,828</u>	<u>28,445</u>

#### 12 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Accrued grant expenditure		136,399	247,163
Trade creditors		50,601	91,164
Amount owed to parent undertaking		33,765	26,022
Accruals and deferred income		19,021	19,217
		<u>239,786</u>	<u>383,566</u>

#### 13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2023 £	Resources expended £	Transfers £	Balance at 1 January 2024 £	Resources expended £	Transfers £	Balance at 31 December 2024 £
Collaborator contracts	79,529	-	(79,529)	-	-	-	-
Funding committed for parent company	528,266	(160,798)	(53,463)	314,005	(98,794)	76,296	291,507
	<u>607,795</u>	<u>(160,798)</u>	<u>(132,992)</u>	<u>314,005</u>	<u>(98,794)</u>	<u>76,296</u>	<u>291,507</u>

The designated funds represent grants that have been set aside by the Board for internal programmes not finalised at the year end.

# THE HEART RESEARCH INSTITUTE (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 14 Analysis of net assets between funds

	Unrestricted funds 2024 £	Designated funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Designated funds 2023 £	Total 2023 £
Fund balances at 31 December 2024 are represented by:						
Current assets/(liabilities)	3,187,971	291,507	3,479,478	2,754,930	314,005	3,068,935
	<u>3,187,971</u>	<u>291,507</u>	<u>3,479,478</u>	<u>2,754,930</u>	<u>314,005</u>	<u>3,068,935</u>

### 15 Related party transactions

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2024 £	2023 £
Balance due to The Heart Research Limited, the ultimate parent company.	33,765	26,022
	<u>33,765</u>	<u>26,022</u>

### 16 Cash generated from operations

	2024 £	2023 £
Surplus/(deficit) for the year	410,543	(6,376)
Adjustments for:		
Investment income recognised in statement of financial activities	(164,106)	(165,516)
Movements in working capital:		
Decrease in debtors	4,617	36,070
(Decrease) in creditors	(33,016)	(329,424)
(Decrease)/increase in deferred income	(110,764)	247,163
<b>Cash generated from/(absorbed by) operations</b>	<u>107,274</u>	<u>(218,083)</u>

# THE HEART RESEARCH INSTITUTE (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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### **17 Ultimate parent company**

The company's ultimate parent company, both this year and the previous year, was The Heart Research Institute Ltd, a company incorporated in Australia. As such, these financial statements will be consolidated within this entity. The Heart Research Institute Ltd is located at the following address:

7 Eliza Street  
Newtown  
NSW 2042  
Australia

### **18 Controlling interest**

The company is ultimately controlled by The Heart Research Institute Ltd both this year and the previous year.